

OUTSIDE SUPPORT ORGANIZATION MANUAL

Santa Rosa County
School District



"A Tradition of Excellence"

research
boards
volunteers
charities
NPO
grants
charitable
nonprofit
management

Outside Support Organizations

The School District encourages citizens to form Outside Support Organizations (OSO). These organizations support individual schools or activities at a school. Examples of such organizations include the PTO/PTSO and booster clubs.

According to the Financial and Program Cost Accounting and Reporting for Florida Schools ("Redbook"), "All organizations of the school, or operating in the name of the school, which obtain moneys from the public shall be accountable to the board for receipt and expenditure of those funds in the manner prescribed by the board. If authorized by school board rule, a school based direct support organization as authorized by Section 1001.453, F.S. may have all financial transactions accounted for in the school internal funds.

There are two financial record keeping environments allowed in the school district. They are:

1. Organizations which financial records are maintained by the school (all money deposited in the school internal fund accounts).
2. Organizations which maintain their own financial records (have an outside bank account). These organizations **must** be incorporated and are known as Outside Support Organizations or OSO's. Once incorporated, the State of Florida considers these organizations the same as any other incorporated entity, not parent volunteers.

Our booster organizations are a vital part of our athletic and extracurricular programs. The funds provided by our booster organizations are to support and enhance the athletic or extracurricular program. A booster organization's major function is to support and raise funds for the various athletic and extracurricular programs. Booster organizations are not charged with making decisions that affect the operation of the sport area or activity. Decisions concerning the operation of the sport area or activity are **solely** the responsibility of the coach/sponsor under the authority of the principal and athletic director. Directors (Athletic, Band, and Choral) of each school have complete authorization of conduct, supervision, and management of all booster/parent support groups in their respective areas. (Directors report directly to the Principal or his/her designee).

Outside Support Organizations may not require a fee for participation in an extracurricular activity. The IRS prohibits tax-exempt organizations from requiring people to participate in fundraisers. Likewise, Booster organizations **may not** require an amount be "donated" in lieu of participating in the fundraiser. Students and parents may choose whether or not to participate in a fundraiser and may choose whether or not to donate to the organization. Furthermore, if a person decides not to participate, that person cannot be excluded from having the opportunity to benefit from the fundraiser and cannot be penalized for choosing not to participate in the fundraiser. Booster organizations/support groups/coaches may encourage participation in fundraising activities but not make it mandatory for participation in an extracurricular activity.

It is the principal's responsibility to be the liaison between the school board and the outside support organization in order to ensure the optimum cooperation for the good of the student body and equity among all programs.

Title IX is a federal law enacted in 1972 which protects individuals in education programs or activities from discrimination based on sex. It states that *"No person in the United States shall on the basis of sex, be excluded from participation in, be denied the benefits of, or be subject to discrimination under any educational program or activity receiving federal financial assistance."*

Title IX applies to all aspects of education and related programs, not just athletics. It requires that equal opportunities be provided for members of both sexes. It does not require that each team receive exactly the same services and supplies, but rather that the male and female programs, receive comparable levels of service, facilities, supplies, etc.

Since booster organizations funding and activities are included in the analysis of the school district's compliance with Title IX, booster organizations shall have an awareness of the law and the district's requirement for compliance.

The Superintendent authorizes Principals to give written permission to OSOs to use the name, logo, mascot or trademark of their school, as part of the OSO's name and in its fundraising or other activities. The Principal shall give written permission annually (by signing completed registration form), and maintain a list of authorized OSOs. To assure proper accounting of

funds and to protect volunteers in the OSO, the OSO agrees to comply with the provisions of this policy.

If an OSO fails to comply with the terms of school board policy 9.10, the principal may revoke the authorization of the OSO to use the school's name, logo, mascot or trademark.

All OSO activities shall be approved in writing, in advance, by the Principal or designee (fundraising activity form). These activities shall be beneficial to students, parents, volunteers, employees or the school, and shall not conflict with programs administered by the School District. It is understood that OSO's may have fundraising projects or activities that have not been planned prior to submission of the registration form due on August 1st each year. In this instance, the OSO must follow the policies in these guidelines to be granted permission to conduct the fundraising project/activity.

When an OSO conducts a fundraiser, it must be clearly defined as an OSO fundraiser and not that of the school.

The OSO must secure its own Federal ID number. The OSO may not use the school board's sale tax exemption number or any other number assigned to the school board in accordance with state and federal law.

INCORPORATED OUTSIDE SUPPORT ORGANIZATION REQUIREMENTS

It is recommended that all OSO's be incorporated under Florida Statutes as a not-for-profit corporation. Most not-for-profit corporations are 501(c)(3) corporations, which means they are formed for religious, charitable, scientific, literary, or educational purposes and are eligible for federal and state tax exemptions. **To create a 501(c)(3) tax-exempt organization;**

1. Form a Florida corporation- <http://form.sunbiz.org/pdf/cr2e006.pdf>
2. Apply for tax-exempt status from the IRS and the State of Florida- <https://www.irs.gov/charities-non-profits/application-for-recognition-of-exemption>

An OSO that is **incorporated** as a not-for-profit corporation under Florida law OR as a 501(c)(3) corporation shall comply with the following requirements:

1. All officers of the OSO shall be registered volunteers with the School District, and all members are encouraged to become registered volunteers.
2. It is recommended that the OSO use a fiscal year which begins July 1 and ends June 30.
3. OSO that is incorporated must have liability insurance. The officers may be held personally accountable for occurrences without proper liability insurance coverage. A minimum of \$1,000,000 is required.

At the beginning of each school year the principal is to receive the following information from each of the outside support organizations:

- Complete Registration form
- Financial statements with detailed financial transaction backup. The financial statements will be reviewed by individuals other than the signatories.
- Documentation of liability insurance coverage- minimum of \$1,000,000
- Copy of the proposed budget and possible fundraising projects/activities
- Copy of current bylaws
- Copies of all W 2's and 1099 miscellaneous income reports filed to the IRS.

The OSO is to have a single bank account

- Two signatures are required on all OSO checks
- Only elected officials may be signatories
- Persons authorized as signatories may not be related nor live in the same house
- Bank statements must be sent to the school's address
- A school board employee may not be authorized to sign checks drawn on the bank account of an OSO operating at the school.

Outside Support Organizations are not legal components of the school district. **Each organization which chooses to maintain an outside bank account must have its own tax identification number and is directly responsible for compliance with IRS and state reporting and disclosure requirements.** Once incorporated, the State of Florida and the IRS consider the organization the same as any other incorporated entity.

There shall be a clear delineation between the school and the OSO with respect to internal controls, custody of money and assumption of financial liabilities.

The OSO shall maintain active status with the Florida Department of State and provide the Principal annually with a copy of the OSO's Uniform Business Report at the beginning of each school year.

While on duty, school board employees cannot handle money that is collected for a fundraising activity of an OSO at the school in which they are employed during normal working hours. Normal working hours also includes hours worked and paid by a supplement.

UNINCORPORATED OSO REQUIREMENTS

An ***unincorporated*** OSO, as pursuant to the Florida Statutes guidelines, shall ***not*** maintain a separate bank account and shall deposit all proceeds from its activities into the school's internal funds account.

IRS Form 1099

Organizations are required by law to prepare and file IRS form 1099 for payments greater than \$600 to individuals, partnerships, sole proprietorships, or companies for services provided as independent contractors.

Financial Enhancement

No employees of the School Board of Santa Rosa County may accept, either directly or indirectly any gift, donation, emolument, gratuity, or favor that has any substantial economic value as measured by its nature that could affect his/her impartiality or judgment in performing his/her duties or services as an employee. **All payments by outside support organizations to school board employees must be approved in advance by the school principal.**

Construction of Facilities

Any facility that is to be built, expanded, or altered must receive the approval of the Assistant Superintendent of Administrative Services and the School Principal.

Purchase of equipment and donations

Outside Support Organizations exist for the sole purpose of supporting a specific sport, club or activity. The support may be fundraising or assisting a coach/sponsor. Outside Support Organizations do not have control over the administration of a sport, club or activity that belongs to the school. Donations (money, equipment, etc.) offered by Outside Support Organizations must be approved by the Principal and Superintendent. Donations that are approved and accepted become property of the Santa Rosa County School Board.

- At the Support Organizations expense, donated vehicles and trailers must be accompanied with a comprehensive inspection report which has been signed by an independent ASC mechanic. The School District will then perform its own inspection of the vehicle or trailer, and reserves the right to deny receipt of the donation prior to the form being submitted to the Superintendent for final approval.**

- B. The Principal or his/her designee will complete the ~~Approval of Service/Materials Donated~~ **Acquired Property through Donation** form. This form will be sent to the Superintendent for signature. Upon approval by the Superintendent the Principal may accept the donation.
- C. The Superintendent will send a copy of the ~~Approval of Service/Materials Donated~~ **Acquired Property through Donation** form to the Internal Accounts Auditor and the Supervisor of Property Records. The Supervisor of Property Records will place on inventory any donations of tangible property in excess of \$1,000., ~~all furniture, computer equipment, and fire extinguishers, regardless of price.~~

Resources

- Recommended Accounting/Organizational Procedures Organizational Audit
- OSO Checklist
- Administrator Checklist
- Booster Registration Form

School Board Policies

2.70- Prohibiting Sexual and Other Forms of Harassment

https://www.santarosa.k12.fl.us/policy/policy2_70.pdf

2.72- Prohibiting Discrimination

https://www.santarosa.k12.fl.us/policy/policy2_72.pdf

7.23 Internal Funds

https://www.santarosa.k12.fl.us/policy/policy7_32.pdf

9.10- Parent Organizations and School Support Groups

https://www.santarosa.k12.fl.us/policy/policy9_10.pdf

9.40- Distribution of Literature

https://www.santarosa.k12.fl.us/policy/policy9_40.pdf

School Volunteer Application Form-

<https://www.santarosa.k12.fl.us/parents/vol/VolHandbook.pdf>

Fundraising Activity Form- Principal permission

https://www.santarosa.k12.fl.us/finance/pdf/Internal_Funds/FundraisingRequestForm.pdf

Instructions to file for and become a Florida Corporation Not For Profit

<http://form.sunbiz.org/pdf/cr2e006.pdf>

Application Form & Instructions for an Employer Identification Number from IRS

<https://www.irs.gov/uac/form-ss-4-application-for-employer-identification-number-ein>

Application Form & Instructions for Recognition of Exemption under Section 501 © (3)

<https://www.irs.gov/charities-non-profits/application-for-recognition-of-exemption>

Application Form & Instructions for Florida Sales Tax Exemption

http://dor.myflorida.com/Forms_library/current/dr5.pdf

Uniform Business Report

<http://www.sunbiz.org/>

Booster Club Resource

Parent Booster USA

<https://parentbooster.org/>

Email is info@parentbooster.org, and telephone number is 866-936-6209.

Acquired Property through donation Form

<https://sites.santarosa.k12.fl.us/property/forms/Acquire.pdf>

Santa Rosa County School District Technical Assistance Notes
(Non-authoritative)
Outside Support Organizations
Recommended Accounting/Organizational Procedures

The treasurer is the authorized custodian, elected by the members, to have charge of the funds of the Outside Support Organization or OSO. The treasurer receives and disburses all monies as prescribed in the bylaws of the OSO. The treasurer sees that all authorized bills are paid promptly, that revenues are accurately recorded, deposits are timely made and a financial accounting is given at regular intervals or as requested by the officers of the OSO. Full and open disclosure of financial activity of the OSO aids in maintaining the confidence of its membership in the management of the OSO.

It is important that the treasurer maintains accurate records. Adequate and accurate accounting records offer added assurance that the financial activities of the OSO are properly accounted for and provides safeguards for those entrusted with funds of the organization should questions arise. Generally accepted accounting principles and sound business practices should be followed when keeping financial records to assure members of the OSO of the integrity of financial operations and accounting records. Basic procedures as outlined below should be the minimum operating standards used by the OSO.

Basic Ledgers

This is a listing of the monies received, recorded and classified by the "source", e.g., coupon book fundraiser, membership dues, concessions, t-shirt sales, etc. The donors should be noted and on file to properly document the individuals and businesses providing assistance to the OSO. This is important not only for the tracking of funds, but to provide a list of persons to extend appreciation. Cash received should be deposited promptly. It is highly recommended two individuals verify the cash collections and the total deposit being made.

Payments and Disbursements

Maintain a listing of all payments made and recorded by "purpose", "function", or "item" (e.g. repairs, equipment, food, awards, fundraising, etc.) recorded by date and/or check number order. Automated systems permit multiple levels of classification and are very efficient in the manner in which they can capture this information. If using a manual system, disbursements may be categorized in more than one way but may require multiple postings to accomplish this. All other charges (e.g. bank service charges, check/deposit slip charges, return check fees, etc.) should also be recorded here.

General (Control) Ledger

Information contained in control ledgers tracks expenditures and receipts for major categories used by the OSO (e.g. regular operations, student accounts, trip accounts, etc.) in order to keep up with beginning balances, total receipts and expenditures, and ending balances in the funds. These account balances carry forward from year to year.

Subsidiary Control Ledger (if necessary)

These ledgers are used to keep track of balances in more detail than in the typical control ledger (e.g. student account balances.) Balances listed here should agree with those in the major categories found in the "control ledger." If subsidiary ledgers are used to track revenues and expenditures by *type* (e.g. dues, fundraisers, travel, etc.), then these ledgers start with a zero balance each year.

Bank Reconciliation

It is presumed any OSO having bank accounts will delegate the reconciliation and balancing of the account at least quarterly to a responsible member of the organization. If this person is the treasurer having disbursement and accounting duties for the OSO, another officer of the OSO should review the reconciliation for correctness.

Organizational Budget

Budgets should be established to control and monitor the financial operations of the organization. The budget is an outline of estimated annual income and expenses taking into consideration the projected goals and planned activities, as well as the financial needs to achieve these. The budget should be approved by the board of directors, if not the entire membership of the organization, and should

be presented at the first meeting each year. Amendments may be made periodically as warranted and should also be approved by the board of directors.

Bylaws or Organizational Procedures

OSO's should operate under a set of bylaws. These are official rules/policies of the organization, and give its officers and directors authority and direction in running the daily operations of the organization. They should define each officer and director position, their duties, authority, terms of office and method of election. Bylaws state the purpose of the organization and requirements for membership. Bylaws should identify and define the "executive board" or board of directors and indicate their duties, authority granted to them, and requirements to meet. Bylaws should state minimum requirements for meetings, define a quorum, and state what rules of order meetings should follow. Bylaws and changes made to the bylaws should be submitted to the OSO's membership for review and approval with such clearly identified in the minutes of those meetings. Notice of proposed changes to bylaws is normally given at least one month in advance of the vote. The final approved version of the bylaws should be signed and dated at minimum by the current president and secretary of the organization with all future changes handled in the same manner. Official copies of the most current bylaws should be maintained by the secretary with the minutes of the OSO and passed on to the succeeding secretary. A current copy of the current bylaws **should be issued to each member and/or copies should be made available to its members at each meeting.**

Minimum Reporting

The bylaws should require that the treasurer report regularly to the OSO's membership. The treasurer should keep an accurate and detailed accounting of all monies received and paid out. Reports should be submitted at regular meetings (usually monthly) of the OSO; indicating the total balance on hand at the beginning of the period covered by the report, the separate amounts credited to the different funds, other receipts, itemized disbursements, balance on hand of each fund, and the total balance on hand at the end of the period reported. At the close of the organization's fiscal year (to be stated in the bylaws), the treasurer should close the financial records and prepare an **annual financial report covering the entire fiscal year. The form of the treasurer's report may vary.**

Annual Financial Oversight

As with any business enterprise, an annual oversight of the financial condition of the organization should be done by a person or committee selected according to the rules established by the OSO manual or policy. The OSO manual and school board policy require this person or committee to be a third party person or committee. The persons delegated this important task should conduct the following basic financial oversight tasks.

1. Compare the actual expenses and revenues for the year to the budget established at the beginning of the year.
2. Review a sufficient number of the disbursement and revenue transactions to determine accounts were properly used and entries to the ledgers were correct.
3. Review receipts and other support documents to ensure disbursements were proper.
4. Conduct an analysis of the expenditures to verify fairness and equality exist in the support of all teams falling under the mission of the OSO.
5. Attain from the treasurer a compilation of any unpaid bills, uncollected revenue, and inventory items unsold to report to the membership the complete financial condition of the organization.

Outside Support Organization Financial Checklist

- ☐ Written permission from the Principal to use the name, logo, mascot or trademark of the school as part of the OSO name or in the fundraising or other activity.
- ☐ All activities of the OSO approved in advance by the Principal or designee
- ☐ All officers will be registered volunteers with the School Board
- ☐ All members encouraged to become registered volunteers.
- ☐ 3rd party review completed and submitted to Principal or designee by September 1 for the previous fiscal year.
- ☐ OSO has one single bank account
- ☐ Federal tax-exempt status as a public 501(c)(3) Not For Profit organization maintained (if applicable)
- ☐ Authorized signatories are elected officials. Signatories are not related, do not live in the same house, nor are they Santa Rosa County School District employees.
- ☐ Two signatures required on each check.
- ☐ Bank statements mailed to school address
- ☐ Copy of current budget submitted to Principal (Registration Form)
- ☐ List of current OSO officers provided to Principal (Registration Form)
- ☐ List of signatories provided to Principal (Registration Form)
- ☐ Active status with the Florida Department of State is maintained. Principal is provided a copy of the OSO's Uniform Business Report no later than September 1 each year.
- ☐ Reviewed financial statements with backup documentation submitted to Principal no later than September 1 each year.
- ☐ Documentation of liability insurance coverage for the year submitted to Principal prior to any activities being initiated. If the organization participates in the SRCSD insurance it is in effect from October to October each year. It is the school's responsibility to verify liability insurance is current at all times.
- ☐ 1099-s or W-2's are issued if applicable
- ☐ All required reports to federal and state government filed.

Outside Support Organization Checklist For School Administration

It is recommended that you maintain a separate file for each OSO. The following items are to be maintained at the school site for each organization each year. This should be a perpetual file.

Copies of some or all of these items may be requested during your school's financial audit each fiscal year.

- ☐ Copy of the written permission from the Principal to use the name, logo, mascot or trademark of the school as part of the OSO name or in the fundraising or other activity. This is issued yearly after it is confirmed that the OSO was in compliance for the previous year.
- ☐ Copy of the OSO proposed budget
- ☐ List of signatories
- ☐ Copy of the OSO's Uniform Business Report form the Florida Department of State. Due by September 1st each year.
- ☐ Reviewed financial statements for the previous year. Due September 1st.
- ☐ Backup documentation for the reviewed financial statements
- ☐ Documentation of insurance coverage for the year. It is extremely important that you verify the OSO has current insurance
- ☐ 1099's issued if applicable
- ☐ **Acquired Property through donation Form submitted for all donated property from OSO in excess of \$1,000.**

Santa Rosa County School District

Outside Support Organization Registration Form

School Year _____

Principal: _____

School: _____

OSO Name:
Sport or Activity Represented:
Employee Sponsor/Coach of OSO:
Current Number of OSO Members:

By signing below the officers of this Outside Support Organization agree to:

- Submit 3rd party annual review to the principal as required by School Board Policy 9.10 (1) B;
- Submit all financial records for review within three days if requested by the principal;
- Obtain the principal's approval prior to paying any Santa Rosa School District employee;
- Obtain the principal's approval for all fund raisers;
- Submit an updated Registration Form if the officers change during the school year

The principal may disband the OSO for noncompliance. The officers listed below agree to submit a check for the balance of the booster club account payable to the school for credit to the sport or organization's internal account.

Officers	Name	Signature	Phone Number	Signatory? Y/N
President				Y/N
Vice-President				Y/N
Secretary				Y/N
Treasurer				Y/N
Co-Officer				Y/N
Co-Officer				Y/N

Is this Outside Support Organization incorporated? Yes No

Is this Outside Support Organization an active 501(c)(3)? Yes No

Required attachments

- _____ By laws
- _____ Annual Budget (Anticipated income and expenditures)
- _____ List of proposed fundraisers (All fund raisers must be approved by the principal prior to the event)
- _____ Documentation of incorporated status or 501(c)(3) status (if applicable)
- _____ Proof of liability insurance (limit of 1,000,000)

For School Use Only	
Principal _____	Date Received _____

The principal signature on this completed form grants permission for the OSO to use the name, logo, mascot or trademark of their school, as part of the OSO's name and in its fundraising or other activities.

