BOOSTER FINANCIAL PROCEDURES HANDBOOK

CONTENTS

RESOURCES 3

FIDUCIARY RESPONSIBILITY 4

BYLAWS 4

RESOURCES

Burbank Unified School District

Dr. John Paramo, Assistant Superintendent of Educational Services

johnparamo@burbankusd.orgd.6d56.1510.003eg-E,p /P (m06(s)me@ (s)m6(s)

FIDUCIARY RESPONSIBILITY

Every board member has a fiduciary responsibility to protect the assets of the booster club. Assets include money, volunteers, reputation and continuity of the organization. The financial officers have the responsibility to ensure the financial transactions are reported properly and the transactions are transparent for the board members and the members of the association(s).

BYLAWS

You are entitled to a copy of your organization's bylaws.
A copy should always be part of your permanent records.
Read them through, especially sections related to your job description/duties and any financial information pertaining to your organization.

FUNDRAISING AND PROTECTING BOOSTER CLUB TAX EXEMPTION

Booster clubs are exempt from taxes under Section 501(c)(3) of the Internal Revenue Code if the organization has filed for tax exemption status with the IRS.

BUDGET

BUDGET COMMITTEE (BEGINS WORK IN APRIL)

Check your bylaws for list of budget committee members; otherwise, the committee is appointed by the president-elect.
Committee is chaired by the treasurer-elect.
Design a financial plan to meet the needs of the program, activity, or school based on goals and objectives in collaboration with the teacher/coach/director booster liaison.
Include "cost of doing business" expenses for your booster club, such as insurance, printing, etc., and fundraising expenses.
Create proposed budget.
Budget is an ESTIMATE of planned gross income and expenses for the next year.
Can be changed or modified during the year.
Requires membership approval.

CARRY OVER FUNDS FOR BUDGETING

In general, funds raised by the booster club should be used in the year earned. It is acceptable to hold "carry over" funds for startup costs for the new school year and funds that have been restricted in use. These funds are intended to serve as a means to retain financial stability.

Money can be carried over as designated funds for specific purchases. These are considered restricted funds and must be used only for that designated purpose.

In planning the budget, it is not uncommon for booster clubs to have a small contingency savings for the efficient management of funds for reasons such as summer expenses and school year start up.

BUDGET ADOPTION (MAY)

Budget committee makes adjustments.
Executive board reviews budget draft.

Boosters may not pay individuals who assist with any co-curricular or instructional program directly. Funds must be donated to BUSD, and the district will, in turn, hire the individuals in accordance with district policy

RECEIPTS/DONATIONS/INCOME/CASH HANDLING

It is recommended that every school site have some way to secure money on site, such as a safe, a permanently installed lock box, etc. Arrange to meet an officer or chairman of the organization at the safe/lock box as frequently as you feel the money is coming in (i.e. daily, weekly, semi-weekly, etc.).

Separate monies for deposit by fundraising campaign or event (e.g. direct giving campaign, book-fair, game concessions, etc.).

Make copies of checks and record cash in receipt book(s), by individual donor, for back up and recording of income in the financial files and reports. Also document by computer spreadsheet or manual ledger. Record the check number, payee, date, bank identity number, amount and what booster club activity the donation was written for.

TWO PERSONS NOT RELATED BY BLOOD OR MARRIAGE OR RESIDING IN THE SAME HOUSEHOLD MUST COUNT AND VERIFY ALL MONEY.

Use a cash verification (money counting form) form to list all cash and checks. It is recommended to have a printing calculator to run your totals on paper tape. Attach this to your cash verification form. Have your witness verify the money and sign the cash verification form.

- Cash Verification Form or Money Counting Form
  - Must be used for the receipt of all cash and checks
  - Must be signed by all persons counting the funds
  - If someone else takes custody from those counting, the cash verification form

TREASURER'S DUTIES FOR CASH HANDLING

Bank deposits will be made by the treasurer or financial secretary on a daily basis when warranted. When possible, deposits will be made during regular banking hours. If an event finishes after banking hours, deposits can be held in the safe on school campus or secure location on campus until the next business day. The treasurer will report to the chairperson the amount of money deposited by providing copies of deposit receipts.

SECURING CASH

The booster president and treasurer share the combination to the safe. Two board members are needed to open the safe at any time. Board members opening the safe will witness removal and/or replacement of the contents and will close the safe and verify that the safe is locked and secure before leaving the premises.

DEPOSITS

All funds received by the booster club shall be deposited directly into the appropriate booster club account in the bank designated by the club. Checks returned by the bank for insufficient funds, a closed account, or any other reason, shall be charged to the appropriate booster club fund. Immediate and reasonable attempts must be made to collect cash from the maker of a returned check. A returned check is surrendered to the maker only when cash is received to replace it. Replacement checks are not acceptable, and the returned check is not to be re- deposited (bank charges are incurred). If the check is collected upon, then the same fund is credited.

DISBURSEMENTS/EXPENSES

Treasurer reviews receipts and the completed check request or authorization form before writing the check. (See Check Request/Authorization Form for 501(c)(3) groups at burbankusd.org/domain/527)

All items submitted for disbursement must have an invoice or check request with *original* receipt attached as back-up and description of reason for expense.

Items should be noted with the payee name, amount, fundraising campaign or event and purpose.

- Invoices received for services should have an IRS W9 form completed before exchange of the check. This is to ensure proper 1099 reporting to the IRS in January.
- Requests for **reimbursement**, where an individual has purchased itemsu1 Tw 1.5ch

CONTENTS

RESOURCES 3

FIDUCIARY RESPONSIBILITY 4

BYLAWS 4