

## **ORGANIZATION, PHILOSOPHY, AND GOALS**

### **Local School Organization and Administration**

#### **Fund-Raising**

This regulation supersedes Regulation 1370.5.

#### **I. PURPOSE**

To establish guidelines for elementary and secondary school-sponsored or nonschool-sponsored student participation in fund-raising activities.

#### **II. SUMMARY OF CHANGES SINCE LAST PUBLICATION**

The department responsibility has been changed from the Office of the Superintendent to the Department of Communications and Community Outreach.

#### **III. DEFINITION**

Fund-raising refers to the raising of money by students and others for the educational benefit of students and their schools. Examples include:

Book fairs	Fun fairs
Advertising in school publications	Magazine drives
Donations	Car washes
Craft or candy sales	Spaghetti dinners

This regulation does not apply to the sale of student pictures or the operation of school stores.

#### **IV. APPROVAL PROCEDURES**

The principal shall have the authority to approve fund-raising activities conducted by the total student body, clubs, classes, and other school activity groups. The principal shall also have the authority to approve fund-raising activities sponsored by nonschool organizations that involve student participation. (See the current version of Regulation 5810, School Activity Funds Management). The principal shall have the responsibility to ensure that such activities do not interfere with the school's instructional day.

#### **V. NONSCHOOL-SPONSORED ACTIVITIES**

This regulation does not apply to nonschool-sponsored organizations such as booster clubs or parent-teacher associations while they are conducting fund-raising activities on behalf of schools, provided there is no student involvement in the fund-raising activity and the principal has determined that funds raised need not be receipted into the school activity fund records.

If the nonschool-sponsored fund-raising activity involves student participation or the principal determines that funds raised must be receipted into the school activity fund records, then all provisions of this regulation are applicable. See the current version of Regulation 5810, School Activity Funds Management).

## **VI. BUDGETING AND ACCOUNTING**

### **A. Budget Projections**

The sponsor of each group requesting approval of a fund-raising activity shall submit, in writing to the principal, a projected budget estimating how much money will be raised and how it will be spent.

### **B. Accounting Controls**

Any fund-raising drive accounted for in the school activity fund records must have accounting procedures that ensure that all money collected is turned in to the school principal or his or her designee as soon as possible after being collected. All funds shall be deposited in the school activity fund account.

All funds raised in the name of the school and accounted for in the school activity fund records become the property of the school. Even in cases in which funds are raised for a specific purpose and the funds subsequently are not used for this purpose (for example, funds are raised for a club field trip and the trip is canceled) no refunds shall be made to students. An alternative use for the funds shall be determined by the principal.

## **VII. SPECIAL REQUIREMENTS**

### **A. Sponsor**

Every school-sponsored fund-raising activity in which students participate shall have a sponsor who is a member of the school staff.

### **B. Class Attendance**

Each school year, principals will designate no more than one assembly program at which all school-sponsored fund-raising campaigns will be introduced. Not student shall otherwise be excused from a scheduled class for the purpose of planning or participating in a fund-raising activity.

### **C. Contracts with Fund-Raising Companies**

1. A written contract establishing the provisions of the fund-raising activity shall be signed by the vendor and the school principal or his or her designee, and a copy shall be kept on file for audit review. Whenever possible, schools should use contract templates developed by the Office of Procurement Services. Any contract exceeding \$5,000 may be subject to competitive procedures and additional administrative review. Such contracts must be referred to the Office of Procurement Services.

2. In order for a school to enter into a contract with a company that offers products for resale, the company must specify that a reasonable percentage of the gross revenue be retained by the school. Schools should not enter into agreements that do not provide for some profit for the school.
3. If the fund-raising activity is being conducted by the school or a school-sponsored organization, the school shall maintain a record of all sales, and all receipts shall be accounted for in the school activity fund account. At the completion of the fund-raising activity, a payment shall be made to the vendor, less the profit due to the school.
4. If the fund-raising activity is being conducted by the vendor rather than the school staff or a school-sponsored organization, the school shall require that a record of sales be maintained in order to substantiate gross revenue. All receipts, including cash and checks, shall be accounted for by the vendor. No receipts shall be accounted for in the school activity fund records. Payment of commission or profit shall be made by the vendor to the school upon completion of the fund-raising activity.
5. If the fund-raising company is conducting solicitations on behalf of the school for donations of property or money, the school shall require the professional fund-raiser to provide verification that it has registered with the Virginia Department of Agriculture and Consumer Services, as required by the Virginia Solicitation of Contributions Law. Any written contract for such services must include a statement that the fund-raising company is, and shall remain, in compliance with the Virginia Solicitation of Charitable Contributions Law for the duration of the contract.

D. Door-to-Door Solicitation

1. Elementary students are prohibited from participating in door-to-door solicitations.
2. Middle and high school students may participate in door-to-door solicitations. When soliciting funds, the student shall:
  - a. Announce the name of the school he or she attends.
  - b. Explain how the funds will be used.
  - c. Explain what percentage of the money earned will remain with the school or school activity.

Each middle school and high school (secondary schools shall count as one separate middle and one separate high school) is limited to two school-wide, school-sponsored, door-to-door solicitations per school year. Thus, a school-wide (total student body) magazine drive and a candy sale undertaken as a unified effort by all school clubs would constitute the maximum permissible door-to-door solicitations for one school in a given year.

While this does not restrict individual school clubs from soliciting door-to-door, the

number of such solicitation campaigns conducted by middle and high schools shall be controlled and limited by the principal.

Principals shall have on file, as a part of his or her annual school management plan, a fund-raising document that includes a plan for approved door-to-door fund-raising activities.

**E. Nonsolicitation Fund-Raising**

Nonsolicitation fund-raising activities are encouraged in lieu of door-to-door solicitations and are not limited in number. A nonsolicitation activity is one in which the contributor participates of his or her own volition, such as by attending a book fair or a bake sale.

**F. Restrictions**

1. Group competition that puts pressure on individuals to participate is prohibited.
2. School-sponsored raffles and sales of raffle tickets by students on school premises are prohibited.
3. Telephone solicitation by students for fund-raising activities is prohibited. This is not intended to prohibit students from contacting friends and relatives by telephone to ask for their participation in a fund-raising activity.
4. Student grades, extra credit, or other academic indicators are prohibited from being linked to any fund-raising activity.

**VIII. INCENTIVE FOR STUDENTS**

Prizes and rewards for students who participate in fund-raising activities may be provided as long as they do not interfere with the instructional programs.