

	State of Hawaii Department of Education Standard Practice (SP) Document	Office of Fiscal Services
Document No. SP 1916	Distribution: CASs, Principals, SASAs, School Office Personnel, CABMs, ASAs	Release Date: 3/14/2017
SUBJECT	Non-Appropriated Student Activity Fund; Independent Support Organizations (PTSA, PTA, Boosters, etc.)	

1. Purpose

To provide accountability guidelines for independent support organizations such as Booster Clubs, PTA, and PTSA.

2. Effective

Immediately.

3. Applies to

Who this applies to.

4. Overview

- (a) Support organizations such as Booster Clubs, PTA, PTSA, and others are considered independent entities separate from the Hawaii State Department of Education (DOE). These support organizations are not audited by the DOE Internal Audit Office or by the state Department of Accounting and General Services.
- (b) These organizations generally support and benefit various school organizations and provide them with funds through donations and fundraising activities, but are NOT required to submit fundraising request forms Money-Raising Activity (Form 422) to the school for approval. Form 422 is used only for official DOE fundraisers.
- (c) Support organizations using the school's name in its fundraising efforts must also include their affiliation with the school (e.g. XYZ School Alumni Foundation).
 - (1) Independent entities which include the school's name in their fundraising must obtain the Principal's written approval.
 - (2) A representative of the proposed organization should send a letter to the Principal stating the purpose of the organization, the purpose of the fundraising, the names of board members, whether the proposed organization intends to establish a bank account for the organization, and the organization's federal Employers Identification Number.
 - (3) The Principal should either sign approval or disapproval on the proposed organization's request letter, or send a separate letter on school letterhead to the representative stating approval or disapproval, and keep a copy of the letter for the school's records.

- (d) Support organizations must coordinate the scheduling of a fundraising activity with the school. Before any fundraising efforts are initiated, the Principal should be informed in writing (e.g. email or letter) to ensure better coordination of fundraising efforts in the community.
- (e) If an independent organization donates funds or material to the school, the donation must be accounted for in SAF (see SP 1913 Student Activity Funds Grants and Donations).
- (f) In order to protect the DOE and our employees from allegations of financial misconduct, and to preserve the independent integrity of these organizations, DOE employees, including regular and casual employees, may NOT sign checks or negotiable instruments on behalf of the independent organizations. DOE employees may NOT receive or collect payments for independent organizations nor process any other accounting transactions. However, DOE employees may participate in other capacities in these organizations as long as they do not directly approve or disapprove financial disbursements.

5. Procedure for Schools

Schools must maintain a listing of all active independent organizations with an association with the school. The listing should contain the following current information:

Name of Organization

Contact person and contact information (phone number and address)

Federal ID# (to confirm the organization is not using DOE's Federal ID#)

6. Responsibility of Independent Organizations

The school booster club or other independent organization is responsible for maintaining an adequate system of internal control for the collection of moneys from dues, fundraisers, donations, etc. and for the disbursing of funds.

7. SP Maintenance Responsibility

The Accounting Services Branch is responsible for maintenance, administration, and questions regarding this SP.

8. References, Resources, and Forms

The following resources may provide access to statutory, policy, and contractual authorities; and closely related SPs, procedures, and forms.

- (a) Directive to Cease Signing Checks on Behalf of Independent Organizations
https://intranet.hawaiipublicschools.org/offices/ofs/saf/SAF_resources/Shared%20Documents/Directive%20to%20Cease%20Signing%20Checks%20on%20Behalf%20of%20Independent%20Organizations,%203-24-09.pdf
- (b) Recommended Guidelines for the Establishment of School Booster Clubs
https://intranet.hawaiipublicschools.org/offices/ofs/saf/SAF_resources/Shared%20Documents/Recommended%20Guidelines%20for%20the%20Establishment%20of%20School%20Booster%20Clubs,%203-2009.PDF
- (c) DOE Internal Audit Office
<https://intranet.hawaiipublicschools.org/offices/internalaudit>
- (d) Department of Accounting and General Services

- <http://ags.hawaii.gov/audit/>
- (e) Form 422 Money Raising Activity
<https://intranet.hawaiipublicschools.org/offices/ofs/saf/Forms/MONEY-RAISING%20ACTIVITY.pdf>
- (f) State of Hawaii Department of Taxation Tax Facts 99-4 Parent-Teacher Organizations and Other School-Related Organizations
<http://files.hawaii.gov/tax/legal/taxfacts/tf99-04.pdf>
- (g) Hawaii State PTSA
<http://www.hawaiistateptsa.org/>