

**3000—FISCAL MANAGEMENT**

3050	Budget Planning
3100	Annual Operating Budget <ul style="list-style-type: none"><li>Priorities</li><li>Deadlines and Schedules</li><li>Encumbrances</li><li>Preliminary Adoption Procedures</li><li>Hearings and Reviews</li></ul>
3150	Budget Fund Balance
3200	State and Federal Funding Proposals and Applications
3280	Borrowing and Debt Service <ul style="list-style-type: none"><li>Short Term Loans</li><li>Sale of Bonds</li><li>Debt Service</li></ul>
3300	Investment of Funds
3310	Reporting of Investment Risks
3340	Fees, Payments, and Rentals (Cf. 9250) <ul style="list-style-type: none"><li>Rental and Leasing of District Property</li><li>Gate Receipts and Admissions</li><li>Income and Payments from Sales and Service</li></ul>
3400	Depository of Funds (Cf. 1300)
3405	Electronic Transactions of Funds <ul style="list-style-type: none"><li>Internal Accounting</li></ul>
3410	Safeguarding of Monies and Equipment
3420	Monies in School Buildings
3430	Surety Bonds – Employees and Board Treasurer (Cf. 3520)
3490	Inventories – Fixed and Controlled Assets <ul style="list-style-type: none"><li>Fixed Asset Accounting System</li></ul>
3500	Audits (Cf. 3520)
3520	Fraud Prevention and Investigation (Cf. 3490, 3500, 5203, 8700)
3550	Authorized Signatures (Cf. 1300)
3570	Petty Cash Accounts
3580	Payroll Procedures and Schedules
3600	Reimbursement of Expenses (Cf. 1168, 5330)
3605	District Credit/Procurement Cards (Cf. 1162, 1168, 3600)
3610	Purchasing Goods and Services <ul style="list-style-type: none"><li>Purchasing from District Employees</li><li>Purchases through the District</li><li>Emergency Purchases</li></ul>
3620	Administrative Leeway (Cf. 2750, 3660)
3650	Cooperative Purchasing (Cf. 3660)
3660	Bids and Quotations Requirements (Cf. 4760) <ul style="list-style-type: none"><li>Competitive Bids</li><li>Bid Specifications</li></ul>
3730	Vendor Relations
3750	Payment Procedures

## Section 3000 – Fiscal Management

TC-3000-2

- 3800 Fund Raising and Student Activity Fund
  - Soliciting Funds From and By Students
  - Student Groups
  - Door-to-Door Sales
  - Specifics
  - Adult Groups
- 3900 Surplus Books, Equipment, and Supplies
- 3950 Surplus Land or Buildings

## **Section 3000 – Fiscal Management**

3050 Budget Planning

3050

The Superintendent shall be responsible for planning the District's budget. The Superintendent shall keep the Board informed during the planning process and secure input from the Board through discussions or workshops.

The Board may approve a special committee to work with the Superintendent in determining budget priorities.

Approved: July 13, 2009

LEGAL REF: MCL 141.434 (1); 141.422b (3) (c); 141.422d (1) (c) (d); 380.1133;  
380.1218; 380.1281

## Section 3000 – Fiscal Management

### 3100 Annual Operating Budget

3100

The District's budget shall be prepared by the Superintendent in cooperation with selected District employees and shall reflect the educational goals of the District.

The Superintendent shall prepare a detailed cost analysis study of all programs that are funded by the District's budget.

The Superintendent shall follow the adopted budget.

It shall be the goal of the Board to fund the operating budget according to approved fiscal and budgetary procedures adhered to and required by the State of Michigan. The budget shall be the vehicle by which the educational goals and objectives of the District are to be met.

#### Priorities

The Board shall establish priorities for the District on a short-term, intermediate, and long-range basis.

#### Deadlines and Schedules

In order for the District's budget preparation to proceed in an orderly fashion, the Board shall establish deadlines and time schedules.

#### Encumbrances

Encumbrances shall be made when the purchase is made or when an approved purchase order is processed. All encumbrances shall be charged to a specific fund.

#### Preliminary Adoption Procedures

The Superintendent, to the Board, shall submit a preliminary draft of the District's budget as the Board may require.

#### Hearings and Reviews

The Board shall conduct budget hearings according to state law.

Approved: July 13, 2009

LEGAL REF: MCL 141.411; 141.421a-440a; 211.209-210; 380.1213-1214; 380.1216; 380.1218; 388.1702

## **Section 3000 – Fiscal Management**

### 3150 Budget Fund Balance

3150

The Board realizes its responsibility under law to maintain a balanced, non-deficit, financial condition for the District so that the District does not find itself in a serious financial problem. Deficit financing is strictly prohibited by law.

The Board will strive to maintain an unappropriated fund balance in accordance with the recommendation of the Board's independent auditor as published in the annual audit report. Generally, this will mean a fund balance of approximately 10% minimum of the total annual operation expense of the District's General Fund Budget, or as otherwise recommended by the auditor.

The Superintendent is directed to bring only those budget recommendations to the Board that comply with all laws and the intent of this policy.

Approved: July 13, 2009

LEGAL REF: MCL 141.1201; 141.1231 – 1244; 141.2101; 380.1211 – 1227

## **Section 3000 – Fiscal Management**

### **3200 State and Federal Funding Proposals and Applications**

3200

The Board shall seek and consider as many sources of revenue as possible to supplement the funds received from local taxes and state aid.

The Superintendent shall assume the responsibility for keeping the Board informed of any revenue sources that could enhance the educational program or operation of the District, and for which the District may be eligible, and make recommendations to the Board for action.

Approved: July 13, 2009

LEGAL REF: MCL 3.541; 3.542; 388.801; 380.1210

## Section 3000 – Fiscal Management

### 3280 Borrowing and Debt Service

3280

#### Short Term Loans

Bids shall be solicited for all short-term loans that the Board has authorized, and funds shall be borrowed from the responsible organization offering the most favorable bid. All loans shall conform to the requirements of the State of Michigan.

#### Sale of Bonds

The Board, upon a favorable vote of the people in compliance with the laws of the State of Michigan, may sell its bonds, if required to do so. Such bonds shall be duly advertised, prepared, and sold in conformance with the laws of the State of Michigan.

#### Debt Service

It shall be the responsibility of the Superintendent to maintain all records as to the outstanding bonds and debts encumbered against the District. He/She shall keep this information readily available and report periodically to the Board on the condition of these accounts.

Approved: July 13, 2009  
LEGAL REF: MCL 380.1356

## Section 3000 – Fiscal Management

3300 Investment of Funds (Cf. 3310)

3300

Annually, the Board shall pass a resolution authorizing the Treasurer to invest surplus funds of the District. The Treasurer, with the authorization of the Board, may delegate day-to-day duties involving the investment of funds to the Superintendent.

Should the Board choose to employ an outside consultant to advise the Treasurer, or Superintendent if so delegated, that consultant, or consulting firm, shall be duly registered under the Investment Advisor's Act of 1940.

The District's investment portfolio shall be structured in such a way that the primary emphasis is on safety and liquidity of investments and preservation of the principal amount invested, as opposed to the rate of return. District cash flow needs shall be taken into account at all times when investments are contemplated.

In order to reduce the risk of losses on District investments, only "low-risk" investment instruments shall be used by the District. No District investments shall involve foreign currency risk.

This policy applies to all cash and investments under control of the Board, with the exception of funds related to debt issuance where other agreements or contracts are in effect for those funds.

The Superintendent may develop appropriate administrative rules to accompany this policy.

Approved: July 13, 2009

Approved: MASB Rec.

LEGAL REF: MCL 380.622; 380.1221; 380.1223

## Section 3000 – Fiscal Management

3310 Reporting of Investment Risks (Cf. 3300)

3310

Although policy 3300 serves to reduce the risks associated with the investment of District dollars, the District may have deposits and investments that are subject to various levels of risk.

Statement No. 40 of the Governmental Accounting Standards Board (GASB) requires that certain deposits and investments of a local government that have the potential to result in losses be disclosed in District financial statements. The administration, in consultation with the District auditor or accounting firm as necessary, shall insure that the District financial statements comply with GASB Statement No. 40.<sup>1</sup>

The Superintendent may establish appropriate administrative rules to implement this policy.

Approved: July 13, 2009

Approved: MASB Rec.

LEGAL REF: Governmental Accounting Standards Board, *Statement No. 40*.

---

<sup>1</sup> “This Statement [GASB No. 40] is designed to inform financial statement users about deposit and investment risks that could affect a government’s ability to provide services and meet its obligations as they become due.” Governmental Accounting Standards Board, *Statement No. 40*.

## Section 3000 – Fiscal Management

3340 Fees, Payments and Rentals (Cf. 9250)

3340

Proceeds from fees for building or equipment use or rental shall be credited to a fund specified by the Board.

### Rental and Leasing of District Property

The Board may authorize the rental or lease of District property during times when such property is not scheduled for instructional purposes.<sup>2</sup>

### Gate Receipts and Admissions

The Board shall set admission fees to various District activities. These fees shall be reviewed annually.

### Income and Payments from Sales and Service

Students may undertake jobs or projects for private individuals or community groups. The facilities of the District may be used for such activities. All receipts shall be deposited in the general fund and used as a reimbursement for materials and/or to purchase additional supplies and cover expenses of a department.

Approved: July 13, 2009  
LEGAL REF: MCL 380.11a; 380.1141

---

<sup>2</sup> Property owned by a school District is exempt from taxation except that property owned by a school District that is used for private purposes for more than 2 years is not exempt from taxation as long as the private use continues beyond the 2-year period (MCL380.1141.) This provision should present no problem for a District re: short-term rentals or leases, but would apply where idle District property, such as an abandoned school building, is leased to a private entity for a term that exceeds two years.

## Section 3000 – Fiscal Management

3400 Depository of Funds (Cf. 1300)

3400

At the annual organizational meeting, the Board shall, in accordance with state law, designate, by resolution, the financial institutions<sup>3</sup> in which the funds of the District shall be deposited and the proportion of funds to be deposited in each. The Treasurer or Superintendent if delegated by the Treasurer and approved by the Board, shall deposit or cause to be deposited, funds of the District in the institutions as authorized by the Board and in the proportions authorized by the Board.

Approved: July 13, 2009

LEGAL REF: MCL 21.143; 129.12; 129.15; 380.1221-1222

---

<sup>3</sup> MCL 129.15 includes credit unions as an appropriate place of deposit and uses the term “financial institutions,” not just banks or trust companies.

## Section 3000 – Fiscal Management

3405 Electronic Transaction of Funds

3405

The Allendale Public School District, through resolution of the Board, shall be a party to an Automated Clearing House<sup>4</sup> (ACH) arrangement.<sup>5</sup> The Superintendent or Chief Business Official shall be responsible for the Allendale Public School District's ACH agreements, including payment approval, accounting, reporting, and generally for overseeing compliance with the ACH policy.<sup>6</sup> All ACH invoices are to be approved prior to payment.

### Internal Accounting

The Superintendent or Chief Business Official shall be responsible for development and maintenance of appropriate accounting controls to monitor the use of ACH transactions<sup>7</sup> made by the Allendale Public School District.

Approved: July 13, 2009

LEGAL REF: MCL 124.301-124.305

---

<sup>4</sup> "Automated clearing house" or "ACH" - a national and governmental organization that has authority to process electronic payments, including, but not limited to, the national automated clearing house association and the federal reserve system (MCL 124.301(d)).

<sup>5</sup> ACH arrangement - the agreement between the originator of the ACH transaction and the receiver of an ACH transaction (MCL 124.301(a)). Under Act 738 of 2002, MCL 124.301, an ACH arrangement is not subject to the revised municipal finance act, 2001 PA 34, MCL 141.2101, or to provisions of law or charter concerning the issuance of debt by a local unit.

<sup>6</sup> ACH policy - the procedures and internal controls as determined under this written policy developed and adopted by the Superintendent (MCL 124.301(b)).

<sup>7</sup> ACH transaction - an electronic payment, debit, or credit transfer processed through an automated clearinghouse (MCL 124.301(c)).

## **Section 3000 – Fiscal Management**

### 3410 Safeguarding of Monies and Equipment

3410

The Superintendent shall be responsible to see that administrative regulations are established and carried out so that all monies and equipment within all of the District's facilities are safeguarded and accounted for in an efficient manner at all times.

Approved: July 13, 2009

## **Section 3000 – Fiscal Management**

3420 Monies in School Buildings

3420

The Superintendent, or his/her designee, shall establish procedures to permit daily deposit of monies collected which will not require monies to be left in school buildings overnight. The District will not be responsible for monies remaining in school buildings overnight.

Approved: July 13, 2009

## **Section 3000 – Fiscal Management**

3430 Surety Bonds – Employees and Board Treasurer (Cf. 3520)

3430

The Board shall purchase a surety or “blanket” bond for school employees as recommended by the Superintendent. The Board shall prescribe the amount of the bond based on the recommendation of the Superintendent after his/her consultation with the District’s accounting firm.

A surety bond for at least \$500,000 is required for the Treasurer of the Board.

Approved: July 13, 2009

## **Section 3000 – Fiscal Management**

3490 Inventories – Fixed and Controlled Assets

3490

An accounting will be made annually for property, real and personal, owned by the District in accordance with law, governmental regulations, and District rules.

### Fixed Asset Accounting System

The administration shall maintain a fixed asset accounting system in accordance with law, governmental regulations, and the District's needs.

Approved: July 13, 2009

LEGAL REF: Governmental Accounting Standards Board, Statement No. 34

## Section 3000 – Fiscal Management

3500 Audits (Cf. 3520)

3500

The accounting records, including internal accounts, of the District shall be audited annually by an independent certified public accountant in accordance with prescribed standards and legal requirements.

The audit report shall be reviewed and approved annually by the Board at a public meeting. The management letter and recommendations of the auditor shall be brought to the attention of the Board, along with recommendations of the Superintendent as to the feasibility of implementing the recommendations. The Superintendent shall be responsible for filing the audit reports with all appropriate authorities as prescribed by law or regulation.

The auditing firms selected to conduct the annual audit shall be recommended by the Superintendent and approved by the Board at the organizational meeting. The auditing firm may be selected on a bid basis. All District employees shall cooperate fully with the auditors.

Approved: July 13, 2009  
LEGAL REF: MCL 388.1618

## **Section 3000 – Fiscal Management**

3520 Fraud Prevention and Investigation (Cf. 3490, 3500, 5203, 8700) 3520

The Board expects all employees, Board members, consultants, vendors, contractors, and other parties maintaining any business relationship with the District to act with integrity, due diligence, and in accordance with all laws in their duties involving the District's fiscal resources. The District is entrusted with public dollars and no person connected with the District should do anything to erode that trust.

The Superintendent shall be responsible for developing internal controls designed to prevent and detect fraud, financial impropriety, or fiscal irregularities within the District. Every member of the District's administrative team shall be alert for any indication of fraud, financial impropriety, or irregularity within his/her areas of responsibility.

Any employee who suspects fraud, impropriety, or irregularity shall report their suspicions immediately to his/her immediate supervisor and/or the Superintendent. The Superintendent shall have primary responsibility for any necessary investigations and shall coordinate investigative efforts with the District's legal counsel, auditing firm, and other internal or external departments and agencies, including the Ottawa County Prosecutor's Office and law enforcement officials, as the Superintendent may deem appropriate.

In the event the concern or complaint involves the Superintendent of Schools, the concern shall be brought to the attention of the Vice-President of the Board who shall be empowered to contact the District's legal counsel, auditing firm, and any other agency to investigate the concern or complaint.

The Superintendent may elect to employ the District's auditing firm to conduct a partial forensic/internal control/SAS99 audit annually or otherwise as often as deemed necessary. The Superintendent is authorized to order a complete forensic audit if, in his/her judgment, such an audit would be useful and beneficial to the District.

Approved: July 13, 2009

LEGAL REF: MCL 14.141-145; 15.361-369; 141.421-440a; 141.2101-141.2821;  
380.1202; 380.1215; 380.1216; 380.1363; 388.1618

## Section 3000 – Fiscal Management

3550 Authorized Signatures (Cf. 1300)

3550

At the annual organizational meeting, the Board shall authorize the signatures of those persons who may sign checks upon the various accounts of the District. Facsimile signatures may be used as authorized by the Board.

Approved: July 13, 2009

## **Section 3000 – Fiscal Management**

3570 Petty Cash Accounts

3570

The Chief Business Official may establish a petty cash fund in the central office, any building or division or department in which he/she determines a need.

Approved: July 13, 2009

## **Section 3000 – Fiscal Management**

### 3580 Payroll Procedures and Schedules

3580

All employees shall be paid according to a specific schedule that shall be determined annually by the Board. All salaries, supplements, and payments for extra duties shall be paid from the payroll account through the District's business office. No payments shall be made directly to any school personnel for services rendered from any supplementary school fund.

Approved: July 13, 2009  
LEGAL REF: MCL 380.1224

## Section 3000 – Fiscal Management

3600 Reimbursement of Expenses (Cf. 1168, 5330)

3600

District personnel, or members of the Board, who incur expenses in carrying out their authorized duties shall be reimbursed by the District to the extent approved or provided in Board policies or duly negotiated agreements upon submission of an approved voucher and supporting receipts. Such expenses may be approved and incurred in line with budgetary allocations for the specific type of expense.

Approved: July 13, 2009

LEGAL REF: MCL 15.321-330; 129.221 *et. seq.*; 129.241 *et. seq.*

## Section 3000 – Fiscal Management

3605 District Credit/Procurement Cards (Cf. 1162, 1168, 3600)

3605

The Superintendent shall be responsible for the issuance, accounting, monitoring, retrieval, internal controls and generally overseeing the use of District credit or procurement cards for Board members and employees.

### Issuance

A Board member may be issued a District credit or procurement card for actual and necessary expenses incurred because of attendance at Board-approved workshops, seminars, conferences, or conventions.

District employees may be issued a District credit or procurement card that shall be used solely for the purchase of goods and/or services needed for official business of the District.

### Documentation

When a Board member or employee uses a District credit or procurement card, documentation shall be provided to the Superintendent (within 30 calendar days) detailing the goods or services purchased, the cost of such goods or services, the date of purchase, and the purpose for which such goods or services were purchased.

### Lost Credit/Procurement Cards

Each Board member or employee issued a credit/procurement card is responsible for the protection and custody of District credit/procurement card. If a District credit/procurement card is lost or stolen, the Superintendent shall be notified immediately.

### Return of Credit/Procurement Cards

A Board member who leaves the Board or a District employee who is no longer employed by the District shall return the credit/procurement card upon termination to the Superintendent, but no later than five calendar days after termination.

## Section 3000 – Fiscal Management

3605 District Credit/Procurement Cards (Cf. 1162, 1168, 3600)

3605-2

### Payment

The Board shall approve all District credit/procurement card invoices prior to payment. Such payments shall be made no later than 60 days after receipt of the initial statement date.

### Misuse and Unauthorized Use

A Board member who violates a provision of this policy shall have his/her use of that card revoked by the Board. An employee who violates a provision of this policy shall be subject to disciplinary action as determined by the Superintendent.

If the Superintendent violates a provision of this policy, he/she shall be subject to disciplinary action as determined by the Board.

### Other Provisions

The total combined authorized credit limit of all credit/procurement cards issued by the District shall not exceed 5% of the total budget of the District for the current fiscal year.

Approved: June 14, 2010

LEGAL REF: MCL 15.321-330; 129.221 et. seq.; 129.241 et. seq.; 380.1254

## Section 3000 – Fiscal Management

### 3610 Purchasing Goods and Services

3610

The Chief Business Official shall be the sole purchasing agent for the District.

#### Purchasing from District Employees

The Board shall not purchase equipment, supplies, or services from an employee of the District, nor from a member of a household of an employee, nor from any firm in which an employee or member of his/her household holds a 10 percent or greater financial interest.

#### Purchases through the District

Board members and employees shall not make any purchase through the District for personal use. The name of the District or school, or an employee's position, shall not be used in such manner that discounts or cost preferences are given to such person. Purchasing equipment and supplies by the District for resale to employees is prohibited.

#### Emergency Purchases

Emergency purchases may be made without using the quotation or bidding process. Such emergencies may arise because of an accident or other unforeseen occurrence that could affect the life, health, welfare, or safety of the District's students or employees.

Approved: July 13, 2009

LEGAL REF: MCL 15.321-330; 380.1216; 380.1274

## Section 3000 – Fiscal Management

3620 Administrative Leeway (Cf. 2750, 3660)

3620

In the event of an emergency such as a power failure, severe cold weather or other such natural disasters, the Superintendent shall have the authority to purchase capital equipment needed to keep the schools of the District open or to reopen the schools. The Board, at a special or regular meeting as soon as possible after the purchase is made, shall approve any such purchases.

Such purchases shall not be made to circumvent the purposes of the competitive bid law.

Approved: July 13, 2009

## **Section 3000 – Fiscal Management**

3650 Cooperative Purchasing (Cf. 3660)

3650

The Superintendent or Chief Business Official is authorized to consider, and recommend for Board approval, membership in cooperative purchasing organizations that would be of benefit to the District.

Cooperative purchasing also pertains to what is commonly referred to as “third party bids.” Third party bidding shall constitute a competitive bid for purposes of policy 3660 - Competitive Bids.

Approved: July 13, 2009

## Section 3000 – Fiscal Management

3660 Bids and Quotation Requirements (Cf. 4760)

3660

All purchases requiring competitive bids shall be made in accordance with current statutes, the creation of bid specifications, and adherence to the District's bidding procedure by the District's purchasing agent.

The purchasing agent shall develop and maintain lists of potential bidders for various types of materials, equipment, and supplies. Such bid lists shall be used in the development of mailing lists for distribution of specification and invitations to bid.

Any supplier may be included in the list upon request. The purchasing agent shall review all bid lists annually.

A copy of this policy shall be given to all bidders upon creation of bid lists and upon request.

All bids and supporting documentation shall be retained in the District office with the Superintendent for a period of one year after bids have been opened.

### Competitive Bids

No purchases shall be made of supplies, materials or equipment in a single transaction costing more than allowed under current law unless competitive bids for those goods and services are obtained and the Board approves the purchase.

### Bid Specifications

The District's purchasing agent shall write all bid specifications in a clear and concise manner. Such specifications shall include, when necessary: required performance, surety, bid and statutory bond information; compliance with preferential bid law; financial statements; the Board's right to reject any or all bids; compliance with all federal, state and local laws, ordinances and regulations; the date, time and place for the opening of bids; and other items as the Board directs.

Approved: July 13, 2009  
LEGAL REF: MCL 380.1267; 380.1274

## Section 3000 – Fiscal Management

3730 Vendor Relations

3730

Vendors shall make contacts through the Superintendent. Vendors shall not contact other administrators or school employees directly unless such contact is approved or authorized by the Superintendent.

Approved: July 13, 2009

## **Section 3000 – Fiscal Management**

### 3750 Payment Procedures

3750

Payment of bills shall be reported to the Board at regular Board meetings.

Upon receipt of a request for payment by a District vendor, and upon receipt of all goods or satisfactory completion of all services from said vendor, payment may be made to said vendor within 30 days and full payment within 45 days with such payment reported to the Board at the next regular Board meeting.

Approved: July 13, 2009

## **Section 3000 – Fiscal Management**

### **3800 Fund Raising and Student Activity Fund**

3800

#### **Soliciting Funds From and By Students**

The Board recognizes the existence of many worthwhile community and student activities that require the raising of funds by the sale of merchandise, tickets, or perhaps direct requests for money. Because of the need to safeguard students in the educational program, the Board limits participation of students to those activities that have the building Principal and/or Superintendent's approval under this policy.

It is the responsibility of the Board to provide the necessary basic texts, materials, supplies, equipment, buildings, and facilities to conduct the approved, basic educational programs of the District. Co-curricular and school-sponsored extra-curricular programs of the District, however, such as athletic programs, school-sponsored student clubs, and curriculum-related field trips or excursions may require financial support beyond the capacity of the District's capacity to provide in order to survive. Community and school fund raising organizations may contribute to the enrichment of basic programs or to co-curricular and extra-curricular activities through the contribution of funds and/or items as long as those contributions have been determined consistent with the above and approved by the Superintendent through the appropriate building or program administrator.

This policy is not to affect those regular school programs such as dramatics or musical concerts, etc., where students might be selling tickets for an activity in which they are taking part. Elementary students will not be asked to sell tickets for middle school or senior high school activities.

If a fund raising project is conducted to sponsor a specific purchase, activity or trip, the purchase or trip must be approved prior to initiation of the fund raising effort. This shall apply to school related groups as well as to school-community organizations.

Every attempt shall be made to coordinate fund raising activities among buildings and various organizations in order that excessive demands are not made upon members of the community.

## **Section 3000 – Fiscal Management**

### **3800 Fund Raising and Student Activity Fund**

3800-2

Such coordination is especially important at Christmas or other holiday times when innumerable items are available for sale by the students.

#### **Student Groups**

The Principal must approve all fund raising events in advance. Requests must be on an approved application form and submitted to the Principal at least one month prior to the proposed activity.

Only school-sponsored groups may sell or solicit in a school building and then only within the school housing the group, and only during non-instructional time.

Students shall not sell or solicit for purposes of school fund raising outside the boundaries of the District except as part of a booth at a fair, shopping center, or other locations where potential “customers” are coming to them. Advertisements and sales may be solicited from establishments outside the District boundaries only if there is an apparent community of interest.

#### **Door-to-Door Sales**

Students less than 12 years of age shall not sell school fund raising items or other school related materials door-to-door unless under the direct supervision and observation of a responsible adult (preferably parent(s)/guardian(s) or District staff member.)

School-sponsored student organizations shall not have more than two fundraising events a year, and no more than one event in a semester, that would involve going into the community through door-to-door sales or solicitations unless approved by the building Principal after consultation with the Superintendent. Cards, letters, or other identifying literature shall be provided to all students authorized for door-to-door sales in the general community.

Written parent(s)/guardian(s) permission must be signed and returned to the school before elementary students can sell door-to-door.

## Section 3000 – Fiscal Management

### 3800 Fund Raising and Student Activity Fund

3800-3

#### Specifics

- A. Fund raising projects for special trips or special projects should not be started until approval of the trip or project is granted. Trips covered by this policy shall include out-of-state and overnight trips, as well as trips to foreign countries. (Cf. 7490 – Field Trips)
- B. Any sale of commercial products or the solicitation of funds in a door-to-door campaign and/or through contracts with businesses shall require approval of the building Principal before any oral commitment, written agreement, or contract is made or any advance publicity or group promotional activity is undertaken. Once approved however, before sales begin or solicitations are made, contract agreements must be signed by the building Principal.
- C. Fund raising projects shall be compatible with the school’s purpose, goals, and general community expectations, and shall not conflict with local business enterprises unduly.
- D. The District shall transfer funds remaining in accounts of student organizations that have been inactive for one year or in accounts of classes that have been graduated for five years to accounts of other co-curricular organizations or to the District’s general fund upon recommendation of the Superintendent.

#### Adult Groups

School-related adult organizations raising funds that are to be used primarily for the improvement of the educational or athletic program must submit a written request through the Principal to the Superintendent. This request should be submitted one month in advance and identify the date(s) and nature of the activity (ies). No fund raising activity should commence until approval has been granted.

The purpose is not to limit the activities of these groups unduly, but rather to:

1. Be assured that students are not being “used” or their educational program interrupted.

## Section 3000 – Fiscal Management

### 3800 Fund Raising and Student Activity Fund

3800-4

2. To assist with coordination of activities so that similar activities are not in conflict with each other.
3. To be assured of the appropriateness of the activity and that all fund raising activities, and the use/expenditure of the funds raised there from, comply with local, state, and federal laws<sup>8</sup> and regulations.

Some courts have ruled that the Board is liable for fund raising activities of such groups if the money raised benefits a particular school, the District, in general, or its organizations.

Approved: July 13, 2009

LEGAL REF: *Gaincott v Davis*, 281 Mich 515; 275 NW 229 (1937); *Cook v Bennett*, 94 Mich App 93; 288 NW2d 609 (1979); Title IX (34 C.F.R. § 106.3(6)); *Title IX Athletics Investigator's Manual*, Office of Civil Rights.

---

<sup>8</sup> A school district that accepts outside financial assistance and allows vast gender differences to emerge at the hands of a third party (the private booster club) may face claims of federal Title IX violations. Title IX regulations caution that to “aid or perpetuate discrimination” by providing “significant assistance” to any organization that provides benefits or services to students is a violation of Title IX. (34 C.F.R. § 106.3 (6)). “Where [athletic] ‘booster clubs’ provide benefits and services that assist only teams of one sex, the institution shall ensure that teams of the other sex receive equivalent benefits and services.” *Title IX Athletics Investigator's Manual*, Office of Civil Rights.

## **Section 3000 – Fiscal Management**

3900 Surplus Books, Equipment and Supplies

3900

The Superintendent is authorized to dispose of surplus, obsolete books, equipment, and supplies. All transactions shall be reported to the Board and an equal opportunity for any purchases shall be given to everyone.

Approved: July 13, 2009  
LEGAL REF: MCL 380.11a

## **Section 3000 – Fiscal Management**

3950 Surplus Land or Buildings

3950

The sale or disposal of District land or buildings shall require Board authorization. The Board shall determine the method and procedure of disposal.

Approved: July 13, 2009  
LEGAL REF: MCL 380.11a