



ADMINISTRATIVE PROCEDURE

FUND RAISING

5135.1

Procedure No.

May 1, 2000

Date

- I. **PURPOSE:** To provide direction to school principals in the area of fund raising.
- II. **POLICY:** This procedure is in accordance with the Board of Education Policy 5135, School-Based Fund Raising.
- III. **PROCEDURES:** Fund raising is conducted in the schools in accordance with the applicable Board of Education Policy. The following procedures must be followed when raising funds at the local school level.
 - A. The principal will advise the staff, the students, and community through the teacher bulletin, parent newsletter, and other forms of communications of the needs for fund raising and other appropriate information that would assist the staff, students, and community in understanding the finances involved.
 - B. The standard in-house Fund Raiser Request and Authorization form (Attachment 1) will be used to request authorization to proceed with a fund raising activity when the fund raising activity is handled by anyone other than the principal.
 - C. The approved Fund Raiser Request and Authorization form must be returned with the contract to be signed by the principal. The approved date must be part of a yearly calendar being followed to establish priority school needs and control the number of fundraisers.
 - D. Refer to Administrative Procedure 5135.2, Principal's Contracting Authority, for established monetary limits per contract.
 - E. Fund raising purposes shall be specified and communicated for each fund raising activity or event, and separate accounting should be maintained for each in the same fashion as all other restricted accounts within the school's activity funds (Attachment 1).
 - F. The unit cost, mark-up, and sales tax of any items sold for profit for fund raising activities of the school will be available in each school for staff and parent inspection (Fund Raiser Completion Report form, Attachment 2).
 - G. At the end of each school year, the principal shall prepare a summarization of all fund raising activities concluded during the year. This information will be available for review by parents and any other interested members of the community. The report will specifically state the net amount of funds retained as profit from such activities. In addition, the principal will



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present this information to key representative groups in the school and community (Annual Fund Raising Summary Report, Attachment 3).

- H. Sales made through the school store or other fund raising activities are subject to the State of Maryland sales and use tax. See Administrative Procedure 5137, Sales Tax, for detailed guidelines on the collection and remittance of sales taxes.
- I. When students sell items outside the school, they must have a letter of introduction, signed by the school sponsor and approved by the principal. If the parents do not desire to have their children participate, those parents have the option to decline.
- J. School dances are one example of Board-approved fund raising events. Dances may be held after school, on evenings, or weekends for fund raising purposes, and shall be subject to the voluntary participation of individuals. It is inappropriate to hold fund raising events, including dances, during the school day when they take time away from learning.
- K. Principals are encouraged to meet and share ideas concerning successful fund raising activities.
- L. In accordance with recommendations by student leaders, secondary school principals should consider the following:
 - 1. Maintain a high degree of student involvement in fund raising and related decision-making.
 - 2. Avoid unexplained arbitrary decisions in local fund raising.
 - 3. Gain local autonomy in fund raising and items purchased (rings, yearbooks, etc.)
- M. The Board of Education Policy 5135, School-Based Fund Raising, remains unchanged. The approved fund raising projects listed in the policy are provided as examples.

IV. RELATED PROCEDURES:

- A. Board of Education Policy 5135, School-Based Fund Raising, dated May 12, 1977,



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- B. Administrative Procedure 5135.2, Principal's Contracting Authority, dated July 1, 1983, and
- C. Administrative Procedure 5137, Sales Tax, dated May 1, 2000.
- V. **MAINTENANCE AND UPDATE OF THESE PROCEDURES**: The Office of the Superintendent will be responsible for updating these procedures as needed.
- VI. **CANCELLATIONS AND SUPERSEDURES**: This Administrative Procedure cancels and supersedes Administrative Procedure 5135.1, dated July 1, 1996
- VII. **EFFECTIVE DATE**: May 1, 2000.

Approved by:
Iris T. Metts
Superintendent of Schools

Attachments (3)

Distribution: Lists 1, 2, 3, 4, 5, 6, 10, and 11