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GREGORY-PORTLAND ISD

**District-Affiliated School-Support Organizations, Booster Organizations, and
Other Parent Groups Handbook**

General Overview	3
School-Support Organizations	3
Roles and Responsibilities	4
The Role of Competition.....	4
The Role of The Superintendent.....	4
The Role of Booster Clubs	4
Responsibilities of Booster Clubs	5
Responsibilities of the District Superintendent.....	5
Types of Organizations	6
Similarities and Differences.....	6
Characteristics of Nonprofit School-Support Organizations	7
Board of Directors	8
The Role of Officers	8
Forming a Nonprofit Corporation	10
State Exempt Status – What it Means.....	10
Applying for State Exempt Status.....	10
IRS Section 501(c)(3) Organizations – What Are They	11
Federal Exempt Status – What it Means	11
Benefits of Section 501(c)(3) Organizations.....	11
Applying for 501(c)(3) Status.....	12
Starting a School-Support Organization	12
Applying to IRS.....	13
Required Filings	13
Ongoing Compliance.....	13
Significant Events.....	14
District Administrative Procedures.....	14
District Filing Requirements	15
Standards of Conduct.....	15
Conflicts of Interest.....	16
Gift of Public Funds Prohibited	16
Use of District Facilities	17

Use of District Trademark	17
Use of District Vehicles.....	17
Title IX.....	18
UIL Guidelines.....	18
Allowable Activities	18
Unallowable Activities	20
Dissolution Liquidation and Termination.....	21
Terminating 501(c)(3) Organization (Federal Level)	21
Terminating Unincorporated Association or Nonprofit Organization (State Level)	22
Terminating Unincorporated Association or Nonprofit Organization (Local Level)	22
Resources and Contacts.....	23
NSSO Form Instructions	23
<i>Legal Disclaimer</i>	26

District Administrative Procedures and Guidelines for Operating School-Support Organizations

General Overview

Gregory-Portland Independent School District, hereafter referred to as **the District**, has created this handbook for district-affiliated school-support organizations, booster organizations, and other parent groups, hereafter referred to collectively as **School-Support Organizations**. This handbook was designed for two purposes. The first is to provide general guidelines in navigating: the various federal, state and local regulations associated with operating these organizations, the roles and responsibilities of these organizations, and that of the school district. The second purpose of this handbook is to outline the district's administrative procedures in establishing relations with these types of organizations.

School-support organizations should have clear roles, responsibilities and standards of conduct in order to establish an effective and efficient relationship with the district to achieve the organizations objectives in supporting district approved activities and initiatives. This handbook provides an overview of these organizations, roles, responsibilities and code of conduct for the operations of the organization.

School-Support Organizations

Before starting a school-support organization, there are many important things to consider. Is there already an organization you could join or is there a need for a new one? What will be the new organization's primary purpose? What type of organization will be formed; a Booster Organization, PTA , or other type? Will the organization be a nonprofit? How will funds be raised? Who will manage the organization? These are just a few questions that will need to be carefully answered in order to establish and manage the organization while avoiding legal entanglements with the federal or state government over the organization's business filings.

In addition to compliance with federal and state laws, school-support organizations must work closely with the district to maintain effective and efficient relations that will enable the organization to achieve its objectives. Imagine purchasing school equipment for the boys' basketball team after fundraising hundreds of dollars only to find out that the district cannot accept the equipment due to a violation of Title IX. Without proper communication, planning, and coordination with the district, a school-support organization can find it very frustrating in managing its business activities. Only by working closely with the district will the school-support organization be able to effectively and efficiently provide the resources and funds to their school's cause and meet the organization's business objectives.

Roles and Responsibilities

School-support organization members should identify the purpose of the organization, design a business plan that aligns with the district's vision and mission, and consider seeking legal advice on the best way to structure the student-support organization. Careful planning will ensure that the organization complies with all federal, state and local regulations including any tax implications, and the organizations responsibilities for filing any tax returns whether monthly, quarterly or annual. Compliance with these regulations will ensure the school-support organization maintains their exemption status.

Charities, Nonprofit Corporations, and Other Exempt Organizations must be established as separate legal entities from the district. This separate legal entity status is usually established upon the formation of the organization. Each organization is created by filing the proper entity formation forms with the federal and state governments. The process for creating a tax-exempt organization is presented later in this handbook. However, before forming a school-support organization, it is important to have a basic understanding of the roles and responsibilities of school-support organizations, the types of organizations that exist, the characteristics of these organizations, and who controls them. Once the business decides what type of organization it will form, this handbook provides the steps required to form a tax-exempt organization, how to maintain that exemption status, and how to effectively work with the district to meet the organization's purpose(s).

A school-support organization that supports a University Interscholastic League (UIL) activity must comply with UIL rules and guidelines. The school-support organization should obtain the list of UIL activities the district participates in from district administrators to ensure they are following UIL rules and regulations. UIL General Guidelines provide for the following roles and responsibilities for booster clubs, which are defined later in the handbook under *Types of Organizations*.

The Role of Competition

- Participation teaches that it is a privilege and an honor to represent one's school
- Students learn to win without boasting and to lose without bitterness

The Role of The Superintendent

- The Superintendent is solely responsible for the entire UIL program
- All school activities, organizations (including the booster club), events and personnel are under the jurisdiction of the superintendent
- Booster clubs must recognize this authority and work within a framework prescribed by the school administration

The Role of Booster Clubs

- Booster clubs help enrich the school's participation in extracurricular activities

Responsibilities of Booster Clubs

- Election of Officers
- Written policies reviewed annually
- Obtaining administrative approval before beginning projects
- Plan and publicize meetings
- Written procedures for operating the business including bookkeeping, fundraising, and cash controls
- Written procedures on process to obtain superintendent's approval prior to raising or spending funds
- Holding meetings of the board of directors, and taking, distributing and filing minutes
- Public communication
- Proper interaction with district staff through lines of authority as established by the district
- Adopting a sportsmanship code governing behavior of booster club members, fans at contests, treatment of officials, guests, judges, etc.
- Plans to support school regardless of success in competition, keeping education goals of competition at forefront of all policies
- Apprise school administrators of all club activities
- Periodic Treasurer's Report itemizing all revenues, receipts and expenditures presented to the members of the organization
- Controls the organizations operations
- Maintains control of the funds raised unless Superintendent invokes UIL local control
- Booster clubs not supporting UIL activities maintain control of funds
- Invites the superintendent or designee to all meetings
- No authority to direct the duties of a school district employee

Responsibilities of the District Superintendent

- Solely responsible for the entire UIL program
- Has jurisdiction over all:
 - School activities
 - Organizations
 - Booster clubs
 - Events
 - Personnel
- Authority to establish a framework prescribed by the school administration
- Authority to approve or deny organization activities
- Authority to approve or deny organization fundraising or spending of funds
- Authority to approve or deny coach and fine arts directors wish list to the booster club
- Authority to structure local UIL control of booster club funds
- Establishes lines of communication between the booster clubs and administrative staff
- Cannot serve as a coach or direct a UIL contest

- Schedules contests, rules for participation, methods of earning letters and all other criteria dealing with inter-school programs
- Apprise booster clubs of all school activities

Types of Organizations

There are many types of school-support organizations such as PTA, PTO, PTSA, PTSO, foundations, and booster clubs. These organizations primary purpose it to support a school district, its schools, teachers, school clubs, or the school’s academic, arts, athletic, band, choir, theatre, or other school-related or extra-curricular activities. These organizations raise funds by collecting money from dues, donations, ticket sales, carnivals, conducting fundraisers, organizing banquets, and other fundraising activities.

- PTA – Parent Teacher Association
- PTO – Parent Teacher Organization
- PTSA – Parent Teacher Student Association
- PTSO – Parent Teacher School Organization
- Booster Organizations
- Foundations

Similarities and Differences

The first four school-support organizations listed above share the same primary purpose of supporting schools, teachers, and students in the advancement of learning, health, and safety in the classroom. The main difference between a PTA and a PTO is that PTAs are local groups associated with their national affiliates serving all students everywhere, while PTOs are local groups that remain independent of state and national associations, and serve only their local school districts.

PTAs - can be very large in membership size and very openly serve as advocacy groups with a lobbying office in Washington. This is one of the most advantageous attributes of the organization with additional resources and benefits available to its affiliates. The goals of a PTA center around supporting and advancing education at the state and national level.

PTOs - primarily provide support for teachers, classroom supplies, managing parent and community involvement in the school district, and participate in the development and implementation of the campus improvement plan. The PTOs primary focus is on learning, nutrition, health, school safety, physical fitness, and the general welfare of the students at the local level (i.e. their local school district). One of the main advantages of PTOs is more flexibility in conducting business in their communities. The district’s policy [GE(LEGAL)] requires the district to cooperate in the establishment of ongoing operations of at least one PTO at each school to promote parental involvement. *Education Code 26.001(e)*

Booster Organizations - primarily provide resources that support extracurricular activities to its school district’s students and teachers. These parent, teacher and community organizations

contribute to the overall success of student achievement, academic excellence, and competitive events by providing support for various school programs such as academics, music, and athletics. These organizations are able to do this by conducting fundraisers, organizing banquets, collecting dues, and raising donations through events such as bake sales, car washes and crowdfunding.

A general rule booster clubs should operate by is that their primary purpose is to supplement the district's extracurricular and cocurricular activities, not to serve in lieu of the district's fiscal obligations. Districts implement administrative regulations, like this handbook, to ensure the lines are not blurred when receiving donations or in-kind contributions for supplies, equipment and expenditures, and these regulations enable districts to manage compliance with other local, federal, and state laws that come into play including but not limited to compliance with UIL, procurement laws, gifts of public funds, and conflict of interest disclosures.

Foundations - are public or private organizations created for one or more primary purposes and can serve at the local, state or national level. These organizations are usually nonprofit corporations or charitable trusts that provide funding or resources to individual, schools, hospitals, and other organizations for the purpose of science, education, culture, religion, general welfare of the public and other causes.

Characteristics of Nonprofit School-Support Organizations

Texas nonprofit organizations can be unincorporated or incorporated in the state. These organizations do not have owners; they are comprised of a board of directors but may also have members. Below are some more characteristics of these organizations that are similar to each other or differentiate one from the other.

Unincorporated Nonprofit Association

- Does not file a certificate of formation with the Texas Secretary of State (i.e. not registered)
- Consists of three (3) or more members joined by mutual consent for a common nonprofit purpose
- Organization is an association of members and is not a separate entity; members may be exposed to potential personal liability
- May file an appointment of an agent for service of process to receive notifications of lawsuits against the organization
- May file a statement of authorization as to real property with the county clerk
- May qualify for state exempt status
- May qualify for 501(c)(3) status (i.e. federal exempt status)
- Bylaws define the internal operating rules of the organization

Nonprofit Corporation

- Files certificate of formation with the Texas Secretary of State (i.e. registered)
- Is presumed to have members, unless the certificate of formation states otherwise

- Texas Business Organizations Code requires at least three (3) directors, one (1) president, and one (1) secretary; the same person cannot be both the president and secretary
- Organization is recognized as a separate legal entity; its members have personal liability protection
- Must file periodic reports with the Texas Secretary of State
- May qualify for state exempt status
- May qualify for 501(c)(3) status (i.e. federal exempt status)
- Bylaws define the internal operating rules of the organization
- Political contributions have restrictions
- Texas Attorney General has authority to investigate activities

Board of Directors

Members of a school-support organization elect the board of directors similar to how shareholders in a corporation elect their board of directors. The board of directors elects the officers who manage the day-to-day activities of the organization. It is possible for an officer to also serve on the board of directors. The Texas Secretary of State requires at least five (5) members to form a nonprofit corporation while UIL recommends six (6) members to comprise the board of directors.

The district administrative procedures require all nonprofit corporations to have a minimum of five (5) board members elected to the organizations board of directors including one President, one Secretary, one Vice-President, one Treasurer, and one other Officer. All unincorporated student-support organizations are required to have three (3) board members elected to the organizations board of directors including one President, one Secretary, and one Vice-President.

The President of the Board of Directors cannot serve as the Secretary while holding office. An officer who previously served as President and is no longer serving in that position can serve as the Secretary.

The Role of Officers

President - Typically, the president of a booster organization is an individual who has previously been active in the organization. The major duties include, but are not limited to:

- Presides at all meetings of the organization
- Regularly meets designated campus representative regarding booster activities
- Resolves problems in the membership
- Regularly meets with the treasurer to review the financial position of the organization
- Select an officer as the designee to receive bank statements
- Schedules annual audit of records or requests an audit if needed
- Performs other specific duties as outlined in the by-laws of the organization

Secretary - The secretary is responsible for keeping accurate records of the proceedings of the organization and reporting to the membership. The secretary must ensure the accuracy of the

minutes of the meetings, and have a thorough knowledge of parliamentary law and the organization's by-laws. The major duties include, but are not limited to:

- Report recommendations made by the executive board of the booster organization if such a governing board is defined by the by-laws
- Maintain the records of the minutes, approved by-laws and any standing committee rules, current membership and committee listing
- Record all business transacted at each meeting of the association as well as meetings of any executive board meetings in a prescribed format
- Maintain records of attendance of each member

Vice President - The vice-president serves as the presiding officer in the absence of the president. They must keep abreast of the organization's business dealings to preside effectively over proceedings. The major duties include, but are not limited to:

- Preside at meetings in the absence or inability of the president to serve
- Perform administrative functions delegated by the president
- Perform other specific duties as outlined in the by-laws of the organization

Note: Larger booster organizations may find it necessary to elect several vice presidents with responsibility over differing areas. Such positions shall be clearly defined in the by-laws of the organization.

Treasurer - The treasurer is the authorized custodian of the funds of the association. The treasurer receives and disburses all monies indicated in the budget and prescribed in the local by-laws or as authorized by action of the association. The major duties include, but are not limited to:

- Serve as chairperson of the Budget and Finance Committee if prescribed within the by-laws of the organization
- Issue receipts for funds collected and deposit funds in a timely manner
- Present a current financial report including bank statements, bank reconciliations, and financial statements to the executive committee within thirty days of the previous month end; Copies should be available for review by the general membership if requested
- File current financial reports at the end of each semester (December and June) with the campus principal, campus bookkeeper, and the District Business Office
- Maintain an accurate and detailed account of all funds received and disbursement of expenditures
- Reconcile all bank statements as received and resolve any discrepancies with the bank in a timely manner
- File sales tax reports as required by the state comptroller's office (monthly, quarterly, or annually)
- File annual IRS form 990 in a timely manner

- Submit records to audit committee appointed by the organization upon request or at the end of the year
- Other specific duties as outlined in the by-laws of the organization.

!!!!IMPORTANT NOTICE!!!– *Individuals who actively coach or direct a UIL activity should serve in advisory capacity to the booster club and should not have control or signature authority over booster club funds, including petty cash or miscellaneous discretionary funds.*

Forming a Nonprofit Corporation

As mentioned previously, a school-support organization that is organized as a nonprofit corporation is recognized as a separate legal entity that protects its members and associates from personal liability. The formation of a nonprofit corporation is accomplished by filing articles of formation with the Texas Secretary of State (SOS).

The SOS regulates charities, nonprofits, and other school-support organizations that are incorporated. The SOS does not provide advice on what type of entity a business should choose when forming a corporation. Businesses are encouraged to seek legal advice on selecting the type of business entity to form and how to file the proper state forms for that type of entity. Nonprofit organizations may be required to file certain state tax returns and/or state sales tax returns on a monthly, quarterly or annual basis or risk forfeiture of state exemptions status. For more information on the formation of an organization in Texas refer to www.sos.state.tx.us/corp/formationfaqs.shtml.

State Exempt Status – What it Means

Both nonprofit associations and nonprofit corporations may apply for state exempt status. The State of Texas does not have a state corporate income tax. However, the state does have a franchise tax that may apply to nonprofit corporations and state sales tax that applies to businesses on the purchase of goods and services.

An organization that is granted state exemption status may be exempt from franchise tax and sales tax on the **purchase** of goods and services.

!!!!IMPORTANT NOTICE!!!– **EXEMPT STATUS DOES NOT APPLY TO THE SALE OF GOODS AND SERVICES, ONLY TO THE PURCHASE OF THESE ITEMS (see G-PISD Sales Tax & Use Guide)**

Applying for State Exempt Status

A Texas nonprofit organization, whether a corporation or unincorporated association, including booster organizations, and other parent groups, are not covered by the district's state tax-exempt status. All nonprofit school-support organizations that intend to operate in the state as exempt must apply for tax-exemption status with the Texas State Comptroller's Office, a division of the SOS. These organizations may not operate using the district's state taxpayer identification number, and must file an application with the comptroller to obtain their own separate state

taxpayer identification number. For more information on filing for state tax exempt status refer to <https://comptroller.texas.gov/taxes/exempt>.

IRS Section 501(c)(3) Organizations – What Are They

IRS Section 501(c)(3) of the Internal Revenue Code provides eligible organizations with tax-exempt status. The primary activities of these organizations must be organized and operated exclusively for exempt purposes that are:

- Charitable
- Religious
- Educational
- Scientific
- Literary
- Testing for public safety
- Designed to foster national or international amateur sports competition
- Prevention of cruelty to children or animals

Federal Exempt Status – What it Means

A nonprofit association or nonprofit corporation is not automatically granted exempt status. State exemptions are not recognized by the federal government and vice-versa. Nonprofit organizations must apply to obtain federal exempt status regardless of whether they have state exemption.

The Internal Revenue Service is the federal agency that regulates charities, nonprofits, and other exempt organizations including 501(c)(3) corporations. Booster organizations and other parent groups are not covered by the district's federal tax-exempt status and may not operate using the district's federal taxpayer identification number. Businesses that are planning to operate as exempt must apply with IRS for tax exemption status and file to obtain a federal employer identification number (EIN) for the organization. Each type of organization must adhere to all federal requirements for filing tax returns, if applicable, or risk the forfeiture of exemption status. For more information on exempt organizations, refer to www.irs.gov.

Benefits of Section 501(c)(3) Organizations

All school-support organization types share one thing in common, they are all usually nonprofit organizations with exempt status. Some of the benefits of having exemption status are:

- Possible exemption from
 - Federal income tax
 - Federal unemployment tax
- Tax-deductible contributions for the organization's donors
- Possible exemption from
 - State income tax
 - State sales tax

- Employment tax
- Reduced postal rates

Applying for 501(c)(3) Status

There are five stages in the [life cycle of a Section 501\(c\)\(3\) Organization](#). Below is an illustration of the stages.

Life Cycle of a Section 501(c)(3) Organization



Starting a School-Support Organization

- Creating the Organization
 - File Certificate of Formation with SOS
 - Bylaws are for internal use only and are not filed with SOS
 - Apply for Texas Sales & Use Tax Permit with Texas State Comptroller
- Organizing Documents
 - Articles of Incorporation needed to apply for 501(c)(3)
 - Unincorporated Associations need to provide Charter, Constitution or Articles of Association when applying for 501(c)(3)
 - Must limit purpose to one or more exempt purposes listed in Section 501(c)(3)
 - Must not permit the organization to engage in a non-exempt activity, and

- Assets of organization must be permanently dedicated to an exempt purpose

Applying to IRS

- Acquire an Employer Identification Number (EIN)
 - File IRS Form SS-4 Application for Employer Identification Number
 - Required for 501(c)(3) applications even if organization has no employees
- Apply for Section 501(c)(3) Tax-Exempt Status
 - File Form 1023 or Form 1023-EZ at www.Pay.gov

Required Filings

- Annual Exempt Organization Returns
 - File Form 990, Form 990-EZ or Form 990-N (e-Postcard)
- Unrelated Business Income (UBI) Tax Filings
 - Report any unrelated business income of the organization
- Other Returns and Reports
 - Franchise tax return
 - Sales tax return

Ongoing Compliance

- Avoid Forfeiture of Exempt Status
 - Conduct “Exempt Purpose Activities”
- Employment Taxes
 - File required employment tax returns, if applicable
- Public Disclosure Requirements – Make Available Upon Request
 - Annual Returns Form 990, 990-EZ, 990-PF and any Forms 990-T
 - All Form 990 schedules, attachments and supporting documents (except for donor names and addresses on Schedule B)
 - Approved application for exemption Form 1023 and all supporting documents, Form 1023-EZ data on IRS.gov
 - Letter from IRS ruling organization has exempt status (Determination Letter)
 - Additional rules about what must be disclosed, how to provide documentation, and consequences for noncompliance can be found at IRS.gov
- Other Ongoing Compliance Issues
 - Keep Detail Financial and Non-Financial Records *IRS Pub. 4221-PC Compliance Guide for Public Charities*

Significant Events

- Audits by IRS
 - Field audit or examination – If the initial contact letter sets up an appointment for an IRS agent to visit the organization’s premises, the IRS is conducting a field audit
 - Office/correspondence audit or examination – If the letter asks to delivery documents to an IRS office by mail, the IRS is conducting a correspondence audit
 - Non-audits and questionnaires – If the letter indicates the IRS is conducting a compliance check, or you receive a questionnaire, this is not an audit

- Private Letter Rulings
 - Can be requested if unsure about whether proposed changes to an organization’s purpose or activities would further an exempt purpose

- Termination Proceedings
 - Provide notice to IRS upon liquidation, dissolution, termination, or substantial contraction
 - Usually done upon filing final Form 990, 990-EZ, 990-PF or 990-N (e-Postcard)

Post-Application Operational Guidance

- Organizations may operate as a tax-exempt organization while waiting on approval.
- Donors have no assurance that their contributions will be deductible until application is approved.
- While waiting, take time to learn more about your responsibilities.

For more information on applying for 501(c)(3) tax-exempt status, refer to IRS Publication 4220.

District Administrative Procedures

Student-support organizations, booster organizations, and other parent groups shall organize, fundraise or solicit donations, and function in a way that is consistent with the district’s philosophy and objectives, board policies, district administrative regulations, applicable UIL or other governing association guidelines, and financial and audit regulations [GE\(LOCAL\)](#).

The district has established the following administrative regulations for all school-support organizations operating within its jurisdiction.

District Filing Requirements

The district has adopted the following filing requirements for school-support organizations operating within the District Superintendent's jurisdiction. All school-support organizations must:

- File Form NSSO-O "*Notice of School-Support Organization's Charter/Association*" with the District's Business Office and update as necessary
- File Form NSSO-A "*Notice of School-Support Organization's Activities*" with the District's Business Office prior to conducting any fundraisers or soliciting donations
- File Form NSSO-B "*Notice of School-Support Organization's Budget*" with the District's Business Office and update as necessary
- File Form NSSO-C "*Notice of School-Support Organization's Changes*" with the District's Business Office for significant changes regarding the organization's business operations
- File Form NSSO-T "*Notice of School-Support Organization's Dissolution Liquidation Termination*" with the District's Business Office upon terminating the organization
- Adopt a budget that includes major fundraising estimates and planned spending for the year submitted to the Athletic Director or Principal and kept on file with the District Superintendent
- Amend budget as necessary
- File copies of Treasurer's Monthly Report with the Business Office
- Apprise the District Superintendent and administrators of all the organization's activities
- Conduct all meetings open to the public and keep recorded minutes
- Have written policies and procedures for conducting the organization's business that aligns with the district's philosophy, objectives, board policies, district administrative regulations, UIL guidelines, and other governing federal and state regulations
- Prepare and file all required federal and/or state tax returns timely
- Pay any applicable organization taxes timely
- Maintain a good standing with their federal and state account status
- Adhere to all UIL Guidelines and other UIL rules if supporting a UIL activity (see Allowable and Unallowable UIL Activities)
- Establish standard operating procedures for conducting business including the implementation of internal controls and cash handling procedures to ensure the safety of funds collected and in the custody of the organization
- Adhere to the rules of Title IX that applies to the district by ensuring any donations from fundraisers is not prohibited by the sex-based discrimination act
- Provide the information listed above to district administration upon request

Standards of Conduct

The district requires all school-support organizations to establish a code of conduct that aligns with the district's board policies, standards of conduct, and the district's vision and mission. At

a minimum, all school-support organizations code of conduct shall address the following standards:

- Officers and members will conduct business fairly, ethically, and responsibly
- Activities that include bingo, gambling or other games of chance are strictly prohibited
- Ensure all members/officers of the organization file a conflict of interest form with the district when applicable [DBD\(LOCAL\)](#)
- Conduct fair and equitable competition, adhere to rules, uphold the law and respect authority including respecting officials' decisions
- Make recommendations to the district regarding donations from fundraisers and then respect the district's decision on the use of funds
- Not use funds for a private benefit due to gifts of public funds prohibited by the Texas Constitution
- Recognize capabilities and limitations of children, have realistic expectations from them, and always provide encouraging and positive continued support
- Maintain a positive composure at all school functions and activities

Conflicts of Interest

District policy [DBD\(LEGAL\)](#) establish conflict of interest rules regarding gifts to the superintendent. [DBD\(LOCAL\)](#) covers written disclosure requirements for district employees when outside employment may create a potential conflict of interest. Additionally, [BBFA\(LEGAL\)](#) cover conflicts of interest for local public officials arising from real property transactions, and [BBFA\(LOCAL\)](#) requires members' annual filing disclosure with the district's financial management report.

All district employees should conduct school business at "arms-length" at all times and when situations arise where there may be a conflict of interest, employees are expected to file disclosures and recuse themselves if they have decision making authority regarding the transaction in question.

District staff should always ask whether they can accept a gift or benefit and if so, whether they are required to report it. Gifts include perks, benefits offered as result of work on behalf of the district, meals, trips, vacations, extravagant gifts, event tickets, etc.

Commemorative items such as caps, t-shirts, mugs, flowers, key rings, and similar items of minimal value: a plaque or a cup of coffee are not benefits if they are not solicited or offered in exchange for official action.

Gift of Public Funds Prohibited

The Texas Constitution Article III Sec. 44 prohibits the spending of public funds for a private benefit, known as a "gift of public funds". A gift of public funds also applies to the districts resources such as use of staff time, district facilities, use of district land, etc. The Texas Education

Code also limits the use of district local funds to purposes necessary in the conduct of the public schools determined by the board of trustees.

Although the use of district's facilities is included in the gift of public funds clause, the attorney general has opined that a district may provide office space to a private education foundation as long as:

- Arrangement serves a proper public educational purpose;
- Public will receive a return benefit by accomplishment of the district's purpose; and
- Adequate controls exist to ensure the public educational purpose is actually achieved

The district may provide resources to a booster club when the board has determined that the above circumstances exist.

Use of District Facilities

In accordance with GE(LOCAL) "District-affiliated school-support or booster organizations may use District facilities with prior approval of the appropriate administrator. Other parent groups may use District facilities in accordance with policy GKD."

All events must be scheduled through the Business Office by completing a [Facility Use Agreement](#). Organizations that are not affiliated with the district and are planning to use district facilities must also complete a Facility Use Agreement and pay the assessed rental fees for the event.

Use of District Trademark

In accordance with [CY\(LOCAL\)](#) "The District grants permission to students, student organizations, parent organizations and other District affiliated school-support or booster organizations to use, without charge, District and campus trademarks to promote a group of students, an activity or event, a campus, or the District, if the use is in furtherance of school-related business or activity. The Superintendent or designee shall determine what constitutes use in furtherance of school-related business or activity and is authorized to revoke permission if the use is improper or does not conform to administrative regulations." All use of the district and campus trademarks, including names, logos, mascots, and symbols must conform to the district's approved [Brand Style Guide](#). The district reserves the right to seek legal action against any individual, organization, or business that uses district trademarks without proper authorization.

Use of District Vehicles

District administrative regulations prohibits the use of district owned vehicles by school-support organizations. As a governmental entity, the school district has immunity from most personal injury or negligence claims, whereas a booster club could be held liable as any other private entity. Injuries resulting from the use or operation of a motor vehicle are a major exception to school districts' governmental immunity.

Title IX

Title IX of the Education Amendments of 1972 prohibits discrimination on the basis of sex, including sexual harassment, in educational programs and activities that receive federal assistance, including state and local educational agencies.

The district is a recipient of state and federal funding that encompasses the requirements of Title IX for all of its activities including those arising out of transactions from other entities such as booster clubs. Booster club organizations operating within the district's jurisdiction must be cognizant of this law and the inherent risks associated with transacting business with the district to ensure compliance is met.

Title IX poses a particular challenge for the district since the booster club may be providing direct support services to a particular team such as buying equipment for the boys' basketball team that may result in the district's violation of Title IX. Suppose the district provided \$5,000 equal funding to the boys' and girls' basketball teams. However, with the booster club providing additional support in the form of equipment valued at \$2,000, the district is now faced with making decisions to balance the inequity of the boys' team having total resources worth \$7,000 and the girls' having total resources of only \$5,000.

The best way to avoid any potential violations of Title IX is by obtaining proper authorization for fundraising activities as well as maintaining effective and efficient communications with the District Superintendent regarding the operations of the booster club. By working in a collaborative manner, the booster club's fundraising efforts aligned with the district's budget allocations will help to achieve maximize results that will benefit all student groups.

UIL Guidelines

The district has implemented the following allowable and unallowable booster club activities. It is important to note that these activities are not exhaustive and are subject to change. If an activity is not listed below, the booster club shall request written approval from the District Superintendent prior to engaging in such an activity.

Upon prior approval from the District Superintendent, the following activities are allowable.

Allowable Activities

Booster Clubs may spend funds, write checks or engage in the following activities:

- 1) Operating Expenses - including, but not limited, to:
 - a. Mailings
 - b. Postage
 - c. Website fees
 - d. Storage facilities
 - e. Advertising
 - f. Bank fees

- 2) Insurance/Bonding - If deemed appropriate by club membership for general activities or a specific sponsored event
- 3) Fundraising - related expenditures including, but not limited, to:
 - a. Items purchased for resale
 - b. Promoting event including signs, equipment rental, insurance, etc.
- 4) Parties – all items necessary for parties provided by parents or other students strictly for an athletic team or performing arts program as long as it is approved by the Athletic Director or Principal
- 5) Meals/Banquet
 - a. Items necessary for meals, snacks or snack foods during and after practices as long as it is not a reward for performance and is approved by the Athletic Director or Principal
 - b. Meals or hospitality for referees, judges, clinicians or visiting sponsors
 - c. Hospitality expenditures for tournaments, extra-curricular events or competitions
 - d. Pre-Season meals to the school athletic teams, if approved by the District Superintendent
 - e. Post-Season meals to the school athletic teams, if approved by the District Superintendent
- 6) Media/Programs – cost of media guides and/or programs
- 7) Donations
 - a. To the district to support the respective sports or performing arts programs based on specific needs presented to the District Superintendent
 - b. To purchase items recommended by the booster club but funds given to the school without conditions or restrictions and the district is allowed to use the funds any way it sees fit
- 8) Camps/Clinics – all items necessary to conduct **non-athletic** clinics
- 9) Other – items that are approved by the District Superintendent
- 10) Free Admission Events – school athletic teams and athletes may attend functions where free admission is offered, or where refreshments and/or meals are served
 - a. Recognition - Athletes or athletic teams may be recognized at these functions, but may not accept anything, other than food items, that is not given to all other students
- 11) Spirit Signs
 - a. Homemade spirit signs made from paper and normal supplies a student purchases for school use may be placed on students' lockers or in their yards (trinkets and food items attached are not allowed)
 - b. Yard signs made of commercial quality wood, plastic, etc. if not purchased or made by the individual player's parent, must be returned after the season
- 12) Scholarships – fund academic workshop scholarships provided selection of the recipients is not based solely on their success in interscholastic competition

- a. Selection could be based on grade point average or student’s selection of high school courses
 - b. All students meeting the conditions of scholarship assistance should be notified and eligible for financial assistance
 - c. Funds should be monitored to ensure they are expended for camp or workshop purposes
 - d. Private lessons and summer music camps provided the selection of the recipients is not based on success in interscholastic competition and funds are monitored to ensure they are expended for educational rather than recreational activities
- 13) Travel
- a. Music booster clubs assisting with expenses for travel to various music-related activities such as UIL contest and performance at away athletic events provided approval by District Superintendent and coordinated by the local school district
 - b. Academic competition expenditures to organize or chaperone trips and assist with expenditures including food and refreshments for journalism conventions or speech tournaments
- 14) Field Trips – educational field trips with approval by District Superintendent if specific educational components are included such as:
- a. Performing for a music festival, an adjudicated contest or a concert tour
 - b. Marching performances (Macy’s Thanksgiving Day Parade)
 - c. Concert attendance
 - d. Visiting universities
 - e. Conservatory music facilities
 - f. Other music related, non-performing opportunities if approved by District Superintendent
- 15) Technology – purchase equipment for programs such as computers or software for yearbook or computer science which require additional approval from the district’s technology department to ensure equipment is compatible and can be supported by campus program
- 16) Charitable Raffles – a “qualified nonprofit organization” may conduct charitable raffles when done in accordance with [GKB\(LEGAL\)](#)

Unallowable Activities

Booster Clubs may not engage in the following activities:

- 1) Funds Control – individuals who actively coach or direct a UIL activity including district designees serving as coaches and advisors should not have control or signature authority over booster club funds
- 2) Equipment/Uniforms – purchase of uniforms and equipment necessary to operate the program is prohibited; the booster club should supplement and not supplant the District’s budgetary obligations

- 3) Awards/Gifts
 - a. Nothing of value should be given to students participating in UIL activities; penalties for any violation of Awards and Amateur Rules may be the forfeiture of varsity eligibility for any student athlete
 - b. Patches, t-shirts or other items for achievement in interscholastic competition would be subject to UIL Awards Rule and are not allowable if the District Superintendent did not approve
- 4) Cash/Gift Cards – no cash or gift cards will be given to any school employee to use at his or her discretion
- 5) Alcoholic Beverages – the purchase or consumption of alcoholic beverages while on school property or in the presence of students is strictly prohibited
- 6) Stipends – booster clubs may not contribute funds in an effort to increase the personnel allocations and/or stipends for any program or team
- 7) Advertising Sales – booster clubs may not sell advertising space on or in the District’s facilities, website and/or property
- 8) Funds Use – potential use of funds outside the knowledge and director of the District Superintendent
- 9) Debit Cards – strictly prohibited
- 10) Travel Lodging and Meals – booster clubs cannot pay directly for athletic-related travel including lodging or meals
- 11) Field Trips – expenditures for trips that are purely recreational would not meet the definition of an educational field trip and could be considered a violation of the Awards Rule
- 12) Letter Jackets – direct purchase of letter jackets is not allowed but booster club may raise funds and donate to the district with recommendation to purchase jackets provided the district determines the criteria for awarding the jackets and who qualifies
 - a. Parents may purchase a jacket for their own children provided the school designates the student as being qualified to receive the jacket
- 13) Bingo, gambling and other games of chance activities are strictly prohibited

Dissolution Liquidation and Termination

A school-support organization that is dissolving, liquidating or terminating should take the appropriate action to wind down the business operations including: filing the necessary forms with the local (the district), state and federal governments, liquidating the business assets, settlement of debt and obligations, and disbursement of any remaining funds to the district.

Terminating 501(c)(3) Organization (Federal Level)

A school-support organization that is dissolving must file termination notice with the Internal Revenue Service to close the organizations account with the IRS including their 501(c)(3) status, and to stop the IRS from issuing letters about missed returns.

For organizations that are required to file returns, the most common method to notify the IRS that the organization is terminating is done by checking the “Final Return” or “Terminated” box on Form 990, 990-EZ, 990-PF, or answering “Yes” to whether the organization has terminated on Form 990-N. For more information on filing termination notice with IRS refer to “Termination of an Exempt Organization” by visiting IRS.GOV.

Terminating Unincorporated Association or Nonprofit Organization (State Level)

A school-support organization that is dissolving must file termination notice with the Texas Secretary of State (SOS) to close the organizations account if the organization is an unincorporated nonprofit association defined in Chapter 252 of the Texas Business Organizations Code or the organization is registered as a Nonprofit Organization with the SOS.

Unincorporated nonprofit organizations and nonprofit organizations must file a “Certificate of Termination – Nonprofit Corporation or Cooperative Association” form with the SOS when winding down the organizations business affairs. For more information on filing termination notice with SOS refer to the “Business and Nonprofit Forms” section at SOS.STATE.TX.US.

Terminating Unincorporated Association or Nonprofit Organization (Local Level)

District-affiliated school-support organizations that are dissolving must file Form NSSO-T with the school district’s Business Office. See “*NSSO Form Instructions*” below.

Resources and Contacts

Gregory Portland ISD	University Interscholastic League (UIL)	Internal Revenue Service	Texas Comptroller	Texas Secretary of State
1200 Broadway Portland, TX 78374 361-777-1091 Ext 1000	1701 Manor RD Austin, TX 78722 512-471-5883	606 N Carancahua St 16 th Floor Corpus Christi, TX 78401 844-545-5640	500 N Shoreline Blvd #1000 Corpus Christi, TX 78401 361-882-1234	P.O. Box 13697 Austin, TX 78711-3697 512-475-2705
<u>Gregory Portland ISD</u>	<u>University Interscholastic League</u>	<u>Internal Revenue Service</u>	<u>Texas Comptroller</u>	<u>Texas Secretary of State</u>

NSSO Form Instructions

Gregory-Portland ISD has adopted the **District-Affiliated School-Support Organizations, Booster Organizations, and Other Parent Groups Handbook** to establish the district’s administrative regulations for these types of organizations that form a charter or association, whether unincorporated or incorporated in the State of Texas, and who operate within the district’s jurisdiction. To assist the district in administering these regulations, the district has specific filing requirements listed in the handbook that school-support organizations must follow. The requirements include the filing of “*Notice of School-Support Organization*” (NSSO) Forms to collect information from school-support organizations. The forms shall be filed with the district’s Business Office and are located on the district’s Business/Finance Department webpage under **Booster Club/Parent Organizations**.

GREGORY-PORTLAND ISD

Notice of School-Support Organization NSSO Form Instructions

In accordance with GE(LOCAL), "School-support organizations, booster organizations, and other parent groups shall organize, fundraise or solicit donations, and function in a way that is consistent with the district's philosophy and objectives, board policies, district administrative regulations, applicable UIL or other governing association guidelines, and financial and audit regulations."

Gregory-Portland ISD has adopted the **District-Affiliated School-Support Organizations, Booster Organizations, and Other Parent Groups Handbook** to establish the district's administrative regulations for these types of organizations that form a charter or association, whether unincorporated or incorporated in the State of Texas, and who operate within the district's jurisdiction. To assist the district in administering these regulations, the district has specific filing requirements listed in the handbook that school-support organizations must follow. The requirements include the filing of "Notice of School-Support Organization" (NSSO) Forms to collect information from school-support organizations. The forms shall be filed with the district's Business Office.

By mail at: Gregory-Portland ISD Administration Or email to: asilguero@g-pisd.org
1200 Broadway Blvd.
Portland, TX 78374

Below is the list of NSSO Forms and specific instructions for each form on when to file.

FORM NSSO-O

School-support organizations must file Form NSSO-O "Notice of School-Support Organization's Charter/Association" only once upon forming the unincorporated or incorporated nonprofit organization and prior to conducting fundraising activities in the district. The information for this form will need to be completed after the organization has filed a) the charter or articles of incorporation with the Texas Secretary of State, b) the Texas Sales & Use Tax Permit with the Texas State Comptroller, c) the application for Form SS-4, and the application for Section 501(c)(3) with Internal Revenue Service, d) and the election of the organization's officers and board of directors as recorded in the minutes and adoption of the by-laws. The form shall be filed pending the determination waiting period for the IRS Section 501(c)(3) Tax-Exempt Status. Once the IRS provides their determination ruling, the organization shall file a copy of the determination letter with the Business Office.

FORM NSSO-A

School-support organizations must file Form NSSO-A *“Notice of School-Support Organization’s Activities”* to obtain approval from the District Superintendent whenever the organization will be conducting fundraising activities at least 90 days prior to the event.

FORM NSSO-B

School-support organizations have the option to file Form NSSO-B *“Notice of School-Support Organization’s Budget”* or in lieu of filing Form NSSO-B, submit a copy of the organization’s adopted budget.

FORM NSSO-C

School-support organizations must file Form NSSO-C *“Notice of School-Support Organization’s Changes”* whenever there are significant changes to the organization’s operations including changes regarding:

Business Assumed Name	State or Federal Tax Lien	Forfeiture of Exempt Status
Business Address	Release of State/Fed Tax Lien	Reinstatement of Exempt Status
Elected Board of Directors	Forfeiture of Charter	Reinstatement of Charter

FORM NSSO-T

School-support organizations must file Form NSSO-T *“Notice of School-Support Organization’s Dissolution Liquidation Termination”* upon the termination of the organization.

Legal Disclaimer

The intent of this document is to establish the district's administrative procedures for school-support organizations in accordance with district policy, and to provide general guidance for operating these organizations within the district's jurisdiction. This publication is not an exhaustive treatment of the law, nor is it intended to substitute for the advice of an attorney. As such, the district, school board, administrators, and staff make no legal representations here. School-support organizations are encouraged to consult with their attorneys when forming their organizations, and in conducting the day-to-day operations of their organizations.