

ROCKWELL CHARTER SCHOOL

Fundraising Policy

Purpose

The Board of Directors of Rockwell Charter School has established this policy to provide guidelines that govern the initiation, authorization, and review of all fundraising activities at the school. In accordance with Utah Admin. Code R277-408 this policy is intended to create practices that adequately safeguard public funds, provide for accountability, and ensure compliance with state and federal laws. Although the board encourages community and business partnerships that enhance and supplement the school's education system, the Board desires to protect students, parents, teachers, and school administrators from fundraising efforts that are coercive and disruptive to the school's education processes, lacking in educational merit, and threatening to the health and welfare of students.

Scope

This policy applies to all school administrators, licensed educators, staff members, students, organizations, volunteers, and individuals who initiate, authorize, or participate in fundraising or school-sponsored events. It is expected that in all dealings, school employees and volunteers will act ethically and in accordance with the school's ethics training, Utah Admin. Code R277-217, Educator Standards, the Utah Public Officers' and Employees' Ethics Act, and the Utah Procurement Code.

Definitions

Cash or Cash Receipts: means cash, checks, credit cards, electronic payments via a website or mobile payment application, or other items used for payment.

Fundraiser, Fundraising, or Fundraising Activity: means an activity or event provided, sponsored, or supported by a school to generate funds or raise money to provide financial support to a school or to any of the school's classes, groups, teams, or programs; or to benefit a particular charity; or for other charitable purposes. Fundraiser, fundraising, or fundraising activity may include: the sale of goods or services; the solicitation of monetary contributions from individuals or businesses; or other lawful means or methods to generate funds.

Group Fundraising or Group Fundraiser: means a fundraising activity where the money raised is used for the benefit of a group, team, or organization.

Individual Fundraiser or Individual Fundraising: means a fundraising activity where money is raised by an individual student to pay the individual student's fees.

Local Funds: mean funds received by the school that are not state or federal program funds, or funds from state or federal sources as established in law.

Public Funds: means money, funds, and accounts, regardless of the source from which the funds are derived, that are owned, held, or administered by the state or any of its political subdivisions, including schools or other public bodies per Utah Code §51-7-3(26).

School-Sponsored: means activities, fundraising events, clubs, camps, clinics, programs, sports, events, or activities that are authorized by the school that support the school; or authorized curricular school clubs, activities, sports, classes, or programs that also satisfy one or more of the following criteria: 1). the activity is managed or supervised by a public school or public school employee; 2). the activity uses the public school's facilities, equipment, or other school resources; 3). the activity is supported or subsidized, more than inconsequently, by public funds including the public school's activity funds or minimum school program dollars." School-sponsored" does not include non-curricular clubs specifically authorized and meeting all criteria of Utah Code §53A-11-1205 through 12-8.

General Fundraising Guidelines and Procedures

Fundraising is generally permitted at Rockwell by the Board or Administration to allow the school to raise additional local funds to supplement authorized, school-sponsored and co-curricular programs. Fundraising at the school must follow all applicable guidelines and requirements as found in the Board's Finance Policy, other school policies, and state and federal law. The school reserves the right to prohibit, restrict or limit any fundraising activities associated with the school.

All fundraising and expenditure of funds from fundraising must adhere to the following guidelines:

- Fundraising at the school level is authorized by the Board of Directors and administered by the Executive Director, within the parameters of Board policy.
- The Executive Director must approve all school fundraising activities, including the sale of goods or services; the solicitation of monetary contributions from individuals or businesses; or other lawful means or methods to generate funds for the school
- The Executive Director ensures the appropriate use of the school's tax-exempt status number and issuance of charitable donation written disclosure in accordance with IRS regulations;

- The Executive Director must ensure that all fundraising and related activities are in compliance with Utah Constitution, Article X, Section 2, establishing a free public education system; Utah Administrative Code R277-407; and, Federal Title IX requirements, found in 20 U.S.C. 1681, et seq.; and with Title 63G, Chapter 6a, Utah Procurement Code, Utah Administrative Code R277-454 regarding construction and improvements, IRS regulations and tax deductible directives; and Federal Title IX requirements, found in 20 U.S.C. 1681;
- If a donation or fundraising activity may result in or does result in the receipt of restricted monies, only the Board of Directors may approve accepting the restricted funds.
- Fundraising at the school level includes fundraising activities of the school's own parent organization, regardless of what it is called, as authorized by and under the direction of the Executive Director.
- Grants not provided by state or federal sources in the regular operation of the school are also defined as fundraising and must be approved by the Executive Director and the Business Manager.
- It is the responsibility of the Executive Director to ensure proper compliance with all grant requirements applicable to grantees, including state or federal regulations and guidance where applicable.
- The Executive Director must manage the distribution of unrestricted funds and fundraising to ensure that the educational opportunities of all students are equal and fair.
- Funds requested voluntarily from school patrons for fundraising activities must always be voluntary contributions.
- The school may not impose a sales quota (or the like) as part of fundraising efforts, and students or parents shall not be required to pay for any unsold items, or pay for goals not met.
- Door-to-door sales are prohibited for all students in elementary and middle schools.
- Approval may be denied for fundraising activities that would expose the school to risk of financial loss or liability if the activity is not successful.
- Fundraising activities shall be age appropriate, and shall maintain the highest standards of ethical responsibility and integrity.
- Fundraising revenues should be accounted for at an individual contribution level or participation level.
- Faculty and student participation in fundraisers is typically voluntary. However, employees may be directed to supervise specific activities as an employment assignment.

- Employees who approve, manage, or oversee fundraising activities are required to disclose if they have a financial or controlling interest or access to bank accounts in a fundraising organization or company.

Donations, Gifts, and Incentives

- The Executive Director may approve donations providing the item(s) to be donated, such as monetary, gifts, goods, materials, equipment, or services, are in acceptable condition, legal to possess by a public school, safe, unencumbered, free of liens or claims, usable by the school, are generally not restricted in their use, or are not restricted for use by a specific school employee.
- The Executive Director may not accept donations for the purpose of compensating specific employees or positions. Instead, donations may be accepted without specific purposes delineated.
- Donations received by the school become public funds and may not be returned or expended except within the law as applicable to the appropriate use of public funds.
- All policies and procedures of the school are applicable to donations, including Cash Receipt and Disbursement policies and procedures, and all other internal controls.
- Gifts to the school must be general in nature and may not be restricted such that they cannot be used for various purposes, except when those purposes are to a specific program, such as the PE program, science department, art program, etc. These may need board approval if they encumber the school in any way.
- Donations or gifts intended to benefit a specific student or employee may not be accepted and as defined in law, could be considered a bribe.
- Actions to name buildings, teams, fields, schools, departments, etc. are solely within the power of the Board and shall not be authorized when unreasonable or restrictive encumbrances exist, and limitations put upon the school by a donor would limit or hamper the school to achieve its mission and comply with all regulations. This authority may not be delegated by the Board.
- Donors may be recognized through print materials, announcements, and other advertising as determined by the Executive Director.
- Donors shall be provided equitable recognition for gifts-in-kind donations provided to the school.
- The value of a gift or donation to the school may not be assessed or assigned a monetary value by the school and provided to the donor either verbally or in writing.
- The value and tax deductibility of a donation or gift made by an individual or company is to be determined by the donor and their tax advisor, not the school.
- The donor may provide and the school may sign a Form 8283 Noncash Charitable Contributions form (available from the IRS) upon request.

- If a product or service is given in return for a donation or gift that is clearly defined, such as a \$250 advertising slot in the yearbook, that value can be disclosed by providing the school's advertising rates to the donor for them to assign a value.

Prohibitions on Quid-Pro-Quo Arrangements

The school, its employees, and approved volunteers, including board members, shall ensure that incentives of any kind to any party are not bribes, or quid-pro-quo (this-for-that) arrangements. Enrollment, employment, or doing business with the school shall never be contingent upon gifts or incentives from the school to other parties or to the school from other parties. A few examples of prohibited activities include:

- A parent making a donation to the school if the school enrolls their child;
- The school giving a free iPad to any student that enrolls before October 1;
- A vendor giving a free trip to Hawaii to the Executive Director when the school signs a service agreement;
- The parent organization president receiving a free case of hot dogs personally from a vendor because the school placed an order with them
- A parent making a donation to a teacher, or simply a cash payment, for an "A" grade for their student.

Fundraising and the Board of Directors

- The Board shall at least annually review the local fundraising activities of the school and all local activities that support or subsidize the school.
- The Board shall ensure that revenues raised during fundraising activities or through activities that support the school are raised within all established regulations and policies; and that they support the school's mission and vision.
- Fundraising at the board level is only authorized by an affirmative Board vote after consultation with the Executive Director.
- The Board must approve all school fiscal agent agreements, cohorts, or consortiums prior to execution of agreements.
- Where encumbrances are present or strings are attached, the Board of Directors must approve a grant application and/or receipt of the grant award, a donation, or any other restricted gift.

School Fees and Fundraising

The school shall comply with all fundraising requirements and restrictions of Utah Admin. Code R277-407, School Fees, including the implications on school fees and fee waivers by:

- Not requiring or allowing required individual fundraising;

- Providing optional, individual fundraising opportunities for students to raise money to offset the cost of a student's fees;
- Ensuring individual student fundraisers are included as part of the maximum fee amount per student and total aggregate fee amount per student;
- Allowing for group fundraisers;
- Not denying a student membership on a team or group if the student does not participate in a fundraiser;
- Complying with Utah Admin. Code R277-113 when using alternative methods of raising revenue that do not include students.
- The school will follow all requirements of Utah Admin. Code R277-407, School Fees, when fundraising for student programs or fees.
- Neither the Board nor the Executive Director shall circumvent established school fee regulations by calling what is ordinarily a "fee" a "donation" to avoid fee waiver regulation when such a "donation" is required for participation.

Fundraising and Public Funds

- All local funds are public funds once the school receives the award, including before the award is deposited in the school's financial institution.
- All expenditures of the school, including expenditures with local funds raised during fundraising activities, shall be made in accordance with the law and established school policies and procedures.
- All items purchased with funds gained through fundraising activities are the property of the school, with the exception of supplies, clothing or other materials provided through school programs for student consumption or ownership (co-curricular or extracurricular activity uniforms, completed project work, etc.).

Fundraising by Approved Volunteers

- Activities of approved volunteers (non-school employees) in relation to fundraising activities of any kind must be overseen by the Executive Director or other staff as designated by the Executive Director.
- The Executive Director shall ensure that all activities of fundraising activities and parent organizations are adequately reviewed and considered with the school's insurer to evaluate and manage risks associated with such activities.
- Conflict of Interest forms must be completed annually when persons employed by or affiliated with the school are also involved in fundraising organizations working on behalf of or for the benefit of the school, or who temporarily hold funds that will benefit the school.
- The Executive Director shall develop internal procedures for all local fundraising activities.

- An individual or private organization, including a booster club, a parent organization, employee, coach, or volunteer that engages in fundraising or collects a donation on behalf of the school shall comply with the requirements of Utah Admin. Codes R277-408 and R277-113;
- An individual or private organization, including a booster club, a parent organization, employee, coach, or volunteer that receives money on behalf of the school must comply with all procedures concerning the receipt, deposit, and internal controls outlined in the school's Finance Policy.

Fundraising by Outside Organizations

Fundraising activities, or activities of outside organizations of any kind that are not school-sponsored activities, must be conducted at arm's length so that revenues and expenditures are not commingled with the public funds of the school.

Fundraising for School-Sponsored Programs

The school may fundraise for properly approved "school-sponsored" activities. School-sponsored activities are programs, activities, fundraising events, clubs, camps, clinics, sports, and any other events, or activities that are authorized by the Executive Director, the Board, or Board committees, including the authorized parent organization or authorized curricular school clubs, activities, sports, classes or programs that satisfy one or more of the following criteria:

- The activity is managed or supervised by Executive Director, staff, or approved (authorized) volunteers;
- The activity is not managed, supervised, or provided by another authorized and properly insured entity;
- The activity uses the school's facilities, equipment, or other school resources;
- The activity is supported or subsidized, more than inconsequently, by public funds, including the public school's activity funds or Minimum School Program or federal dollars.

Approval of School-Sponsored Activities

Fundraising, authorization, and supervision of fundraising for school-sponsored activities shall adhere to the following guidelines:

- Fundraising at the school shall be approved in writing, prior to the activity, by the Executive Director and supervised by school employee(s) designated by the Executive Director.
- The Executive Director shall ensure that the activity is appropriately classified as a school-sponsored activity.

- The Executive Director may approve fundraisers or activities where the expectation is to earn up to \$10,000.
- Fundraisers expected to earn more than \$10,000 and up to \$50,000 must be approved by the Board.
- The sale of banners, advertising, signs, or other promotional material that will be displayed on school property must be approved by the Executive Director before the items are initiated or printed, and must meet community standards.
- Partisan or political advertising and advertising for products that are prohibited by law for sale or use by minors, such as alcohol, tobacco, or other substances that are known to endanger the health and well-being of students, are prohibited.

Allowances for Approved, School-Sponsored Activities

- May use the school's name, facilities, and equipment;
- May utilize school employees and other resources to supervise, promote, and otherwise staff the activity or fundraiser;
- May be eligible to be insured under the school's liability insurance policy (subject to the policies of the school's insurer);
- May provide additional compensation or stipends for school employees with the approval of the Executive Director and under school payroll policies and consistent with the school's budget.
- Must comply with all fee approval and fee waiver provisions established in Utah Code and Utah State Board of Education rules. The school may be responsible for providing student transportation for these activities.
- All monies raised through fundraisers for school-sponsored activities are considered public funds. The school is responsible for the expenditure and allocation of all monies collected and expended through student, school-organized fundraising.
- The collection of money associated with fundraisers for school-sponsored activities will comply with the school's cash receipting policies.
- The expenditure of any public funds associated with fundraisers for school-sponsored activities will comply with the school's cash disbursement policies.

Capital Fundraising Guidelines and Procedures

All fundraising projects for construction, maintenance, facilities renovation or improvement and other capital equipment purchases must be approved in writing by the Board of Directors in collaboration with the Business Administrator and the Executive Director.

- Prior to the initiation of a large capital drive or specific fundraising drive, the following will be provided to the Business Administrator for evaluation and recommendation to the Board and Executive Director:
 - Prospective construction, maintenance or renovation plans and estimated costs;
 - Proposed naming opportunities;
 - Proposed fundraising timeline;
 - Loans or financing agreements;
 - Maintenance or upkeep requirements and costs;
 - The Executive Director will make a recommendation to the Board board.
 - The board reserves the right to tentatively approve plans, pending fundraising, donations, equity, or other conditions.

Non-School-Sponsored Activities and Fundraisers

- Activities, clubs, groups and their associated fundraisers or other activities that are not school-sponsored or groups, clubs, sports, and programs that are not managed by school employees are deemed to be non-school-sponsored.
- Non-school-sponsored activities may NOT:
 - Use the school's name without express permission of the school;
 - Use the school's facilities, equipment, and other assets or staff unless a facilities use agreement is initiated and approved. These agreements should follow the school's policy for other facilities use agreements.
 - Utilize school employees (in their official capacity) and other resources to supervise, promote, and otherwise staff the activity or fundraiser.
 - Be insured under the school's risk management or insurance policy; non-school-sponsored activities must provide their own insurance through a third-party insurer.
 - Provide additional compensation or stipends for school employees, if the activity is not substantially different from a school employee's regular job functions and duties and outside of employee's contract hours.
 - Co-mingle public funds and private fundraising proceeds or expenditures.
 - Use school records to contact parents or students.
- Parental notification by a school employee is required if school employees are involved in the planning, administration, advertising, or serving as staff for a non-school-sponsored activity, and if school students are involved.
- Funds, donations, or gifts generated through non-school-sponsored activities or events may be donated to the school to support specific programs, teams, groups, clubs, etc.
- All donations or gifts shall follow the guidance established in this policy.

- Non-school-sponsored activities may work in conjunction with the school to raise funds. The school may allow these groups to use school facilities at little or no charge in exchange for contributions or percentages of proceeds.
- The school may choose to provide some level of support or pay for portions of these activities.
- These arrangements shall be set forth in a written agreement or contract, and all transactions will be conducted as “arm’s-length transactions.”
- These agreements shall take into consideration the school’s fiduciary responsibility for the management and use of public funds and assets.
- The terms of these contracts will be approved by the Board of Directors.
- The school will consult with its insurer or legal counsel to ensure risks are adequately considered and managed.
- Non-curricular clubs specifically authorized under Utah Code §53A–11–1205 through 1208 are not considered school-sponsored.

Prohibitions Related to School’s Employees and Fundraising

- School employees may not set up bank accounts for activities or fundraisers associated with school responsibilities or job functions.
- School employees may not direct fees or fundraiser proceeds from school-sponsored activities to outside entities.
- School employees may not direct operating expenditures to outside funding sources or groups to avoid school procurement rules (such as equipment, uniforms, salaries or stipends, improvements, maintenance for facilities, etc.).
- School employees must comply with School procurement policies and procedures, including complying with competitive quotes; bid splitting; and not accepting gifts, gratuities, or kickbacks from vendors or other interested parties.
- School employees must disclose conflict of interest when employees approving, managing, or overseeing fundraising activities have a financial or controlling interest or access to bank accounts in the fundraising organization or company.

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