

**ORANGE COUNTY
BOARD OF EDUCATION**

AGENDA ITEM ABSTRACT

Meeting Date: November 22, 2010

AGENDA ITEM No. 10-11-(2)-10

ACTION ITEM: (Y/N) Y

SUBJECT: Parent Organizations Policy #5010 Revised – 1st Reading Approval

INFO. CONTACT: Patrick Rhodes/Donna Brinkley **PHONE:** 919-732-8126

ATTACHMENTS: 1. Policy # 5010, Parent Organizations (REVISED)

PURPOSE: To approve revisions to the Parent Organizations Policy #5010.

BACKGROUND: This revised policy includes additional rules and procedures related to financial management of Parent Organizations. Specific requirements have been added in order to standardize funds management in these organizations.

Revisions to this policy were first brought to the Board on August 2, 2010. Following discussion, board members requested additional work be done on the policy. On September 7, 2010, the board reviewed the draft and requested that OCS staff convene a focus group to review this policy. A focus group met on September 30, 2010 and was attended by 42 representatives from PTAs, PTSAs, PTGOs and booster organizations. The group discussed fiscal management practices and provided feedback which supported the proposed changes. Other feedback discussed at this meeting will be included in the Fiscal Management Procedure Manual which is under development.

FINANCIAL IMPACT: None.

RECOMMENDATION: The Superintendent recommends the Board of Education approve the revised Parent Organizations Policy #5010 for 1st Reading Approval.

*Rescinds Policy Number:**Issued: 08/16/2004*

PRINCIPLES

The board encourages the development and participation of parent organizations that support the goals of the board and the schools. The board also supports parent organizations as an effective means of actively involving parents in the schools. The superintendent and school officials are expected to educate such organizations on the goals of the board and individual schools, especially as it relates to improving student success. The superintendent and school officials also are expected to help such organizations in identifying opportunities to assist the schools in meeting these goals.

CONDITIONS FOR ESTABLISHING PARENT ORGANIZATIONS

Parent organizations, including PTAs, PTOs and booster clubs, are not considered a part of the school district. However, because the organizations and their activities reflect upon the school district, all parent organizations must accept the following conditions in order to operate on behalf of the schools.

- All parent organizations must provide the superintendent or designee with a document describing the purpose of the organization and the general rules and procedures by which it will operate. Any modifications also must be shared in writing with the superintendent. ***All parent organizations must file a copy of their current bylaws and their federal identification number with the superintendent.***
- Parent organizations must obtain prior approval from the principal for (1) any fund-raising event, (2) any purchase for the school, (3) any function involving the participation of students, or (4) any event which is likely to reflect upon the school or school district.
- Parent organizations are responsible for maintaining their own financial records. Employees of the school are not permitted to routinely manage the affairs of parent organizations during the workday. Funds of parent organizations shall be accounted for in a manner which will ensure a complete record of all receipts and disbursements.
- Parent organizations are expected to take into account the cultural diversity and economic differences of students and parents in planning various functions.

The superintendent will approve the establishment of parent organizations. Parent organizations that, after assistance from school officials, are unable to meet board policies will be disapproved by the superintendent ***and all activities of the parent organization shall cease until such time as in compliance with board policies and approved by the superintendent.***

Any item that a parent organization proposes to contribute to the school must meet all legal requirements, including safety codes. Before accepting any such donation, the principal must ensure that funding is available to install and maintain all donated equipment, such as playground equipment, in compliance with all safety requirements. All items donated become the property of the school district. While the intent of the donation will be considered, the school district reserves the right to modify the use if the needs of the students or the school district change.

FUNDS MANAGEMENT

Parent organizations which engage in public fund-raising activities in the name of the school or for the purpose of supporting school programs and extracurricular activities must be properly accountable to the public which contributes to such efforts and the school. All parent organizations must accept the following rules and procedures as they relate to funds management in order to operate on behalf of the schools.

- *Bank accounts should reflect the official name of the parent organization and carry the tax ID number of the organization. The school system's tax ID number cannot be used on a parent organization's bank accounts or financial documents.*
- *Bank accounts and charge accounts, if any, of the parent organization must be established in such a manner that the bank or business extending credit understands that neither the school nor the school system has any financial responsibility for the payment of any obligations incurred by the parent organization on the account.*
- *The parent organization treasurer shall handle and be responsible for all organization funds.*
- *The signature of the organization treasurer and the signature of either the organization president or vice-president shall be required on all checks.*
- *Parent organization funds shall be deposited only in an account maintained by the organization. Organization funds shall not be deposited in an account maintained by the school or school system unless such funds are a repayment of funds advanced by the school system.*
- *Parent organization funds shall be used only for the purposes consistent with the general rules and procedures of the parent organization.*
- *The parent organization shall maintain adequate financial records including all sales slips, receipts, invoices and/or any other documentation of expenditures by the organization. Records shall be accessible to parents/guardians and school officials on request.*
- *The parent organization bank records should be reconciled by the treasurer no less than one time during each three month period the organization exists. The reconciled bank records should then be reviewed by the organization president.*
- *Each year, the Orange County Schools Finance Office will provide basic fiscal management training sessions for all parent organization treasurers and presidents. Parent organizations will also receive a Fiscal Management Procedure Manual.*
- *Orange County Schools reserves the right to have its finance department audit or review the financial books and records of the parent organization at any time and for any reason.*

Legal References: G.S. 115C-36, -47