Fundraising Activities

**Definition**

A fundraiser is considered to be an activity conducted by the school which is intended to generate a profit and designed to provide supplemental revenue for the student activity general fund or an individual club or class account. These fundraising activities may include, but are not limited to vending operations, bookstores, pictures, concessions, carnivals, book sales, candy sales, or similar activities. Fundraising activities do not include membership dues, fees, fines, ticket sales for sanctioned athletic events, activity fees, and similar fees.

**General**

The following general guidelines shall be followed:

1. Employees shall not engage in non-school sponsored fundraising activities in their official capacity as district employees nor make any reference to non-school sponsored fundraisers, online or otherwise, that would lead another to believe such activity is an approved school fundraiser.

2. The principal must submit a written request for approval of all fundraising activities including online fundraising to the director or his/her designee 30 days in advance of the proposed beginning date of the fundraiser. Fundraisers should be planned and submitted for approval at the beginning of the school year. This includes fundraising activities that involve the participation of the general student population or individual student groups sponsored by the school or employees of the school and school support organization fundraisers. Such request must be signed by the director of schools or his/her designee before any fundraising information is disseminated.

3. The director of schools or his/her designee shall determine whether or not the activity will benefit the school, individual student group, or school support organization. It shall be determined whether the activity contributes to the welfare of the student body, and supplement, not replace, funds necessary to fulfill the board's required obligations.

4. The principal’s authorization request shall contain the following information:
   
   a. The proposed fundraising activities;
   
   b. Purpose of the fundraising activity;
   
   c. Proposed uses of funds raised;
d. Expected student involvement in fundraising activity (school-wide or individual class or club);

e. Anticipated beginning and ending dates; and

f. Margin of profit and how it is to be paid to the school.

5. A copy of the fundraising request and approval must be on file in the Department of School Audit after final approval and at the school level.

6. Funds raised for a specific purpose shall only be used for the stated purpose.

7. At the conclusion of any fundraiser a profit or loss report must be prepared and kept on file at the school level. A fundraiser summary report is also required for fundraisers with designated purposes.

8. Fundraising companies and other salespersons shall obtain permission in writing from the director of schools' office in order to visit the schools.

9. Any commission payable by companies shall be paid to the school in the form of a check or ACH to be deposited in the school’s student activity funds. No school employee shall personally benefit from any fundraising activity.

Student Participation

Pursuant to TCA 49-2-110 (c), no school shall require any student to participate in a fundraiser. Further clarification comes through TRR/MS 0520-1-3-.03 that states that a student may not be penalized for choosing not to participate in a fundraising activity by withholding of grades or transcripts and may not be excluded from the activity. Rewards for participation will not be considered discriminatory.

Limitations

Monies raised should be expended in ways to benefit the student body that raised the funds. Salaries, staff development and in-service activities are not allowable expenditures from student activity fundraising activities.

LOTTERIES

Raffles and Lotteries are prohibited. No fundraising activity shall be conducted which distributes prizes or makes awards to winners from among purchasers of chances by means of tickets through a random selection process.3

ONLINE FUNDRAISING

Online fundraising must meet all fundraising requirements established by the board and the Tennessee Internal School Uniform Accounting Policy Manual. The following guidelines for online fundraising must be followed:
1. A fundraiser request approval is required.

2. The online fundraising shall be conducted through a contracted vendor approved by the board.

3. The fundraiser should be titled on the website as a “MNPS - School Name – Team/Teacher Name” fundraiser.

4. The fundraiser website account should be set up under the MNPS’s EIN#.

5. All funds raised must be deposited directly into the school bank account from the website. Personal bank accounts shall not be used.

6. The fundraiser must have a clear beginning and ending date within the same school year.

7. At the conclusion of the fundraiser, a copy of the website Donation and Withdrawal Report must be generated from the site by the bookkeeper and filed in the school’s bookkeeping records. The Department of School Audit may request a copy of the website donation and withdrawal report to review and it must be submitted within seven (7) days of the request.

The principal or his/her designee of each school shall have access to the established fundraising account as an admin user to ensure all funds are properly accounted for, and the information is recorded in the school’s accounting records by the bookkeeper. Online fundraising shall not be used on behalf and for the benefit of an outside party or individual.

**FUNDRAISING FOR NON-EDUCATIONAL PURPOSES**

On approval of the principal, an employee may be authorized to raise and use funds for the following non-educational purposes:

1. Bereavement support;
2. Award recognition;
3. Employee morale;
4. Banquets; or
5. Other situations at the principal’s discretion.

These funds shall be derived from sources of revenue approved by the director of schools.
The Director of Schools shall develop administrative procedures regarding the receipt, disbursement, accounting, and auditing of these non-educational funds. The Director of Schools shall ensure that the procedures are consistent with board policy and state law and disseminate them to all employees.

**Disciplinary Action**

The school principal is responsible and accountable for ensuring that all school fund raising activities and projects are conducted in accordance with this policy and the *Tennessee Internal School Uniform Accounting Policy Manual*. Any necessary disciplinary action for violation of this policy will be administered through the Human Resources Department.

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**Legal References**

1. *Tennessee Internal School Uniform Accounting Policy Manual*, Section 4-30, 4-31
2. *Tennessee Internal School Uniform Accounting Policy Manual*, Section 4-32

**Cross References**

- Revenues 2.400
- Student Activity Funds Management 2.900
- Staff Gifts and Solicitations 5.605