



**CUMBERLAND VALLEY**  
SCHOOL DISTRICT

*Soaring to Greatness, Committed to Excellence*

**REQUIREMENTS,  
GUIDELINES, FORMS,  
AND ANNUAL  
DISCLOSURE  
AGREEMENT**

For PTOs, Boosters, and  
Other School-Related Organizations

# TABLE OF CONTENTS

## Contents

Definitions and Understandings.....	2
School-Related Organizations or Groups.....	2
Requirements for Recognition:.....	2
Use of Facilities by School-Related Organizations and Groups .....	2
Fundraising by School-Related Organizations and Groups.....	3
Clearances for Adults in Proximity of Students .....	4
Best Practices – Administrative.....	4
Best Practices – Financial Records .....	5
Best Practices – Cash Receipts .....	5
Best Practices – Cash Disbursements .....	6
Requirements.....	7
Acknowledgments.....	8
School-Related Organization Officer Terms and Financial Questionnaire .....	9
School-Related Group Application for School-Related Status .....	10
School-Related Group Fundraising Request Form .....	11
School-Related Group Third-Party Fundraising Request Form.....	12
PTO Monthly Financial Reporting .....	13
District Recommended List of Acceptable Annual Expenditures for PTO Groups.....	14
District Recommended List of Acceptable Annual Expenditures for Booster Groups.....	15

## Definitions and Understandings

The Cumberland Valley School District is committed to working with school-related organizations and groups that provide positive support to the students, academic, athletic, and co/extra-curricular programs, and personnel who run those programs, as well as provide opportunities for students to apply knowledge and skills, develop leadership capacity, organizational and time management skills, accountability, and the like.

## School-Related Organizations or Groups

- Share the interests and concerns of the school district. (i.e. PTOs, booster organizations, and Eagle Foundation.)
- Are annually approved by the Board of School Directors as a school-related organization or group.
- Follow guidelines and procedures established by the Superintendent or his/her designee required to maintain their designation as “school-related.”
- Maintain bank accounts separate from the district and are strongly encouraged to seek a 501(c)(3) charitable organization designation.
- Are managed and operated by individuals that are not employed by the Cumberland Valley School District

## Requirements for Recognition:

In order for an organization or group to be recognized by the Board of School Directors as school-related the executive board or governing body of the organization shall submit the items listed below to the Superintendent and Board Secretary in January of each year and at a subsequent meeting of the Board of School Directors receive a majority vote recognizing the organization or group as school related.

- A current constitution and bylaws for the organization and, if applicable, a copy of current 501(c)(3) charitable organization designation.
- A listing of officers as well as updates after any organizational meeting in which they change.
- A current Annual Disclosure Agreement signed by each officer. The purpose of the Annual Disclosure Agreement is for the officers of the organization to affirm that they have read and understand the Best Practices for operating a School-related organization within the Cumberland Valley School District.
- The name of the president or his/her representative willing to serve on a committee chaired by the Superintendent or designee for the purpose of communicating organization/group activities and receiving information from the administration to ensure an effective communication network between school organizations and groups and the school administration.

## Use of Facilities by School-Related Organizations and Groups

School-Related Organizations and Groups:

- may be granted the use of Cumberland Valley School District facilities at reduced fees and may be given a scheduling preference before external groups. The administration has the authority to approve the use of school facilities for these groups. (Policy 707-Use of School Facilities).
- may not schedule the use of school facilities for external or outside organizations.
- may not, without prior written approval, charge admission fees or collect donations while using school facilities unless all of the monies collected go directly to the group or organization’s own benefit.
- may show non-monetary support for school sponsored, other school-related and external

organizations. (i.e. create a special section for midget football players and cheerleaders at an event, recognize the contributions of a member of the community, etc.).

## Fundraising by School-Related Organizations and Groups

School-related organizations and groups wishing to conduct fundraising activities that involve students must:

- be planned and carried out so as to safeguard the health, safety and general well-being of students and adhere to Policy 229 – Student Fundraising.
- must attest that the organization’s fundraising activities are educationally based, strive to follow best accounting practices as set forth in this policy and district guidelines, and have required clearances for adults working with children.
- demonstrate that a clear need to fundraise exists, establish a clear timeline, and a show the benefit that students derive from involvement.
- provide parents the opportunity to make a contribution in their child’s name rather than participate in the fundraising collection.
- **not** directly or indirectly evoke punitive measures against parents and/or students who wish to opt out of participating in fund raising activities.

Further, school-related organizations and groups wishing to conduct fundraising activities are:

- strongly encouraged to limit fundraising activities to only what is needed to support students in a calendar year or as part of a well-defined, multi-year effort.
- strongly encouraged to expend all monies on the needs of students within the time frame students typically are associated with the organization. (i.e. JV/Varsity Booster-4 Years, Elementary PTO-6 Years)
- expected to work with the school administration to assure that all monies provided to student groups are Title IX compliant and consistent with the expectations of the PIAA and NCAA.
- expected to work with school administration to help assure that donations made by school-related organizations do not create educational inequities across the district.
- provide opportunities for students of families experiencing financial hardship to participate in the activities the organization supports.
- prohibited from utilizing students during instructional time for fundraising activities without prior approval of the building principal.
- avoid contests and promotions with fundraising that make students feel obligated to participate and/or fearful of being identified as being low-income if they do not.
- limit fund raising for external organizations on campus and refrain from engaging in fundraising for the benefit of third-party charities in the community.

School-related organizations and groups involved in concessions at school events shall follow district guidelines. In this regard, with input, the Superintendent or designee shall annually publish and distribute a Concessionaire’s Manual.

External organizations/groups that receive funds through the efforts of Cumberland Valley School District students, faculty, staff, and community are expected to follow accounting practices required of their 501(c)(3) designation. School-related groups who are fundraising for a 501(c)(3) are encouraged to solicit donations in a manner that allow funds to go from the donor directly to the non-profit organization.

Outside groups and individuals that do not have a 501(c)(3) designation are prohibited from receiving funds from school-sponsored organizations or groups, through student trusts, or by direct solicitation on school district property.

## Clearances for Adults in Proximity of Students

School-related groups and any of the volunteers they utilize as part of their organization/group, organizations/groups that support the organization, and any outside vendors or contractors they may contract with shall maintain all of the clearances required by the Commonwealth of Pennsylvania and do so in a manner consistent with Cumberland Valley School District policy and guidelines.

## Best Practices – Administrative

1. Your organization must obtain an employer identification number through the IRS. Use of the District employer identification number or sales tax exempt number is not permitted.
2. The District strongly recommends that your organization become recognized by the Internal Revenue Service (IRS) as a section 501 (c)(3) organization since you will be receiving donations. In future years the District may require the organization to provide proof of the 501 (c)(3) designation.
3. Monies raised through your organization should be used for the general benefit of the group as a whole. Efforts to segregate or silo monies for individual students should not occur and may jeopardize the group's 501 (c)(3) (tax exempt) status with the IRS. All entities must be aware that "siloing" is prohibited under the Internal Revenue Code. *Capital Gymnastics Booster Club, Inc. v Commissioner*, T.C. Memo 2013-193, for information on this prohibition and recent enforcement.
4. The organization should consider proper bonding insurance in an appropriate amount with a surety approved by the organizing board to protect the organization.
5. Consider implementing term limits for officers.
6. Keep contemporaneous minutes of meetings held or written actions undertaken during the year by the governing body and each committee authorized to act on behalf of the governing body.
7. Adopt IRS recommended policies:
  - A. Whistleblower Policy – Charitable organizations are strongly encouraged to implement procedures that provide club/organization members the ability to inquire about or resolve ethical issues or questions.
  - B. Conflict of Interest Policy – Updated Annually
  - C. Document Destruction Policy
8. The governing body should review all Federal tax filings (990, 990-EZ) if applicable before filing with IRS.
9. Comply with the IRS requirements for substantiation and disclosure regarding charitable contributions and fundraising. (See IRS Publication 1771)

10. Efforts to raise money for other external organizations should be minimized and, to the extent they are conducted, the funds raised shall not be comingled with regular operating funds.
11. Any time small groups of chance (raffles, bingos) are conducted, a Small Games of Chance license is required to be procured from the Cumberland County Treasurer's office.

### Best Practices – Financial Records

1. The organization's financial records should be maintained and reconciled on adequate computer software (ex: Peachtree, QuickBooks) to provide financial transparency for the organization.
2. An annual budget should be completed by the organization to measure organizational expectations. (Consider a two year budget approach.)
3. Carryover balances for the organization should be no greater than 30% of the next year's budget.
4. Develop a records retention policy and determine where the important records will be maintained.

### Best Practices – Cash Receipts

1. A tracking system must be established for all receipts. This will simplify year end reporting. (Use of QuickBooks is highly recommended as a tracking system.)
2. If an event requires tickets for admission purposes, pre-numbered tickets should be required.
  - A. Beginning and ending tickets should be reconciled to receipts per event.
  - B. Tickets should be distributed in sequence; irregularities relating to the sequencing should be investigated immediately.
3. All checks should be restrictively endorsed "For deposit only" immediately upon receipt.
4. Maintain log of cash and checks received, including copies of checks. This log should be signed by persons collecting the funds for accountability. This tool will aid to simplify monthly and annual reporting requirements. (Scanned copies are acceptable; not required to maintain in hard copy form.)
5. Two individuals should be present when receiving and counting cash/check receipts.
  - A. Each person should count the funds individually to ensure accuracy. The counts should be logged on one report.
  - B. Report should be signed by both individuals involved in the counting process.
  - C. The count sheet report should be forwarded to the person responsible for reconciling the bank statement.
    - i. Bank statements must be reconciled within 5 days of receipt from a person who is independent of the initial count and deposit process.
    - ii. On-line banking allows more timely reconciliations and the identification of questionable transactions occurring throughout the month.

6. Establish which members of the entity will have the ability to make deposits. Deposits should be made frequently (e.g. no less than weekly)
7. If cash and checks are not being deposited on the day of the event, after two people independently count and sign off, the cash and checks must be locked in a secure area until deposited.
  - A. The person who has access to the secured cash should not be the same person who counted the cash and checks, and attested to the count. This may be the same person who will create the deposit slip.
  - B. The person preparing the deposit slip should not be involved in the initial count of the funds.
8. The deposit receipt from the bank should be given to the original reconciler, who then compares the deposit to the initial reconciliation. Any discrepancies should be investigated in accordance with entity procedures.

### Best Practices – Cash Disbursements

1. A tracking system must be established for all disbursements
  - A. This will simplify year end reporting.
  - B. Use of QuickBooks is highly recommended as a tracking system.
2. Disbursements must be issued using pre-numbered checks.
  - A. Any missing checks should be investigated immediately.
  - B. The financial institution should be notified immediately to cancel/void missing checks
3. Blank checks should be restricted/secured in a locked location by someone who is not an authorized signatory.
4. Checks written to “Cash” are prohibited.
5. Disbursements must require approved invoice or receipt prior to being prepared for review and signatures.
  - A. Paid invoices should be marked as “paid” to eliminate any potential for duplicate payments.
6. Require all checks to have **two** Club or Organization Officers’ review and signature
  - A. Rubber signature stamps should NEVER be allowed. All signatures must be live.
  - B. Blank checks should NEVER be signed in advance and kept for “emergency” purchases.
7. Checks can only be signed by those listed as “authorized signatories.” Signatory cards must be updated with the bank when officer positions are changed.
8. The organization is required to issue IRS Form 1099 to each person to whom the entity has paid at least \$600 in rents, services (including parts and materials), prizes and awards, or other income payments.

- A. The entity is required to issue a 1099 to any individual, partnership, limited liability company, limited partnership or estate.
9. If the entity issues a considerable number of checks, consider implementing Payee Positive Pay. Your financial institution can help you with this process.

## Requirements

1. CVSD Employees should not be officers of school related organizations and clubs.
2. CVSD Employees shall not collect, receive, count, or maintain receipts for the organization. CVSD employees shall not disburse funds for the organization.
3. Background checks should be completed for all volunteers and club members who will be operating, promoting or engaging in activity on CVSD property.
4. The newly amended Child Protective Services Law (CPSL) significantly affects volunteers involved with Cumberland Valley School District students and in the District's facilities.
5. Approved Volunteers (e.g. those who have successfully completed background checks) must update their activity with the CVSD Approved Advisor listing each school year.
6. Volunteers must review and attest to the volunteer policy on an annual basis.
7. Monthly statements of account balance must be filed for all accounts no later than 30 days after the month ends.
8. Any fundraising activities must be documented on the School-Related Group Fundraising Request Form and approved by the Building Administrator prior to conducting the activity.
9. The name of the president or his/her representative willing to serve on a committee chaired by the Superintendent or designee for the purpose of communicating organization/group activities and receiving information from the administration to ensure an effective communication network between school organizations and groups, and the school administration must be submitted to the Business Office.





CUMBERLAND VALLEY  
SCHOOL DISTRICT

## Acknowledgments

We have read and understand each of the **Best Practices** acknowledge it is our responsibility to implement as many of the Best Practices as possible in order to protect the organization and the public monies entrusted to us.

_____ President Name	_____ President Signature	_____ Date
_____ Vice-President Name	_____ Vice-President Signature	_____ Date
_____ Secretary Name	_____ Secretary Signature	_____ Date
_____ Treasurer Name	_____ Treasurer Signature	_____ Date

We have read and understand each of the list of **Requirements** and acknowledge that it is our responsibility to make sure each of the District requirements listed are complied with.

_____ President Name	_____ President Signature	_____ Date
_____ Vice-President Name	_____ Vice-President Signature	_____ Date
_____ Secretary Name	_____ Secretary Signature	_____ Date
_____ Treasurer Name	_____ Treasurer Signature	_____ Date

**Any changes to this list will be communicated directly to the Business Office and Building Principal within 7 business days.**



## School-Related Organization Officer Terms and Financial Questionnaire

**ORGANIZATION NAME:** \_\_\_\_\_

**PRIMARY CONTACT INDIVIDUAL**

NAME	TITLE
PHONE NUMBER	E-MAIL

**OFFICERS:**

President	Term End Date	Phone	E-mail
Vice-President	Term End Date	Phone	E-mail
Secretary	Term End Date	Phone	E-mail
Treasurer	Term End Date	Phone	E-mail

**FINANCIAL ACKNOWLEDGMENTS:**

Name of Accounting Software \_\_\_\_\_

When does the Organization finalize the annual budget? \_\_\_\_\_

How many disbursements does the Organization make annually? \_\_\_\_\_

Date the Organization's bylaws were last updated \_\_\_\_\_

Has the Organization registered as a 501(c)(3)?  Yes  No

Does the Organization compensate any individuals?  Yes  No

When does your Organization conduct meetings? \_\_\_\_\_

Printed Name	Signature	Date
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This form is to be returned to Sharon Miller at the District Office or sent via e-mail to [semiller@cvschools.org](mailto:semiller@cvschools.org)

(EXHIBIT A)



CUMBERLAND VALLEY  
SCHOOL DISTRICT

## School-Related Group Application for School-Related Status



NAME OF ORGANIZATION: \_\_\_\_\_

PURPOSE/MISSION OF ORGANIZATION: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

HOW DOES THE ORGANIZATION  
BENEFIT CV STUDENTS/FAMILIES/  
COMMUNITY? \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

(Attach Additional Pages if Necessary)

Does the Organization have 501(c)3 Status? **YES**

**NO**

Please attach the following:

- Copy of By-Laws
- Names and Contacts of Officers
- Signed Acknowledgement Form- Pg15 of this Publication
- Certificate of Insurance for Rentals

- Anticipated Budget
- Clearances of Officers
- Other Information the Organization Wishes to Share

\_\_\_\_\_  
*Signature President/Chief Executive Officer Signature*

\_\_\_\_\_  
*Date*

*Print Name:* \_\_\_\_\_



(EXHIBIT C)



CUMBERLAND VALLEY  
SCHOOL DISTRICT



## School-Related Group Third-Party Fundraising Request Form

SCHOOL RELATED ORGANIZATION NAME \_\_\_\_\_

DATE OF FUNDRAISER: \_\_\_\_\_

THIRD-PARTY ORGANIZATION: \_\_\_\_\_

DOES THE THIRD-PARTY ORGANIZATION HAVE 501(c) 3 STATUS OR TRUST:                      **YES**                      **NO**

HAS THE THIRD-PARTY ORGANIZATION DONE OTHER FUNDRAISERS THIS YEAR  
WITH THIS OR OTHER SCHOOL RELATED OR SCHOOL SPONSORED GROUPS?                      **YES**                      **NO**  
*(IF "NO" PLEASE ATTACH ALL PREVIOUS REQUEST FORMS)*

WHAT IS THE EDUCATIONAL VALUE OF THIS FUNDRAISER FOR CV STUDENTS? \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

WHAT % OF THE PROCEEDS BENEFIT CV STUDENTS/FAMILIES/COMMUNITY: \_\_\_\_\_

EXPECTED REVENUE FROM THE FUNDRAISER

\$ _____
----------

\_\_\_\_\_  
*Officer Name*

\_\_\_\_\_  
*Date*

\_\_\_\_\_  
*Officer Signature*

\_\_\_\_\_  
*Date*

<input type="checkbox"/> <b>FUNDRAISER APPROVED</b>	<input type="checkbox"/> <b>FUNDRAISER NOT APPROVED</b>
_____ <i>Administrator/Principal Signature</i>	_____ <i>Date</i>

(EXHIBIT D)



CUMBERLAND VALLEY  
SCHOOL DISTRICT

PTO Monthly Financial Reporting



ORGANIZATION NAME \_\_\_\_\_

MONTHLY REPORTING PERIOD \_\_\_\_\_

**BEGINNING MONTHLY BALANCE** \_\_\_\_\_

**DEPOSITS & REVENUE FOR MONTH** \_\_\_\_\_

**CHECKS & EXPENSES FOR MONTH** \_\_\_\_\_

**ENDING MONTHLY BALANCE** \_\_\_\_\_ **A**

**ANNUAL BUDGET** \_\_\_\_\_ **B**

**MONTHLY BALANCE  
AS A PERCENTAGE OF BUDGET (A ÷ B)** \_\_\_\_\_ **C**

\_\_\_\_\_  
*Officer Name*

\_\_\_\_\_  
*Date*

\_\_\_\_\_  
*Officer Signature*

\_\_\_\_\_  
*Date*

\_\_\_\_\_  
*Administrator/Principal Signature*

\_\_\_\_\_  
*Date*

**Please attach FINAL BANK STATEMENT & BANK RECONCILIATION for Ending Month**

(EXHIBIT E)



CUMBERLAND VALLEY  
SCHOOL DISTRICT

District Recommended List of Acceptable Annual Expenditures for PTO Groups



## FOR PTO GROUPS

CATEGORY		MAXIMUM COST	
Assemblies		\$5,000	
After School Clubs		\$5,000	
Building Beautification		\$300	
Community Donations		\$3,000	
Eagle Foundation		\$3,000	
Evening Events: Dance, Social, Skating, Science Fair, Spring Fair, Literacy Night, Math Night			
Field Trips: Chaperone Costs			
Homeroom Parties, 5 <sup>th</sup> Grade Picnic			
Principal Fund: Faculty Meeting Snacks, Flowers for Concerts			
Scholarship		\$3,000	
Talent Show			
Teaching Aids: Classroom Allocation for Special Costs			
Teacher Appreciation: Welcome Back Gift, Conference Night Dinners, Teacher Appreciation Week			

(EXHIBIT F)



CUMBERLAND VALLEY  
SCHOOL DISTRICT

District Recommended List of Acceptable  
Annual Expenditures for Booster Groups



## FOR SPORTS BOOSTER GROUPS

CATEGORY		MAXIMUM COST	
Jackets			
Team Bags			
Team Dinners			
Championship Rings			
T-Shirts			
Sweatshirts			
Meals for Away Games			
Coach Requests for Non-Budgeted Equipment (reviewed by AD), etc.			