

Following the Rules...



Included in this section:

- **Authoritative Guidelines Overview**
- **District Board Policy GE(Local), CDC (Local), GE (Local) & District Guidelines**
- **University Interscholastic League (UIL) Booster Club Guidelines**
- **State & Federal Regulatory Summary**

Authoritative Guidelines Overview

Booster Clubs are governed by various entities. The School District has Board Policies and guidelines that **must be followed** by Booster Clubs, as well as guidelines that the School Principal or Administrator (*if the Booster Club is not located at a school*) may implement. Also, the Booster Clubs must follow the guidelines of the University Interscholastic League (UIL); the State of Texas; and the federal government, through the IRS. Some state regulations relate to sales tax, becoming incorporated or holding a raffle.

The following information is included in this section:

- ◆ District Board Policy [GE \(Local\)](#) and [GE\(Legal\)](#) *Relations with Parents or Parents' Organizations*
- ◆ District Board Policy [CAA\(Local\)](#) *Fiscal Management Goals and Objectives (Financial Ethics)*
- ◆ [UIL Booster Club Guidelines](#)
- ◆ [State Regulatory Information](#)
- ◆ [Federal Regulatory Information](#)

The UIL Booster Club Guidelines do **not** include all rules that may apply to your organization. For specific questions, you should contact UIL directly.

Also, the state and federal regulatory information included in this section **does not** include all laws or rules that may apply to your particular situation. This information is provided by the District's Internal and Systems Control Department; however, **the Internal & Systems Control Department is not an authority on specific accounting situations or tax-related issues concerning individual Booster Clubs.** Therefore, Booster Clubs should obtain competent independent counsel, such as a Certified Public Accountant (CPA) or an attorney, to address accounting and tax matters related to their specific circumstances. The cost of these services would be the Booster Club's responsibility. In addition, the IRS and the Texas State Comptroller's Office may be contacted for questions related to your organization's specific situation.

IMPORTANT

Booster Club officers are solely responsible for ensuring that their Booster Club is in compliance with District policies and guidelines, UIL guidelines, and state and federal regulations.

Therefore, the District, including any District employee, is not responsible for a Booster Club not complying with the various policies, guidelines, and regulations.

Waco ISD
161914

RELATIONS WITH PARENT ORGANIZATIONS

GE
(LEGAL)

PARENT-TEACHER
ORGANIZATIONS

The Board shall cooperate in the establishment of ongoing operations of at least one parent-teacher organization at each school in the District to promote parental involvement in school activities. *Education Code 26.001(e)*

DATE ISSUED: 7/1/2002
UPDATE 68
GE(LEGAL)-P
Waco ISD
161914

1 OF 1

RELATIONS WITH PARENT ORGANIZATIONS

GE
(LOCAL)

District-affiliated school-support or booster organizations shall organize and function in a way that is consistent with the District's philosophy and objectives, within adopted Board policies, in accordance with applicable UIL guidelines and financial and audit regulations. [See also CFD]

USE OF DISTRICT FACILITIES

District-affiliated school-support or booster organizations may use District facilities with prior approval of the appropriate administrator. Other parent groups may use District facilities in accordance with policy GKD.

PURCHASES FOR THE SCHOOL

Before parent groups or other groups working with the school purchase equipment for the schools, including computer hardware and software, they shall notify the principal of their plans. In consultation with the Superintendent or designee, the principal shall determine the type or brand of equipment to buy to ensure compatibility with current District equipment.

FISCAL MANAGEMENT GOALS AND OBJECTIVES
FINANCIAL ETHICS

CAA
(LOCAL)

All Trustees, employees, vendors, contractors, consultants, volunteers, and any other parties who are involved in the District's financial transactions shall act with integrity and diligence in duties involving the District's fiscal resources.

Note: See the following policies and/or administrative regulations regarding conflicts of interest, ethics, and financial oversight:

- Code of ethics:
for Board members—BBF
for employees—DH
 - Financial conflicts of interest:
for public officials—BBFA
for all employees—DBD
 - Financial conflicts involving federal funds: CBB
 - Systems for monitoring the District's investment program: CDA
 - Budget planning and evaluation: CE
 - Compliance with accounting regulations: CFC
 - Activity fund management: CFD
 - Criminal history record information for employees: DC
 - Disciplinary action for fraud by employees: DCD, DCE, and DF series
-

FRAUD AND
FINANCIAL
IMPROPRIETY

The District prohibits fraud and financial impropriety, as defined below, in the actions of its Trustees, employees, vendors, contractors, consultants, volunteers, and others seeking or maintaining a business relationship with the District.

DEFINITION

Fraud and financial impropriety shall include but not be limited to:

1. Forgery or unauthorized alteration of any document or account belonging to the District.
2. Forgery or unauthorized alteration of a check, bank draft, or any other financial document.
3. Misappropriation of funds, securities, supplies, or other District assets, including employee time.
4. Impropriety in the handling of money or reporting of District financial transactions.
5. Profiteering as a result of insider knowledge of District information or activities.

FISCAL MANAGEMENT GOALS AND OBJECTIVES
FINANCIAL ETHICS

CAA
(LOCAL)

6. Unauthorized disclosure of confidential or proprietary information to outside parties.
7. Unauthorized disclosure of investment activities engaged in or contemplated by the District.
8. Accepting or seeking anything of material value from contractors, vendors, or other persons providing services or materials to the District, except as otherwise permitted by law or District policy. [See DBD]
9. Inappropriately destroying, removing, or using records, furniture, fixtures, or equipment.
10. Failure to provide financial records required by state or local entities.
11. Failure to disclose conflicts of interest as required by law or District policy.
12. Any other dishonest act regarding the finances of the District.

FINANCIAL CONTROLS
AND OVERSIGHT

Each employee who supervises or prepares District financial reports or transactions shall set an example of honest and ethical behavior and shall actively monitor his or her area of responsibility for fraud and financial impropriety.

FRAUD PREVENTION

The Superintendent or designee shall maintain a system of internal controls to deter and monitor for fraud or financial impropriety in the District.

REPORTS

Any person who suspects fraud or financial impropriety in the District shall report the suspicions immediately to any supervisor, the Superintendent or designee, the Board President, or local law enforcement.

Reports of suspected fraud or financial impropriety shall be treated as confidential to the extent permitted by law. Limited disclosure may be necessary to complete a full investigation or to comply with law. All employees involved in an investigation shall be advised to keep information about the investigation confidential.

PROTECTION FROM
RETALIATION

Neither the Board nor any District employee shall unlawfully retaliate against a person who in good faith reports perceived fraud or financial impropriety. [See DG]

FRAUD
INVESTIGATIONS

In coordination with legal counsel and other internal or external departments or agencies, as appropriate, the Superintendent, Board President, or a designee shall promptly investigate reports of potential fraud or financial impropriety.

If an investigation substantiates a report of fraud or financial impropriety, the Superintendent or designee shall promptly inform the Board of the report, the investigation, and any responsive action taken or recommended by the administration.

FISCAL MANAGEMENT GOALS AND OBJECTIVES
FINANCIAL ETHICS

CAA
(LOCAL)

RESPONSE

If an employee is found to have committed fraud or financial impropriety, the Superintendent or designee shall take or recommend appropriate disciplinary action, which may include termination of employment. If a contractor or vendor is found to have committed fraud or financial impropriety, the District shall take appropriate action, which may include cancellation of the District's relationship with the contractor or vendor.

When circumstances warrant, the Board, Superintendent, or designee may refer matters to appropriate law enforcement or regulatory authorities. In cases involving monetary loss to the District, the District may seek to recover lost or misappropriated funds.

The final disposition of the matter and any decision to file a criminal complaint or to refer the matter to the appropriate law enforcement or regulatory agency for independent investigation shall be made in consultation with legal counsel.

ANALYSIS OF FRAUD

After any investigation substantiates a report of fraud or financial impropriety, the Superintendent or designee shall analyze conditions or factors that may have contributed to the fraudulent or improper activity. The Superintendent or designee shall ensure that appropriate administrative procedures are developed and implemented to prevent future misconduct. These measures shall be presented to the Board for review.

University Interscholastic League (UIL) Booster Club Guidelines

*The UIL has guidelines concerning gifts and donations **including but not limited to the following:***

1. Money given to a school cannot be earmarked for any particular expense. Booster clubs may make recommendations, but cash or other valuable consideration must be given to the school to use at its discretion.
2. Coaches and directors of UIL academics, athletics and fine arts may not accept more than \$500 in money, product or service from any source in recognition of or appreciation for coaching, directing or sponsoring UIL activities. The \$500 limit is cumulative for a calendar year and is not specific to any one particular gift.
3. Funds are to be used to support school activities. To provide such funding for non-school activities would violate UIL rules and the public trust through which funds are earned.
4. Booster clubs cannot give anything to students, including awards.
5. Unlike music and academic booster clubs, athletic booster club funds shall not be used to support athletic camps, clinics, private instruction, or any activity outside of the school.
6. Athletes are restricted by the Athletic Amateur Rule, which states that athletes cannot accept money or valuable consideration for participating in a UIL sport or for allowing their names to be used in promoting a product, plan or service related to a UIL contest.
7. Academics has no amateur rule.
8. Booster clubs cannot give anything to students, including awards.

*The above guidelines were derived from the UIL website. **The information documented above is not all-inclusive and is subject to change by the UIL.** Therefore, for the most up-to-date version of this information and to find out about other UIL guidelines, please go to the UIL's website at www.uilTEXAS.org. In addition, the UIL has the following publications online:*

UIL Booster Club Guidelines:

www.uilTEXAS.org/policy/booster-club-guidelines

Parent Information Manual:

<http://www.uilTEXAS.org/files/athletics/manuals/parent-information-manual.pdf>

Subchapter M on Eligibility which contains the Amateur Rule that applies to Athletics:

<http://www.uilTEXAS.org/files/constitution/uil-CCR-subchapter-m.pdf>

Subchapter N-O which includes the Awards Rule

<http://www.uilTEXAS.org/files/constitution/uil-CCR-subchapter-n-o.pdf>

UIL Constitution and Contest Rules

<http://www.uilTEXAS.org/policy/constitution/category/constitution-general>

If you have questions concerning UIL guidelines, please contact:

University Interscholastic League

P.O. Box 8028, Austin, TX 78713

(512)471-5883

Policy & Administration:	Dr. Charles Brethaupt	Executive Director	512-471-5908 director@uilTEXAS.org
Athletics:	Dr. Mark Cousins	Director of Athletics	512-471-6589 athletics@uilTEXAS.org
Academics:	Dr. David Stevens	Academic Director	512-232-7311 dstevens@uilTEXAS.org
Music:	Richard Floyd	Music Director	512-471-5908 music@uilTEXAS.org