



Game Plan for Booster Clubs

Thank you to the Anoka Hennepin School District for providing information to prepare this document.

- Budgeting
- Fundraising and Donations
- Banquets
- Insurance & Risk Management and much more...

A resource for collaboration from the #833 District Service Center

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Who are Boosters in South Washington County?

Boosters are adults working together to support students' participation in an co-curricular activity, such as tennis or marching band. They also work to improve the quality of the activity. They can do this through moral support; through encouraging students to follow the coach's' rules; through volunteer efforts; and through financial support.

When boosters and coaches or directors collaborate effectively they create a stronger team experience for the students. This Game Plan can be used by booster clubs to better relationships, clarify procedures and rules, and set the stage for a successful season.

TEAMWORK

Communication

Open and transparent communication between boosters and coaches is essential. Identify a consistent way for coaches to have input to your booster club, and for your booster club to have input to the coach/director and school. It is in the best interest of all involved to formalize communications regarding important decisions of fundraising, budget creation, planning, and implementation. Formal communications can include making meeting minutes and financial records available to the public; publishing critical decisions being made, and adhering to a stable annual budget.

- Effective boosters operate in a very collaborative manner. Boosters are not subordinate to district staff, but it's critical that you are aware of and compliant with district policies and operations.
- Boosters are associations or legal corporations separate from the district. Coaches may submit various needs and budget items during the budget approval process, but boosters are not obligated to fulfill funding requests.
- The district is under no obligation to accept donations from boosters.
- However in the vast majority of situations, as a result of effective two-way communication between boosters and staff and working together toward students' best interests, the district accepts donations and makes agreed upon purchases.
- Programs and advertising materials must align with the district values.

Budgets

Create an annual budget at the beginning of your organizational year. Stick to this budget, and keep everyone on the same page.

- Create a budget timeline; hold a budget meeting at the beginning of your organizational year to explain the budget and gain membership's approval.
- Determine a request cycle and approval process that will be used for all budget requests. There is no obligation by the booster club to fund a specific request; but to maintain good relationships the approval process for requests should be made clear for all involved.
- Plan fundraising activities early so they are part of the budget planning process.
- Effective boosters remain consistent to their budget for the duration of the budget cycle. Coaches should not expect or frequently request that boosters spend funds outside of pre-approved budgets.

- Organized, detailed books provide the financial foundation for your organization.
- Consistent, accurate records make annual tax filings much easier.
- Accountability with your members and the public can be established.
- Future programming and budgeting are accomplished more efficiently by budgeting ahead for the upcoming year.
- Important, required documents and history should be preserved and passed on to new leaders, maintaining the stability of your organization.
- It is essential that Boosters handle their own funds, and coaches handle their own funds.
- Writing checks- If the booster club is collecting for a fundraiser or selling items, checks should be written to the booster club, not to coaches or other individuals.
- Collection of funds- It is best practice that monies be collected at schools, not at coach's' homes, whether cash or checks.
- Credit Cards- Coaches should not use booster club credit cards to make purchases

Fundraisers

Booster fundraisers and coaches' fundraisers must be kept separate. Booster fundraisers are responsible for their own money and communications, just as coach/director fundraisers are responsible for their own money and own communications. Both should be aware of the others' activities so the budget is built on sound numbers. Ideally, they should be supportive of each other, but not in the way of each other. (if raffles are done, a gambling permit must be pulled. Silent auctions or any other fundraiser cannot include alcohol, tobacco, weapons, or any other items not permitted on school district grounds or as part of school functions off school grounds.

Donations

The district prescribes how donations are made and recorded. Processes for boosters to donate to student programs should be discussed between booster, school and coach. The district is under no obligation to accept donations from boosters.

Booster fundraisers cannot publicize donations are tax deductible unless they have received a 501c3 status from the IRS.

- It is illegal for boosters to raise funds and then distribute the funds to individual student accounts because it would constitute private inurement (benefit). There can be no private benefit to a member of a nonprofit corporation. This can also jeopardize the booster club's tax-exempt status with the IRS.

Advertising

Booster clubs use a variety of advertising to promote their organization's activities and to raise funds.

Advertising that is planned for district venues (programs, banners, posters, etc.) must comply with the school district's advertising policy. The policy guidelines are printed in the last pages of the Game Plan.

<http://www.sowashco.org/files/policies/900/905%20Advertising.pdf>

PAYING FOR LABOR / BANQUETS / MSHSL

Paying for Labor

The district approves a specific number of head coaching/director and assistant coaching positions for each sport or activity. Boosters cannot hire a district employee for additional duties that aren't in their existing contract. Boosters can approve additional positions listed in the contract, but Schedule C dictates rates of pay and the full amount of the district's expense (salary and employer's portion of benefits) must be donated before contracts get processed.

If a booster club agrees that labor needs to be hired, with a foreknowledge of cost involved, and having been preapproved in the budget, the booster donates money to cover the cost of a district-initiated services rendered agreement (in the case of a person who is not a district employee). In the case of additional positions listed in the contract, the booster donates money to cover full amount of the district's expense (salary and employer's portion of benefits) at the rate of pay dictated by Schedule C. Either way, the donation precedes the employment. And there is no going "half and half" in terms of actual pay out to the person- one payer only for a person's services.

Banquets

- The head coach is responsible for all facets of the end-of-season awards banquet. The head coach may collaborate with the booster club; however, the program and the agenda must be approved by the head coach.
- The awards given out at the banquet are the sole responsibility of the head coach.
- "Roasting" or Gag gifts are highly discouraged
- No alcohol is allowed at the banquets or other official district functions..

MSHSL (Minnesota State High School League) Basics

- Coaches are allowed to work with their teams as allowed during the designated MSHSL season and the summer waiver period.
- No booster club member may recruit or encourage athletes from another school to transfer to South Washington County Schools.
- No coach or booster club member can direct or require a student to participate in non school related activities or out of season activities. (Summer teams, training, camps or clinics.)
- Booster clubs are prohibited from paying for a student's participation fee or for fees to attend a camp or clinic.

PURCHASES / INSURANCE AND RISK MANAGEMENT

Making smart purchases

Equipment

Equipment (including uniforms) that will be used year to year should be a district purchase because

- equipment must meet certain standards
- if boosters purchase equipment they own it and the liability that goes with it
- the district has business relationships with vendors that can bring down costs
- the district does not enter into co-ownership of equipment or supplies with boosters

Boosters, with foreknowledge of the costs involved, and approval within their budget, can choose to make a donation toward an equipment or uniform purchase. The donation must be approved through the booster's budget process ahead of the transaction. There is no obligation for a booster to cover costs brought before them that have not been preapproved in their budget.

To make a donation

- Complete the district donation form ([see resources in the appendix](#)) and write a check payable to South Washington County - District #833. (By completing the form the booster designates where the money is intended to go. This also brings the donation to the attention of the school board, helping them better understand the level of support provided by boosters.)
- Turn in the completed form and check to the activities principal (AD) for processing. He or she will forward it to the district finance department. Ask for a receipt from the activities office to provide a paper trail for your organization.

Insurance and Risk Management

Risk management is a process used to identify risks to the organization and develop strategies to handle it. This builds a reliable track record to protect those involved in your organization's activities.

Risk management also includes planning for the physical environment and logistics of events and for financial maintenance of your organization. Organizations that proactively deal with all aspects of risk enjoy greater freedom to implement their goals and ensure a healthier environment for volunteers and participants.

Consider these risk management strategies:

- Incorporate as a non-profit corporation with the State of Minnesota to prevent personal liability.
- CPAs will advise that a critical form of risk management is to require at least two designated signers on checks. This does not need to be a hassle to be a difficult process. For instance, the two required signers could have a regular established time and place each week to meet to review and process checks. If no checks are needed that week, they can cancel. Another strategy is to have three signers authorized but only require two, increasing the likelihood that two signers will be available.
- Implement procedures that require multiple individuals to verify accounts. Bank accounts should be balanced by individuals that do not have authority under the account. Many organizations use an audit committee; it's an excellent tool to accomplish this. The audit committee is comprised of volunteers who physically examine the "books". The books should include cash receipts, disbursements, paid invoices, contracts, cancelled checks, bank accounts, unpaid bills, and treasurer's reports. The audit committee confirms that the board-approved procedures for handling

financial records are being carried out and that no obvious financial problems exist. The audit committee should also make sure annual government reports are being filed.

- Obtain Insurance – consult insurance guides to identify type of insurance(s) your organization needs. Associated Insurance Management (AIM), PTO Today Insurance and the Nonprofit Insurance Advisors are among the companies that specialize in insurance for nonprofits.
- Purchase bonds/crime insurance to protect the organization from theft or fraud.
- Choose facilities or rental equipment carefully. Negotiate suitable contracts with vendors of facilities or rental equipment that minimize risk for the organization. Watch for language in contracts that may transfer loss or injury to the organization. It is best to check with your insurance agent to make sure that you are adequately insured based on the terms of the agreement. Check on rules and insurance carried by the owners of facilities or rental equipment prior to reserving their services. If their insurance does not seem sufficient, ensure the organization has obtained adequate insurance to cover the deficits in the unlikely, but potential situation of an accident.
- Make sure that rental agreements are signed on behalf of your organization, not with an individual's name.
- Identify and publish sponsors of an event or part of an event.
- Develop waivers and require signatures of participants for high-risk activities.
- Organize enough volunteers to provide adequate supervision at events.
- Provide clear, written instructions for volunteers. This increases safety for your organization's members and participants.
- Designate a contact person(s) for volunteers in the event a question or problem arises.

Volunteer Risk Management

The inherent protection of a booster's volunteers from personal liability depends on its legal identity. An association has no identity and provides no protection of its members. A nonprofit corporation provides a legal identity that does protect its members from individual liability, except in cases of willful misconduct or malfeasance. These protections are identified in the by-laws and/or articles of incorporation.

(A 501c3 is a nonprofit that is also exempt from paying income tax on earnings.)

Booster cannot pay a volunteer.

Consider different types of personal liability that can impact volunteers.

Acts of a booster's volunteers

Insurance is one way to cover injury or harm through caused by the acts of the volunteers. The policy should apply whether the volunteers themselves have been hurt or whether participants have been hurt in the course of volunteers' activity. General liability insurance is the best method to handle this exposure. Be sure that volunteers are considered insured under the policy. Acts of members of the booster's board Directors and Officers liability covers the decisions and actions of the volunteer board.

Automobile related liability

Auto liability insurance can be purchased to cover vehicles owned by the organization. If there are no owned autos, the organization can purchase coverage that would apply in excess over the insurance available under the volunteer's personal auto liability policy.

Volunteers need to be aware that automobile insurance coverage follows the vehicle and the volunteer's insurance, will be the first to pay for any damages in the event of an accident, even while driving for the organization or district.

Camps/Clinics

Community Education offers assistance for any Booster or Coach planning to sponsor a camp or clinic. The fee is 10% of total revenue. Remaining revenue is deposited in the school activity account.

Assistance may include:

- Marketing and promotions including flyers and email blasts
- On-line registration
- Customer service and program information
- Staffing and payroll management
- Extending worker's comp to district employees
- Access to accident insurance coverage for participating students for an additional fee. Some of the insurance programs referenced earlier can provide this coverage.
- T-shirt and other equipment purchasing
- Facility arrangements
- Compliance with MN State High School League Guidelines

(<http://www.mshsl.org/mshsl/news/athcampquestions.htm>)

For other questions, please contact the Community Education Department: Rec/Athletics Supervisor at 651-425-6604. <http://www.cecool.com/community/facility-scheduling>

Off-Season Workouts (Open Gym)

- Must be supervised by a high school staff member.
- Student participation can not be mandated or required.
- Check with each school's Activities Director for who will permit and supervise workouts.

New Booster Clubs

When establishing a new 501c3 status or organization, seek a credible and current source of information, rather than replicating old organizational models used by other boosters. View Nonprofit Resources at www.mncn.org (Minnesota Council of Nonprofits).

Resources

- Minnesota Council of Nonprofits www.mncn.org
- User-friendly tutorials from the IRS <http://www.stayexempt.irs.gov/>
- Minnesota State High School League (MSHSL) <http://www.mshsl.org>
- Donation Form (Use this form to document all monies given to the district.)
https://docs.google.com/a/apps.district833.org/document/d/1_lhwb_qjR5raeFXoXxQir|F|wKuR7Wmsg89aVaR80Js/edit?usp=sharing
- Advertising Policy Bylaw 905 and Facility Request Form
<http://www.sowashco.org/files/policies/900/905%20Advertising.pdf>
https://docs.google.com/a/apps.district833.org/document/d/1gP3QlslA3nMoLFuIRrrgXA8xw-py9UVKVm85i_f77Tc/edit?usp=sharing
- Student Activities Accounting Bylaw 713
<http://www.sowashco.org/files/policies/700/713%20Student%20Activity%20Accounting.pdf>