

**MEETING AGENDA**  
**Board Audit Committee**  
6:00 PM  
December 11, 2013  
Superintendent's Conference Room  
East Side Union High School District Education Center  
830 North Capitol Avenue  
San Jose, CA 95133-1398

*In compliance with the Americans with Disabilities Act, if you need special assistance, disability-related modifications or accommodations, including auxiliary aids or services, in order to participate in the public meeting of the Audit Committee, please contact the office of the District Superintendent at (408) 347-5011. Notification 72 hours prior to the Special Meeting will enable the District to make reasonable arrangements to ensure accommodation and accessibility to this meeting. Upon request, the District shall also make available this agenda and all other public records associated with this meeting in appropriate alternative formats for persons with a disability.*

**1. Call to Order/Roll Call**

**2. Introductions**

**3. Adopt Agenda**

**4. Special Order of Business**

*Individuals may be permitted to present an item out of order on the agenda to accommodate their schedules.*

**5. Public Comments**

*Members of the public may address the Audit Committee on any subject not on the agenda; however, provisions of the Brown Act (Government Code 54954.2(a) and 54954.3) preclude any action. As an unagendized item, no response is required from the Audit Committee or district staff and no action can be taken; however, the Committee may instruct the Chair to agendize the item for a future meeting.*

**6. Approval of Minutes**

**Action:** Minutes from the September 5, 2013, meeting will be presented for approval.

**Chair / Vice Chair**

**7. Discussion/Action: Updates** - Chair Nguyen and Vice Chair Carrasco

**Senior Manager of Internal Controls**

**8. Discussion/Action: Status on Senior Manager of Internal Controls' Work Plan and Findings**

Kelly Kwong, Senior Manager of Internal Controls, will present a status on the Senior Manager of Internal Controls Work Plan and findings.

**9. Discussion/Action: Cash Handling and ASB Debit Balances**

Kelly Kwong, Senior Manager of Internal Controls, may present findings and recommendations for action related to cash handling and ASB debit balances at school sites. In addition, the Committee will be discussing best practices for cash handling and ASB debit balances.

**10. Discussion/Action: Fraud, Waste and Abuse Hotline**

Kelly Kwong, Senior Manager of Internal Controls, will report on the status of the Fraud, Waste and Abuse Hotline, which was approved at the August 30, 2011, Board meeting.

**11. Discussion/Action: School Connected Organizations**

Kelly Kwong, Senior Manager of Internal Controls, will present a draft of best practices/guidelines associated for School Connected Organizations, including current polices.

**External Auditor**

**12. Discussion/Action: Update by External Auditor regarding East Side Union High School District**

Joyce Peters, External Auditor, will present an audit update to the Committee.

**Superintendent / Associate Superintendent of Business Services**

**13. Bond Performance Audit** - Associate Superintendent Battle will present information on the Bond performance audit.

**Audit Committee Business**

**14. Discussion/Action Future Meetings**

Under this item, the Audit Committee may schedule future meeting dates and times.

**15. Superintendent Communications/Comments**

- Chris D. Funk, Superintendent
- Marcus Battle, Associate Superintendent of Business Services

**16. Audit Committee Member Comments**

Individual Audit Committee members may report on programs, conferences, meetings attended and/or items of interest to the public. An Audit Committee member may wish to express a concern or observation about a topic not appearing on the agenda, or request items to be scheduled on a future agenda.

**17. Future Agenda Items**

**18. Adjournment**

# EAST SIDE UNION HIGH SCHOOL DISTRICT

## Minutes of Meeting

### Unapproved

Item: 6

#### Board Audit Committee

September 5, 2013

6:00 PM

East Side Union High School District

Education Center

Superintendent's Conference Room

830 Capitol Avenue San Jose, CA 95133-1398

#### 1. Call to Order /Roll Call

*Chair Nguyen called the meeting to order at 6:04 p.m. Present were Member Juchau and Member Reinke. Vice Chair Carrasco and Member Berg were absent.*

*Staff members in attendance were:*

- *Marcus Battle*
- *Karen Poon*
- *Kelly Kwong*

*Presenter:*

- *Joyce Peters, External Auditor - VTD*

#### 2. Introductions

*Persons present at the meeting introduced themselves.*

#### 3. Adopt Agenda

*There were no changes to the agenda.*

#### 4. Special Order of Business

Individuals may be permitted to present an item out of order on the agenda to accommodate their schedules.

*None*

**5. Public Comments**

Members of the public may address the Audit Committee on any subject not on the agenda; however, provisions of the Brown Act (Government Code 54954.2(a) and 54954.3) preclude any action. As a unagendized item, no response is required from the Audit Committee or district staff and no action can be taken; however, the Board may instruct the Chair to agendize the item for a future meeting.

*None*

**6. Approval of Minutes**

**Action:** Minutes from the June 6, 2013, meeting will be presented for approval.

*Motion by Member Juchau, second by Member Reinke, to approve the minutes as presented.*

*Vote: 3/0, Vice Chair Carrasco absent; Member Berg absent*

**Chair / Vice Chair**

**7. Discussion/Action: Updates - Chair Nguyen and Vice Chair Carrasco**

*At the August 2013 Board meeting, a presentation was made regarding the Board's authorization, which was previously approved June 2013, for Dale Scott of Dale Scott & Company to look at the refunding of the 2002 Measure D bond series as a series of Measure E bonds. As a result of the approval, Dale Scott & Company worked with De La Rosa & Company to save taxpayers a total \$7.7 million. The savings totaled to over 5.5% savings over the life of the funds.*

*Also, the District is installing updated security cameras on school campuses. The Board approved a budget of \$1 million for this project in order to ensure security and campus safety. A consultant will be hired to assess all security cameras.*

**Senior Manager of Internal Controls**

**8. Discussion/Action: Status on Senior Manager of Internal Controls' Work Plan and Findings**

*Kelly Kwong, Senior Manager of Internal Controls, provided the Committee an update on the top five items on her Work Plan:*

**Associated Student Body (ASB) Funds**

*Kelly Kwong and Karen Poon co-hosted a workshop for the School-Finance Clerks. The workshop was well received with an attendance of 100% of the Clerks. The Clerks have requested another training, which is targeted to occur this month --September 2013. Additional outreach will be performed in order to train more site staff.*

*Kelly has completed her first school site ASB audit. The audit is not yet final. The audit findings were provided to the site and they are working on correcting the findings. Staff at the site were very receptive; there was awareness and training to the compliance. There was no fraud reported in the findings.*

*Kelly is starting her second school site ASB audit. When this audit has been finalized, Kelly will report to the Committee on her findings.*

**Lease/Use of Facilities**

*An analysis has been started on the data analytics. Kelly has just begun the review of contracts of a school site.*

**Bond Programs**

*Kelly recently attended a Citizens' Bond Oversight Committee Meeting.*

**Expenditure (Expense) Reports**

*Kelly will be waiting until the end of the year to present the report as a fiscal year end report.*

**Purchase/Credit Cards**

*Kelly will be waiting until the end of the year to present the report as a fiscal year end report.*

**Other**

*Kelly receives support requests from management.*

**9. Discussion/Action: Cash Handling and ASB Debit Balances**

Kelly Kwong, Senior Manager of Internal Controls, may present findings and recommendations for action related to cash handling and ASB debit balances at school sites.

*Through Kelly's risk assessment, many of the School-Finance Clerks inherited debit ASB balances. Staff are aware of this and are managing it in order to keep in compliance from a budget perspective. From the cash level, ASB is generally heavy in cash. FCMAT guidelines indicate that the funds should be spent the same year the students are there. Administration was reminded that they need to obtain permission to carryover 20% of their revenue. Options to make ASB debit balances more transparent, such as in the form of a hard copy, electronic version or online access, with the school sites is currently under discussion. At the next School-Finance Clerks meeting, a discussion will be held regarding how often key persons who deal with ASB balances should meet per year. This will help to establish a best practices recommendation, which will be discussed at a future meeting of the Audit Committee.*

**10. Discussion/Action: Fraud, Waste and Abuse Hotline**

Kelly Kwong, Senior Manager of Internal Controls, will report on the status of the Fraud, Waste and Abuse Hotline, which was approved at the August 30, 2011, Board meeting.

*The vendor, formally called Ethics Point, has now been acquired by Navex Global with a contract services agreement to September 2014. Associate Superintendent Battle will be putting in his October newsletter a short article reminding the public that the Fraud, Waste and Abuse Hotline is available for filing anonymous reports.*

**External Auditor**

**11. Discussion/Action: Student Records Retention - Joyce Peters, External Auditor, will provide an audit update to the Committee.**

*Joyce Peters, External Auditor from Vavrinek, Trine, Day & Company, LLP, shared with the Committee that the District's internal controls has been audited and was found to have no exceptions. The State compliance audit also had no exceptions.*

*There is one item that is still pending, the SARC Report. This year, three sites were selected for the SARC Report audit, Andrew Hill, Oak Grove and Santa Teresa High Schools. One site, Andrew Hill, was tested and found no exceptions. At the time of the audit, Oak Grove and Santa Teresa High Schools were not able to produce the requested back up to the Williams compliance reports. VTD will follow up with Oak Grove and Santa Teresa for another site visit during the final audit phase. Karen Poon will follow up with Assistant Director John Lawrence regarding the missing facilities/ maintenance-related reports.*

*During payroll testing, it was noticed that there is a concern regarding the segregation of duties. There is an individual working in the Payroll and Human Resources Department. There needs to be a segregation of duties between the departments. Associate Superintendent Battle will look into the issue and make sure that segregation of duties still exists. The item will be placed on the agenda for discussion/report at the next meeting.*

*These are the only findings; the rest of the audit was clean. The final audit will be in October. At that time, internal controls will not be looked at, but what will be looked at are the financial statements. The draft report will be available in December.*

*The Audit Committee indicated that preliminary audit finding(s) are presented to the Audit Committee for discussion. The Superintendent will then take action to have the findings corrected. He will also have a plan in place to address the finding(s) in advance of the January Board meeting where the audit will be presented to the Board of Trustees.*

#### **Superintendent / Associate Superintendent of Business Services**

- 12. Bond Performance Audit** - Associate Superintendent Battle will present information on the Bond performance audit.

*Associate Superintendent Battle shared with the Committee that there is a performance audit being made on the Bond Program. The audit findings will be presented to the Board of Trustees at their September Board Meeting.*

- 13. Discussion/Action: Student Records Retention Draft Policy and Administrative Regulation** - Associate Superintendent Battle will bring back the draft Board Policy and Administrative Regulation for further discussion by the Committee.

*At the last meeting, language regarding a plan for disaster preparedness was discussed. It was indicated that the Board Policy (page 1) addresses the area of disaster preparedness (recovery of records in the event of a disaster or emergency) by having a document management system in place.*

*Another issue raised at the last meeting was the handling of expulsion records. Language was added to Administrative Regulation #3580 that addresses these records.*

- 14. Discussion/Action: Equipment Loss/Replacement Board Policy and Administrative Regulation** - Associate Superintendent Battle will bring back the draft Board Policy and Administrative Regulation for further discussion by the Committee.

*Item was provided as a second reading to the Committee for their review.*

**Audit Committee Business**

- 15. Discussion/Action Future Meetings**

Under this item the Audit Committee may schedule future meeting dates and times.

*The next Audit Committee Meeting will be held on December 11, 2013, at 6 PM in the Superintendent's Conference Room of the East Side Union High School District.*

*Items for future discussion:*

- *Recurring items on the agenda*
- *School Connected Organizations: Best Practices/Guidelines associated in working with School Connected Organizations (better understanding of how the District manages school connected organizations), Policies in Place – Kelly Kwong*
- *Best Practices: Cash Handling and ASB Debit Balances*

- 16. Superintendent Communications/Comments**

- Superintendent Chris D. Funk (*absent*)
- Associate Superintendent of Business Services Marcus Battle

*Marcus Battle reported on the copier procurement. The District selected Ricoh USA. The sites and District Office will be removing all their old copiers and replacing them with a fleet of brand new copiers to be placed at all school sites and District Office. The district will have a savings of \$45,000 a year.*

*A benefits audit was just concluded. As of September 1, a total of 132 ineligible dependents were dropped from the District's health plans. This information will be presented to the Board at their September Board Meeting, along with the savings to the District as a result of dropping the ineligible dependents.*



**17. Audit Committee Member Comments**

Individual Audit Committee members may report on programs, conferences, meetings attended and/or items of interest to the public. An Audit Committee member may wish to express a concern or observation about a topic not appearing on the agenda, or request items to be scheduled on a future agenda.

*None*

**18. Adjournment**

*Chair Nguyen adjourned the meeting at 7:19 p.m.*

*Respectfully submitted,*

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*Lan Nguyen, Board Audit Committee Chair*

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# ADMINISTRATIVE BULLETIN Item: 11

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East Side Union High School District

No. 05

Effective Date: 10/25/12

**Business Services Division – Finance**

**Community Relations: Reference BP/AR 1230 School-Connected Organizations**

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## **SCHOOL-CONNECTED ORGANIZATIONS**

Parents/guardians may wish to establish groups for the purpose of supporting educational and/or extracurricular programs. The District supports such activities and welcomes parental interest and participation. The purpose of this general guideline is to inform school principals and organizations of what is required to start or continue to operate an authorized School-Connected Organization (SCO), such as Booster Clubs or Parent Teacher Associations at East Side Union High School District.

## **HOW TO GET STARTED**

1. Parent/guardian groups desiring to be recognized as an SCO shall request authorization from the District, complete the ESUHSD School-Connected Organization Application Form (see *Form 1*), and provide the following information:
  - Name of the SCO.
  - Federal tax identification number. (CANNOT use the District's tax ID)
  - Membership quotas or qualifications.
  - Names, addresses and phone numbers of all officers.
  - Brief statement of general purpose of the SCO. (Please attach a copy of the bylaws and written statement of purpose)
  - Name and address of bank where account is located.
  - Names of person(s) authorized to withdraw funds.
  - Proof of liability insurance insuring the organization for their negligence pursuant to Education Code Section 38134.
  - Allowable use of any money at the end of the school year if the SCO does not continue or is not authorized to continue in the future or if the affiliated school closes.
  - The signature of the SCO's authorized representative.
  - The signature of the affiliated school Principal who supports the request for authorization.
2. The District requires the SCO to have a written statement of purpose and bylaws. The SCO shall work with the Principal or designee in establishing the types of services or support to be provided.
3. All SCOs are **NOT** legal components of the District. They are individual and separate entities. Each SCO must have its own Federal tax identification number and follow Internal Revenue Services (IRS) and California State guidelines regarding filing tax

information and returns. (Please consult a tax consultant for annual tax filing requirements.)

4. The SCO is required to apply for their owned Federal Identification Number (FIN) by filing the IRS Form SS-4. The SCO will also need to file the appropriate document to establish the organization as a tax exempt organization.
  - a. Information related to tax exempt organization, such as Publication 557, Publication 4220, Form 1023 etc., can be obtained from the IRS website ([www.irs.gov](http://www.irs.gov)) or by calling 1-877-829-5500.
  - b. California Exemption Application Form 3500 can be obtained from the Franchise Tax Board website ([www.ftb.ca.gov](http://www.ftb.ca.gov))

### **ROLE OF SCHOOL-CONNECTED ORGANIZATIONS**

1. The property of the SCO is irrevocably dedicated to non-profit purposes and no part of their income or assets shall ever inure to the benefit of any director, officer, or member.
2. On dissolution of the SCO, assets remaining after provision for or payment of all debts and liabilities will be distributed to the school they have served or if it is not in existence at such time, then to the East Side Union High School District.
3. The SCO is directly responsible for ensuring that proper internal controls exist for all financial activity for their organization. Each SCO should elect a treasurer (in accordance with their bylaws) who is assigned responsibility for the financial activities. The SCO should follow good business practices and maintain an adequate system of internal controls, including the following:
  - A pre-numbered receipt book shall be maintained as well as backup documents for all receipts.
  - Deposits shall be made intact and timely. The funds of SCO **must never be commingled with the student body or district funds.**
  - Bank reconciliation must be performed monthly and by someone independent of depositing and check writing duties.
  - Checks require two signatures.
  - All expenditures (including **ORIGINAL** invoices/documents) must be approved by the SCO Board and recorded in the minutes.
  - Budgets represent expected revenue and expenditure plans for the year. Budgets shall be modified when significant changes occur.
  - The Treasurer shall prepare a monthly financial statement reflecting the beginning checking account balance, receipts, disbursements, and ending checking account balance. This must be presented to the SCO Board with a copy of the bank reconciliation, along with the bank statement.

- The SCO shall appoint an independent auditor to review all of the Treasurer's financial records at least annually.
4. Generally, solicitation on behalf of a school is prohibited by Education Code Section 51521. Exception: The prohibition contained in this section requires that the District Board (or the Board assigned designee) of any school district approve any fundraising activity in which money will be given for the benefit of students.

To meet this statutory requirement, all SCO are required to submit an ANNUAL UPDATE form (see *Form 1*) for change of officers and continued existence.

5. Any requests for continued existence shall be accompanied by a copy of the current filed IRS Form 990, 990-EZ or 990-N, whichever form is applicable, an annual financial statement showing the income of all fundraisers, as well as all expenditures (see *Form 2*).
6. The SCO under Board Policy 1230 and Administrative Regulation 1230 automatically grants the District the right to examine their financial records at any time, either by District internal audit personnel or by an external auditor.
7. Any programs, fundraisers or other activities planned shall only be permitted if properly scheduled and calendared according to the rules of the sponsoring school. Announcements of events and related parent/guardian permission slips shall clearly indicate that the activity or event is sponsored by the SCO, not by the school or the District.
8. The SCO may donate funds to the District for payment of transportation of students to events. All transportation arrangements for students shall be made through the District's Transportation Department or other district approved vendor if the Transportation Department has schedule or other conflicts.
9. The SCO shall not hire District employees without prior approval from the District; however, donations to the District can be made along with a request that a position or stipend be funded. In such case, the District shall follow its policies, employee contracts, and procedures to fill such a position.

### **ROLE OF SCHOOL PRINCIPAL**

1. School Principals or designee are to serve in an advisory status to the SCO. The advisor shall provide an administratively approved list of services or support projects from which the organization may wish to provide services or support. This list should not include basic operational needs for the school or activity. The SCO may choose to provide services other than those presented by the school advisor with the approval of the Principal.
2. School personnel are **NOT** allowed to serve as SCO officers, to sign on SCO banking accounts, invoices, or purchase authorization.

3. The school Principal shall review all plans for fundraising prior to the occurrence of the event.

### **REQUIRED FORMS**

1. School-Connected Organization Application/Annual Update Form (**Form 1**)  
(Form: Annual App F001)
  - a. *Submit the completed form and the required attachments to:*  
East Side Union High School District  
Senior Manager of Internal Controls' Office  
830 N. Capitol Avenue  
San Jose, CA 95133
  
  - b. *Required Attachments:*
    - Bylaws (if new application, or if bylaws have changed)
    - Prior year financial statements (if the organization operated in the prior year)
    - Current year adopted budget
    - Proof of insurance
  
2. School-Connected Organization Annual Reporting of Financial Information (**Form 2**)  
(Form: Annual Rep F002)
  - a. *Send a copy to:*  
East Side Union High School District  
Senior Manager of Internal Controls' Office  
830 N. Capitol Avenue  
San Jose, CA 95133
  
3. Internal Revenue Service (IRS) Form SS-4
  - a. *Fax or file with "Internal Revenue Service Center" at:*  
EIN Operation  
Philadelphia, PA 19255  
Fax: TIN: 859-669-5760

**EAST SIDE UNION HIGH SCHOOL**  
**School-Connected Organization Application/Annual Renewal Form**

Authorization granted under Board Policy/Administrative Regulation 1230 shall be renewed each year, but may be revoked by the Board if considered necessary. School-connected organizations shall submit an annual financial statement showing all income and expenditures from fundraisers.

This is (check one):

An initial application for authorization as a School-Connected Organization

An annual data update for an approved organization

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1. Name of the Organization: \_\_\_\_\_

2. Name of the School: \_\_\_\_\_

3. Federal Tax Identification Number: \_\_\_\_\_

*Note: (cannot be the same number used by the District)*

4. Membership quotas or qualifications: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

5. Names, Addresses and Phone Numbers of all Officers:

Name	Address	Phone(s)	Position

6. Description of the organization's purpose: \_\_\_\_\_

\_\_\_\_\_

7. List of specific annual objectives: \_\_\_\_\_

\_\_\_\_\_

8. Banking Data - Number of Signatures Required: \_\_\_\_\_ (Attach sheet if more than 2 signatures)

Name of Bank	Address of Bank	Authorized Signers



**East Side Union High School District**  
**School-Connected Organization**  
**Annual Reporting of Financial Information**

School-Connected Organization automatically grant the District the right to audit their financial records at any time, either by the District's internal audit personnel or by an external auditor. An annual financial report must be signed and certified by an authorized personnel of the organization and shall be submitted and filed with the District annually by September 30<sup>th</sup>.

Note: *This form is to be completed by the School-Connected Organization.*

Name of Organization: \_\_\_\_\_

Name of School: \_\_\_\_\_

Federal Tax ID #: \_\_\_\_\_

Contact Person: \_\_\_\_\_

Title: \_\_\_\_\_

Phone: \_\_\_\_\_ Cell#: \_\_\_\_\_ email: \_\_\_\_\_

Please provide the following financial information about the School-Connected Organization (*If you have any questions or need assistance please contact the Senior Manager of Internal Control.*)

**Financial Information**

- |   |          |
|---|----------|
| 1. Beginning Cash Balance as of 7/1/12  | \$ _____ |
| 2. Add: Revenues Earned in 2012/13<br><i>(cash received and/or deposited)</i>     | \$ _____ |
| 3. Less: Expenditures in 2012/13<br><i>(check issued/disbursements)</i>           | \$ _____ |
| 4. Ending Cash Balance 6/30/13<br><i>(must agree with bank statement 6/30/13)</i> | \$ _____ |

***I certify that the above financial information is accurate and correct to the best of my knowledge.***

Signed: \_\_\_\_\_ Date: \_\_\_\_\_

Print Name: \_\_\_\_\_ Title: \_\_\_\_\_

*Distribution:*  
- Original to East Side Union High School District Senior Manager of Internal Controls' Office, 830 N. Capitol Avenue. San Jose, CA 95133, (Fax 408.347-5055 w/original to follow)  
- One copy to the school Principal  
- One copy to be retained by the Organization



## **COMMUNITY RELATIONS**

### **SUBJECT: School-Connected Organizations**

The Governing Board recognizes that parents/guardians and community members may wish to organize parent organizations and/or booster clubs for the purpose of supporting district and extracurricular programs, such as athletic teams, debate teams, or musical groups. The Board appreciates the contributions made by such organizations and encourages their interest and participation in supporting district activities and helping to achieve the district's vision for student learning.

(cf. 0200 - Goals for the School District)  
(cf. 6020 - Parent Involvement)

The Board recognizes that school-connected organizations are separate legal entities, independent of the district. However, in order to help the Board fulfill its legal and fiduciary responsibility to manage district operations, any school-connected organization that desires to raise money to benefit any district student shall submit a request for authorization to the Board, in accordance with Board policy and administrative regulation. In addition, the Superintendent or designee shall establish appropriate internal controls for the relationship between school-connected organizations and the district.

(cf. 1321 - Solicitation of Funds from and by Students)  
(cf. 1330 - Use of School Facilities)  
(cf. 3452 - Student Activity Funds)

The Board encourages school-connected organizations to consider the impact of fund-raising activities on the overall school and district program. School-connected organizations may consult with the principal to determine school needs and priorities. Activities by school-connected organizations shall not conflict with law, Board policies, administrative regulations, or any rules of the sponsoring school.

(cf. 3290 - Gifts, Grants and Bequests)  
(cf. 3554 - Other Food Sales)  
(cf. 5030 - Student Wellness)  
(cf. 6145 - Extracurricular and Cocurricular Activities)  
(cf. 6145.2 - Athletic Competition)

#### *Legal Reference:*

#### **EDUCATION CODE**

*200-262.4 Prohibition of discrimination on the basis of sex*

*35160 Authority of governing boards*

*38130-38138 Civic Center Act, use of school property for public purposes*

*48931 Authorization for sale of food by student organization*

*48932 Authorization for fund-raising activities by student organization*

*49431 Sale of food to elementary students during the school day*

*49431.2 Sale of food to middle, junior, or high school students*

*49431.5 Sale of beverages at elementary, middle, or junior high schools*

*51520 Prohibited solicitation on school premises*

*51521 Fund-raising project*

***BUSINESS AND PROFESSIONS CODE***

*17510-17510.95 Solicitations for charitable purposes*

*25608 Alcohol on school property; use in connection with instruction*

***GOVERNMENT CODE***

*12580-12599.7 Fundraisers for Charitable Purposes Act*

***PENAL CODE***

*319-329 Lottery, raffle*

***CODE OF REGULATIONS, TITLE 5***

*4900-4965 Nondiscrimination in elementary and secondary education programs*

*15500 Food sales in elementary schools*

*15501 Food sales in high schools and junior high schools*

***CODE OF REGULATIONS, TITLE 11***

*300-312.1 Fundraising for charitable purposes*

***UNITED STATES CODE, TITLE 20***

*1681-1688 Discrimination based on sex or blindness, Title IX*

***COURT DECISIONS***

*Serrano v. Priest, (1976) 18 Cal. 3d 728*

***Management Resources:***

***CALIFORNIA DEPARTMENT OF EDUCATION LEGAL ADVISORIES***

*1101.89 School District Liability and "Hold Harmless" Agreements, LO: 4-89*

***WEB SITES***

*CSBA: <http://www.csba.org>*

*California Office of the Attorney General, charitable trust registry:*

*<http://caag.state.ca.us/charities>*

*California State PTA: <http://www.capta.org>*

**COMMUNITY RELATIONS**

**SUBJECT: School-Connected Organizations**

Persons proposing to establish a school-connected organization shall submit a request to the Governing Board for authorization to operate at the school. The request for authorization shall contain:

1. The name and purpose of the organization
2. The date of application
3. Bylaws, rules, and procedures under which the organization will operate, including procedures for maintaining the organization's finances, membership qualifications, if any, and an agreement that the group will not engage in unlawful discrimination
4. The names, addresses, and phone numbers of all officers
5. A list of specific objectives
6. An agreement to grant the district the right to audit the group's financial records at any time, either by district personnel or a certified public accountant
7. The name of the bank where the organization's account will be located and the names of those authorized to withdraw funds
8. The signature of the principal of the supporting school
9. Planned use for any money remaining at the end of the year if the organization is not continued or authorized to continue in the future
10. An agreement to provide evidence of liability insurance as required by law

(cf. 1330 - Use of School Facilities)

Requests for subsequent authorization shall be presented to the Superintendent or designee annually, along with a financial statement showing all income and expenditures from fund-raisers. If the Superintendent or designee proposes to deny the request for reauthorization, he/she shall present his recommendation to the Board for approval.

Upon consent of the Superintendent or designee, school-connected organizations may use the school's name, school team's name, or any logo attributable to the school or district.

School-connected organizations are prohibited from hiring or directly paying district employees. Organizations may make donations to the district to cover the costs of additional employees, but only if such positions are approved in advance by the Board. At their discretion, employees may volunteer to perform activities for school-connected organizations during non-working hours.

(cf. 4127/4227/4327 - Temporary Athletic Team Coaches)