
XII. FUNDRAISING

A. INTRODUCTION / GENERAL BACKGROUND INFORMATION

The term “fundraising” includes any request for financial or in-kind assistance made to support district schools or programs. The district has the authority to regulate all fundraising activity during school and at school-sponsored events and regulate the use of the funds derived from those sources.

Fundraising should supplement district and student activity funds. Fundraisers should generate funds. Before initiating a fundraiser, it should be reasonably assured that the fundraiser can turn a profit. An activity that incurs more expenses than generates revenues is not a fundraiser.

Fundraising revenue may be used to purchase materials and services. It may also be used to undertake facility improvements with prior approval. Fundraising activities should contribute to the overall experience of students and not conflict with an instructional program and participation by students, parents, and staff is voluntary.

Participation in fundraisers must be entirely voluntary. The district or activity sponsor/coach shall not prevent students from participating in the activity or event if they elect not to participate in a fundraiser. The district has no authority to require fundraising efforts.

B. TYPES OF FUNDRAISERS

I. In-school

Fundraising activities which are completely contained within a school day, may be approved by the school principal so long as the activities comply in all respects with Board policy and procedures outlined below. (Examples include “penny drives”, flower sales, sale of pencils or other “bookstore” items) Such activities must not disrupt instructional time.

a. Fundraisers with Food and Beverages

The Healthy Hunger-Free Kids Act of 2010 directed the USDA to establish nutrition standards for all foods and beverages sold to students in school during the school day, **including foods sold through school fundraisers**. During the school day, fundraising efforts that include a food/beverage component **MUST** comply with all USDA Smart Snacks in Schools guidelines.

NOTE: Smart Snacks in School only applies to foods and beverages sold to students on the school campus during the school day, which begins at midnight and goes through 30 minutes after the final bell. The nutrition standards do not apply to foods and beverages sold at events held at least 30 minutes after the final bell, off campus, or on weekends, such as school plays or sporting events.

2. Out of School

Out of School fundraising activities may be approved so long as the activities comply in all respects with Board policy and procedures outlined below. The principal is responsible for ensuring that promotional activities introducing, encouraging, or rewarding individual or group participation in the fundraising activities do not disrupt instructional time. Each school should be sensitive to the overall impact of financial requests they make of families in conducting school-approved fundraising activities.

a. Fundraiser Foods not Intended for Consumption in School

Fundraising activities that take place outside of school, such as cookie dough or frozen pizza sales, are exempt from the Smart Snacks in School nutrition standards. Distribution of order forms and foods not intended for consumption at school may continue.

3. Online/Crowdfunding Donations

Approved online fundraising vendors are RevTrak, Bound, and Donors Choose.

The district can establish a link to collect money for donation/fundraisers via credit card. When the donation link is used for the fundraiser, the money will automatically be transferred to the DMPS account linked to the fundraiser monthly. A RevTrak tile can be requested through the fundraising approval process. See [Prior Approval](#). For questions regarding a RevTrak donation, contact the [DMPS Treasury Analyst](#).

High schools also have the option of using [Bound](#) for online fundraising for school activities and athletics. If you want to set up a Bound fundraiser, work with your building AD and indicate the request in the fundraiser approval. See [Prior Approval](#).

There are a number of new social-media fundraising opportunities for educators. DonorsChoose is the only platform that has been vetted for use with the district.

Quick guide: [Guidelines for using DonorsChoose](#)

C. FUNDRAISING BY THE DISTRICT, SCHOOLS, AND SCHOOL ORGANIZATIONS

It is the responsibility of the fundraising sponsor to ensure fundraising procedures outlined in this document are followed.

School fundraisers are often initiated by a student club, organization, or sports team. The fundraising guidelines below are set forth to address fundraising activities sponsored by the district.

Games of Chance are not allowed to be conducted by district groups.

See [Fundraising by Affiliate Organizations](#) for guidelines for fundraisers sponsored by an outside group.

I. Prior Approval

To coordinate fundraising activities and acknowledge the burden that can be placed on local businesses and individuals without such coordination, the district has established a fundraising approval process. All fundraising activities (including) online fundraising campaigns must be approved prior to initiating the fundraiser.

To ensure the district will agree to spend the funds for the intended purpose of the fundraiser and the fundraiser contributes to the overall experience of students, all potential fundraisers must be clearly described in a [Fundraiser Information and Approval Form](#) and receive appropriate approvals prior to starting the fundraiser and advertising for the fundraiser. The form must be signed by the sponsor, AD (for middle and high schools), building administrator, and the Executive Director of Operations (if the fundraiser is for a capital improvement project) and then turned into the building bookkeeper/office manager. Staff members who conduct fundraising activities without prior approval may be subject to disciplinary action.

Example: High School A is planning a fundraiser to equip their gym with new bleachers. The fundraiser is not associated with a specific student club or organization but is for the benefit of the school. In this case, the fundraiser sponsor, AD, principal, and Facilities Executive Director must approve the fund raiser.

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2. Fundraising Communications

To establish responsibility and promote transparency, all fundraising activities must clearly be identified as school/district sponsored or sponsored by an outside group, such as an affiliate organization (e.g., PTA/PTO/Booster). All fundraising communications must CLEARLY state:

	Definition	Sample Language
Who	Who is conducting the fundraiser: <ul style="list-style-type: none"> ○ Internal – The school or school group ○ External – An affiliated organization 	<i>High School A girls golf team</i>
What	What the funds are being raised for	<i>Buy school-branded golf towels</i>
How	How the raised funds will be used, including: <ul style="list-style-type: none"> ○ The percentage of proceeds that will be used for transportation expenses, if any <p><i>NOTE: If the fundraiser does not specifically state that a portion of the proceeds will be used for transportation, the funds CANNOT then be used for transportation expenses.</i></p>	<i>Artwork design Printing of the towels</i>
If	If goods or services are to be received in for payment, the amount	<i>The team is holding a fundraising dinner. If tickets are sold for \$75, but \$25 of the funds will be used to pay for the dinner, the communication/ticket must state that only \$50 is a deductible contribution for the donor.</i>

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3. Cancelled Events

Funds collected from a **fundraiser** must be retained by the district and are not refundable to students/families in the event of a cancelled activity for which the funds were raised.

If the district collects out-of-pocket funds from a student to cover individual costs for a trip and the trip is cancelled, prior to the district using the funds to pay any related costs, the amount collected should be returned to the student.

D. ACCOUNTING FOR FUNDRAISERS

1. Fundraising Expenses

Expenses related to the fundraiser should be supported by an original itemized receipt or an original invoice from a vendor. The district does not reimburse families for out-of-pocket expenses related to any fundraising.

Expenses should not be paid until sufficient funds are available. The only time it would be acceptable to pre-pay for items to be sold (e.g., student council carnation sale) is if that activity fund has the fund balance to pay for the pre-pay items. In those situations, the Transaction Summary: Items Sold and Cash Reconciliation of the Collection of Money Report should be completed.

2. Collection of Money

All funds generated from district-sponsored fundraising must be deposited into an appropriate Student Activity Fund, General Donate Account, or a Dependent Affiliate Organization's 91 account, depending on the nature of the fundraiser.

All money received is considered public funds and subject to all statutory requirements for public funds. **No bank accounts shall be opened under the district name or under a personal ID to hold fundraising monies.**

When collecting money, all district cash procedures must be followed. Each day money is collected (from students independently collecting money or at an event), the activity sponsor must submit the money and an appropriate Collection of Money Report to the bookkeeper.

It is the responsibility of the bookkeeper to account for all money once it is deposited in the proper account and ensure the funds are deposited according to district guidelines. The completed [Fundraiser Information and Approval Form](#) should be attached to all fundraiser cash receipts deposits and expenses entered into BusinessPlus along with the other support.

3. Using Fundraising Revenue

All funds generated through fundraising must **comply with the stated purpose** for the fundraiser and must be used for **the state activity ONLY**. If more money is raised than is needed for the stated purpose, the excess funds can be used for other needs (or saved) for **the stated activity**.

Example: The Girls Golf team initiates a fundraiser to buy branded towels for all members of the team to use during meets. The funds will be used for artwork and printing of the towels. No funds will be used for transportation. The goal was to raise \$500. The end result was a positive net of \$750. After spending \$500 on the stated purpose, the remaining \$250 can be saved for future Girls Golf needs.

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It is never appropriate to give fundraised cash directly to students or to be used for a student's personal benefit. Under **NO** circumstances should cash prizes be given to students. Students cannot receive merchandise or personal benefits in lieu of cash. District resources cannot be used to personally benefit a student.

If a school wants to help a specific student or family, a fundraiser should **NOT** be conducted using a district account. These fundraisers should be managed by someone outside of the district and run through a separate bank account. For example, a bank, business partner, Independent Affiliate Organization (e.g., PTA/PTO/Booster Club that manages its own finances), or other outside organization should manage the fundraiser and any monies collected.

E. FUNDRAISING BY AFFILIATE ORGANIZATIONS

The district has developed a guide for Affiliate Organizations. This guide contains important information regarding the cooperative nature between the district and these organizations, including fundraising.

To establish responsibility and promote transparency, all fundraising activities must clearly be identified as school/district sponsored or sponsored by an outside group, such as an affiliate organization (e.g., PTA/PTO/Booster).

1. Prior Approval for Fundraisers

If fundraisers are being conducted by an outside entity, with an intent to donate the funds or item purchased from those funds back to the district, a [Fundraiser Information and Approval Form](#) must be completed and receive appropriate approvals prior to starting the fundraiser and advertising for the fundraiser. The form must be signed by the sponsor (e.g., PTA president), AD (for middle and high schools), building administrator, and the Executive Director of Operations (if the fundraiser is for a capital improvement project) and then turned into the building bookkeeper/office manager.

2. Fundraising by Dependent Affiliate Organizations

Funds raised by *Dependent Affiliate Organizations* (i.e., affiliate organizations that have a district 91 account) are subject to ALL district rules, including the fundraising procedures

outlined in this document. All funds raised by Dependent Affiliate Organizations are considered public funds, can only be expended for legitimate public purposes, and can only be used to support the educational mission of the district. All fundraising revenue generated by a Dependent Affiliate Organization should be deposited within the group's 91 fund account with the 1993 object code.

3. Fundraising Events on School Property

The district/school may provide affiliate organizations a location in the building/at district property where an affiliate group member can be positioned to carry out the fundraising activity previously approved by the building administration.

4. DMPS Staff Assistance with Affiliate Organization Fundraisers

When an affiliate group is considering some type of fundraising activity within the school facility during school hours, the group should determine if they have the resources available within the group (including personnel) to manage those activities. School district employees should not assist with managing the fundraiser during work hours, as that would take the employee away from their regularly assigned job responsibilities. Consequently, affiliate organizations should not ask DMPS staff to collect money for T-shirts (or other similar fundraising items) on behalf of the PTO during the day.

DMPS employees whose job responsibilities include fundraising may be exempt from this restriction.

If a district employee assists with an affiliate organization fundraiser off work hours, all DMPS [policies](#) and all procedures outlined in this manual must be followed.

5. Games of Chance

A game of chance is a game in which chance, rather than skill, determines the outcome. For example, purchasing a raffle ticket is a game of chance. **Games of Chance are not allowed for DMPS organizations nor Dependent Affiliate Organizations.**

Independent Affiliate Organizations may conduct games of chance. Any Independent Affiliate Organization contemplating conducting a game of chance fundraiser should read through the information from the Iowa Department of Inspections and Appeals for the latest forms to use when applying for a charitable gambling license. Affiliate Organization groups sponsoring a game of chance fundraiser are responsible for obtaining their own gambling license and completing the applicable paperwork for the state reports.