

Booster Clubs...How would you answer???

Q. I heard that Booster Clubs are to hold no more than two 50/50 raffles per year. If more were organized to reap the profits, apparently the gambling commission needs to be notified.....Can you tell me exactly how to go about this process? Whom would we contact? Is there a fee for the process? Is there a website? Do you know a name or phone number?

A. As a Booster Club you can do 2 unlicensed raffles every calendar year, provided you have been granted 501 c-3 status by the IRS. If you are not registered with the IRS you cannot hold a raffle. If you want to hold more raffles then you must buy a Raffle License from the local gambling commission office. Your county should have one. Go to the gambling commission website (www.wsgc.wa.gov) for more details.

Q. One of our parents (no students ever involved) arranged with several businesses in our community to make a donation and then in turn a sign with their name on it was up on the fence in the baseball field. The money was put into the general fund. Our district believes it is ASB money. My assistant principal for activities and I both feel it is not ASB as students were never ever involved in any aspect of the money.

A. The money should go into ASB... An Attorney General memo (a couple of years ago) found no statutory authorization for General Fund fundraising of this type, therefore the money goes to ASB. ASB moneys do not have to have students involved, they may be raised in the name of students. Without the Baseball program the revenue source would not exist, so this is Athletic in nature and an acceptable ASB fund source.

Q. Can a High School have a separate Booster Club (Gridiron Club) with a separate tax ID number? Our school has a Booster Club, but we would like to break off and be a completely separate entity. They have a tax id number, and are telling us that we cannot organize our own club with another tax id number.

A. Approach Booster Clubs as another business in town. They must register with the Washington Secretary of State, or get a business license. They must get there own tax ID # (EIN). The school must keep those private businesses separate from the business of public education. They might also need to register as a 501 c-3 with the IRS (that is required if they want to run raffles as a fundraiser). Tax numbers are easy to get by calling a toll free number- check out www.ira.gov for the toll free call. I'm attaching an information sheet on Booster Clubs for you.

Q. Can we give league passes to parents of students because the student is an ASB officer. These passes allow them the parents to get into all league games home and away

A. NO...The Auditor will consider this practice a gift of public funds and will generate a finding.

Q. Do you think it sounds ok for the booster club to use HS kids to teach elementary kids sports skills and charge some money as a fundraiser?

A. This may be ok if the students' participation is optional and there are no promises from the coach of future privileges on the team. Students can have a personal life. Warn the Boosters that if they are planning on paying the helpers, there will be IRS tax implications. Also, have them check their insurance policy for this event.

Q. The treasurer of the old Booster Club (which was not legal) wants to be the treasurer for our new Organization (which is legal). A number of us think it would not be a good idea for a number of reasons. What are your thoughts?

A. I think the answer depends upon how good the former treasurer was at their job.

Q. Can Senior students' parents sell candy canes during lunch to raise money for the post graduation party? They would also need to deliver the candy to students. The money would be given to the Booster Club to hold for graduation. Is this an allowable activity?

A. Outside groups can do business on campus if they follow your school district policy. Check with the business manager. If it is ok, make sure the public and students and teachers know that it is a parent group activity not ASB.

Q. Is it legal for the Booster Club to have the fundraiser and use school time for the kickoff assembly and reward assembly? If not, can they do it if they split the profits fifty-fifty with ASB? Can you direct me to the WAC or RCW that states that? Any information that I can get will help state my case.

A. The Auditor has agreed that a PTO can hold an information assembly to offer students the opportunity to participate in their fundraiser. But the PTO needs to follow the rules in the attachment "Parent Group Definition" and not have the school collect the money. You can sign a contract with the PTO to split money- it is best to run all the funds through ASB and then have the PTO bill you for their half. The Parent group must be considered private organization (a company). The school is a public entity. Thus, private enterprise on public land must be regulated. The Washington PTA may have some more information of the WAC's & RCW's. I got this information from their publication "ASB and the Law"