

# Booster Club Checklist

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The following checklist serves as a guide to help ensure that your Booster Club has complied with the District's Board Policies and guidelines and federal and state regulations governing Booster Clubs. In addition, information you document here will help future officers continue your compliance efforts.

## **General**

1. Provide the Deputy Superintendent with a completed Booster Club Information Sheet by the end of October each school year and as officers change.
2. Provide the School Principal with the Booster Club's constitution, bylaws, and operating procedures. In addition, provide updated copies as changes are made.
3. UIL Booster Club guidelines are available at [www.uil texas.org/policy/booster-club-guidelines](http://www.uil texas.org/policy/booster-club-guidelines).

## **Insurance**

4. Booster Clubs are strongly encouraged to consider purchasing a general liability policy, and officer's liability policy.  
Please indicate the liability policies in force and the insurance carrier on the Booster Club information sheet.

## **Fund-Raisers**

5. For fund-raisers planned for the current school year, submit the Fundraising Activity Application to the Principal for approval.
6. In addition, provide the Principal with detailed fund-raising information at least 30 days prior to the fund-raising event if not already provided, on the Fundraising Activity Application.

The detailed fund-raising information should include:

- Purpose of the fund-raiser,
- Type of fund-raising activity (i.e., candy sale, carnival),
- Date(s), time(s), and place(s) of the activity,
- Name of the sponsoring organization,
- Name and phone number of organization's representative,
- Name and phone number of person(s) in charge of the fund-raiser, and
- Name and phone number of the person(s) who will be handling the money for the fund-raiser.

7. If your Booster Club has received a tax-exemption from the Texas Comptroller's Office, your organization is entitled to two (2) "one-day, tax-free" sales/auction days per calendar year.

8. The Booster Club cannot require members or students to fund-raise or raise a certain amount. For example, a student's ability to attend a trip cannot be based on raising a certain amount of money.

The Booster Club cannot use individual accounts to credit an individual for funds raised. If your Club is using individual accounts currently, discontinue this practice.

Fund-raising is an opportunity to generate revenue for the Booster Club as a group, not individuals. Therefore, revenues should be recorded in a group account where all members or students have the same opportunity to **benefit equally** from the revenues.

One member or student should not receive a larger benefit from fund-raising than another. In addition, if a member or student chooses not to participate in the fundraiser, that person still **receives an equal benefit** from the revenues generated.

### **Financial Matters**

9. Determine the identification number used for the bank accounts. The Booster Club's Employee Identification Number (EIN) should be used. Do not use an individual's social security number, and **do not use the District's EIN**.
10. Update the authorized signers on your bank accounts as officer's change.

#### **Important**

A district employee may serve a parent organization as a general member or as a member of its executive board, except for the position of treasurer. A District employee shall not serve in a capacity over the organization's financial affairs, including an authorized signer on the bank account.

Appropriate written approval from the principal, where the organization is located, and the Deputy Superintendent must be received before a District substitute or temporary employee may be treasurer or authorized signer on the bank account of a parent organization.

This approval must be requested and received each school year. The written approval must be kept on file with the District's Deputy Superintendent.

11. Determine whether your organization is in good standing with the Texas Comptroller's Office by calling their office.
12. Determine whether your organization is in good standing with the IRS by calling the Exempt Organization Section of the IRS.

13. Present a written Treasurer's Report at every meeting that includes the general membership.
14. File the Booster Club's Texas Sales Tax Reports as required.

*The Texas Comptroller's Office determines how often the report needs to be filed and is subject to change.*

15. Provide a copy of the written Booster Club Financial Report for the applicable school year to the School Principal and to the Deputy Superintendent by October 31<sup>st</sup> of each year.  
For example, a report for the 2016-2017 school year should be submitted by October 31<sup>st</sup>, 2017
16. Provide a copy of the financial report at a meeting that includes the Booster Club's general membership by October 31, of each year.
17. Issue 1099 forms to applicable individuals or businesses by January 31, of each year. If 1099 forms are issued, send information to the IRS by February 28, of each year.

District employees hired by the Booster Club must be paid directly by the Booster Club and not through the District.

**Note:** Request a W-9 form from the individual or business before issuing them a check.

18. File the IRS Form 990, 990-EZ, or 990-N, Return of Organization Exempt from Income Tax, each year. If this annual return is not submitted for three consecutive years, the IRS will revoke the organization's public 501(c)(3) status.

The return is due by the 15<sup>th</sup> day of the 5<sup>th</sup> month after the organizations accounting period ends (due 4 1/2 months after your official year-end).

#### **State Regulatory Information**

*The following items need to be done only once since the origination of the Booster Club.*

19. **Reminder:** Only those organizations with a tax-exemption from the Texas Comptroller's Office are entitled to the two (2) "one-day, tax-free" sales days.

#### **Federal Regulatory Information**

*The following items need to be done only once since the origination of the Booster Club.*

20. Obtain an Employer Identification Number (EIN) from the Internal Revenue Service (IRS).

21. Determine whether the Booster Club has received tax-exempt status as a public non profit organization from the IRS. If the IRS has approved the Clubs' tax-exempt status, a Determination Letter would have been received from the IRS.

The Booster Club received its tax-exempt status as a public non profit organization from the IRS:

\_\_\_\_\_ Yes  
\_\_\_\_\_ No

The Booster Club has received a tax-exemption from the Texas Comptroller's Office:

\_\_\_\_\_ Yes  
\_\_\_\_\_ No

If you have not applied for the tax-exempt status, complete the IRS Form 1023, Application for Recognition of Exemption, and the Form 8718, User Fee for Tax-Exempt Organization Determination Letter Request. Submit these forms and the applicable fee to the IRS.

If you have applied for the tax-exempt status but you have not received your Determination Letter, you should receive an Acknowledgment of Your Request. Call the IRS to determine the status of your application.

22. As your Booster Club President or Treasurer changes, give the applicable *Booster Club checklist* handbook to the new officer(s).

If you have any questions concerning the above items, please contact the Office of the Deputy Superintendent at 254-215-2004.