



NONPROFIT SCHOOL SUPPORT ORGANIZATIONS PROCEDURE (BUS-P006)

Clarksville-Montgomery County School System

1.0 SCOPE:

- 1.1 This procedure outlines the process for Nonprofit School Support Organizations to be approved to fundraise and accounting for money raised for the purpose of providing financial support to help carry out academic, arts, athletic, and other programs to further the educational opportunities for the students at CMCSS.

The online version of this procedure is official. Therefore, all printed versions of this document are unofficial copies.

2.0 RESPONSIBILITY:

- 2.1 School Principal/Designee
- 2.2 Internal Control Specialist

3.0 APPROVAL AUTHORITY:

- 3.1 Chief Financial Officer

4.0 DEFINITIONS:

- 4.1 School support organization: A booster club, foundation, parent teacher association, parent teacher organization, parent teacher support association, or any other nongovernmental organization or group of persons whose primary purpose is to support a school district, school, school club, or academic, arts, athletic, or social activities related to a school which collects or receives money, materials, property or securities from students, parents, or the general public. A group of persons who merely request that students, parents, or the general public make donations to a school district, school, school club, or academic, arts, athletic, or social activity related to a school will not be considered a school support organization.
- 4.2 School Representative: For the purpose of this procedure school representative refers to:
- School Board Member;
 - Director of Schools;
 - A principal;
 - Any employee of a school that SSO is affiliated with;
 - Any individual who is primarily responsible for accounting for school system funds or the funds of an individual school;
 - Any individual who works for the school system and who as part of the individual's employment by the school system is charged with directing or assisting in directing the related school club or activity to specifically include, but not limited to:
 - coaches
 - assistant coaches
 - band directors
 - any other school sponsor of a related club or activity



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5.0 PROCEDURE:

A School Support Organization (SSO) may not solicit for or raise funds until complying with this procedure.

- 5.1 SSO receives approval of organization's name from principal before applying for nonprofit status.
- 5.2 SSO completes application and receives approval to exist as a nonprofit corporation from the State. This is accomplished by filing a nonprofit charter with the Tennessee Secretary of State.

(Note: If a SSO chooses to seek tax-exempt status from the Internal Revenue Service, the SSO would complete a 501(c) (3) application. This is not required.

- 5.2.1 Proof of nonprofit status with the state is submitted to principal annually verifying the continual recognition as a nonprofit entity. (Annual report must be filed with the state to prevent the state from dissolving the SSO. <http://sos.tn.gov/business-services/non-profit-corporations>)
- 5.3 SSO shall submit verification of the organization's federal EIN# to the principal upon formation and anytime a new EIN# is obtained.
- 5.4 SSO shall annually, before the beginning of the regular school year, enter into a written agreement with Clarksville Montgomery County School System (CMCSS) prior to using CMCSS or a school's name, mascot or logos, property or facilities to solicit or raise funds, collect money, materials, property, or securities ([BUS-F017](#)). Prior to entering into this agreement, a SSO shall submit the following to the school principal:
 - Documentation confirming the school support organization's status as a nonprofit organization, foundation, or a chartered member of a nonprofit organization or foundation; (See 5.2)
 - A written statement of the goals, objectives, and budget of the organization;
 - A copy of the bylaws;
 - The telephone number, address, and position of each officer of the organization;
 - A copy of the school support organization's written accounting policy specifying reasonable procedures for accounting, controlling, and safeguarding any money, materials, property, securities, services, or other things of value collected or disbursed by the SSO. The state has adopted a Model Financial Policy for SSOs that includes minimum required internal controls and procedures. A SSO may elect to adopt the Model Financial Policy for SSOs (Procedure Manual) dated May 2020 as their accounting policy or write their own that includes requirements and procedures that relate directly to their SSO.



NONPROFIT SCHOOL SUPPORT ORGANIZATIONS PROCEDURE (BUS-P006)

Clarksville-Montgomery County School System

- A statement of total revenues and disbursements otherwise known as the School Support Organization Annual Financial Report for the prior school year (July 1 – June 30) due no later than August 15 of the current school year.

SSO officers and associated school principal shall sign this agreement and forward agreement along with the above documents to the Business Affairs representative. Once reviewed, the Business Affairs representative will return a copy of signed agreement to the school accounting technician to indicate that SSO has been approved to fundraise.

- 5.5 All SSO officers shall complete CMCSS annual school support organization training (required every 12 months.) If any officers change during the year, SSO should cease active fundraising until the new officers have completed the training and the electronic Training Acknowledgement form has been received. (It is the responsibility of the SSO to become informed about changes to the Model Financial Policy for SSOs (Procedures Manual) on an annual basis.)
 - 5.6 SSO shall obtain approval of all fundraisers from appropriate CMCSS representatives before beginning any fundraising activity. See SSO Fundraising Procedure ([BUS-P007](#)).
 - 5.7 SSO officers shall ensure that all funds raised or received by the organization are safeguarded and spent only for purposes related to the stated goals and objectives of the organization.
 - 5.8 SSO shall submit bank statements, including itemized deposit information, and requested receipts for purchases to the school accounting technician monthly in a timely manner.
 - 5.8.1 SSO shall submit detailed receipts to the accounting technician to support any checks made to an individual or cash, ATM withdrawals, and all debit/credit card purchases.
 - 5.9 SSO shall maintain, at a minimum, minutes of any meetings, a copy of its charter, by-laws, documentation of its recognition as a nonprofit organization by the state, and detailed statements of receipts and disbursements and other financial records for five (5) years. These records shall be available upon request from officials of the local school board, local school principal, or auditors of the office of the comptroller of the treasury.
 - 5.10 A school representative or any CMCSS employee may not act as a treasurer or bookkeeper for a School Support Organization (SSO). A school representative may not be signatory on the checks for a SSO or have access to any debit/credit card belonging to the SSO. Individuals authorized to sign on the bank account cannot be related by blood or marriage, or reside in the same household. A school representative's spouse may not serve as an officer of a SSO in which the school representative is the sponsor (coach, band director, teacher sponsor, etc;) due to conflict of interest policies.)
 - 5.11 A majority of the voting members of any SSO board shall not be composed of school representatives.
 - 5.12 A school representative may not act as an officer of the school support organization unless approved by CMCSS CFO. Spouses or immediate family members residing in the same household cannot serve as officers of the same school support organization.
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Clarksville-Montgomery County School System

6.0 ASSOCIATED DOCUMENTS:

- 6.1 School Support Organizations Policy ([BUS-A005](#))
- 6.2 [School Support Organization Financial Accountability Act \(Tennessee Code Annotated, Title 49, Chapter 2, Part 6\)](#)
- 6.3 [Model Financial Policy for School Support Organizations \(Procedures Manual\)](#) dated May 2020
- 6.4 SSO Form ([BUS-F008](#))
- 6.5 Clarksville Montgomery County School System and School Support Organization Cooperative Agreement ([BUS-F017](#))
- 6.6 Nonprofit School Support Organizations Fundraising Procedure ([BUS-P007](#))

7.0 RECORD RETENTION TABLE:

<u>Identification</u>	<u>Storage</u>	<u>Retention</u>	<u>Disposition</u>	<u>Protection</u>
Charter, by-laws, minutes, nonprofit status, financial records	At the discretion of SSO Officers	5 years	Discard as desired	At the discretion of SSO Officers

8.0 REVISION HISTORY:

<u>Date:</u>	<u>Rev.</u>	<u>Description of Revision:</u>
04/05/2017		Initial Release
9/25/18	A	5.10, added, "Individuals authorized to sign on the bank account cannot be related by blood or marriage, or reside in the same household". 5.12, added, "Spouses or immediate family members residing in the same household cannot serve as officers of the same school support organization". Updated hyperlinks.
1/14/19		Updated hyperlinks, not a revision.
7/28/20	B	Updates to 5.4, 5.5 and 5.10.

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