



Fundraising Policy

Policy Number: 6304

I. Purpose

The Board of Trustees recognizes that fundraisers help make school activities accessible to students at Summit Academy. The Board intends this policy to govern fundraising activities, to comply with state rules, to limit undue distractions or time commitments, and to ensure educator standards and accounting practices are maintained.

II. Definitions

- A. “Active fundraiser” means a fundraiser that involves active promotion by the school and active involvement of students.
- B. “Group fundraiser” means fundraiser where all team or organization members participate and all funds raised are used for the mutual benefit of the team or organization members.
- C. “Individual fundraiser” means a fundraiser wherein participation is optional for individual students and funds raised by individual students are used to pay that individual student’s costs. Funds raised, will remain with the student after completion of fundraiser activities.
- D. “Passive fundraiser” means a fundraiser initiated by outside entities that involve minimal supervision or participation (i.e., collecting box tops or proofs of purchase, book fairs, recycling, student pictures, and business patronage partnerships).
- E. “Private fundraiser” means a fundraiser initiated by an outside entity for the outside entity’s purposes with no intent to donate to or benefit the school.
- F. “School-sponsored fundraiser” means a fundraising event or activity that (a) is initiated, managed, or supervised by schools, teachers, staff, or administrators; (b) uses school facilities, equipment, or other school resources (not part of a rental or other contractual arrangement); or (c) is supported or subsidized by Summit Academy funds, including Summit Academy activity funds or Minimum School Program dollars. Events or activities initiated by third parties or intended for the primary benefit of a third party are not school-sponsored.
- G. “School-wide fundraiser” means a fundraising event or activity in which all students attending a school may participate.
- H. “Fees” means a charge, expense, deposit, rental, or payment.

III. Approval

All fundraisers must be approved by the school Principal, and Director documenting the School-Sponsored Fundraising Approval Form, the form should include a detailed description of the activity, and proposed budget (revenues/expenses). Principals, therefore, shall use discretion regarding the nature, number, and duration of fundraisers consistent with this policy and related policies. (See special consideration in Section IX regarding approval of private fundraisers.)



IV. Administration of Fundraising Activities

- A. All funds raised in school-sponsored fundraising activities are public funds and are to be used for the benefit of students and school programs or activities. Administration, staff, and other Summit Academy employees responsible for the supervision of school-sponsored fundraising activities shall ensure that Summit Academy policies and guidelines for handling and depositing funds are strictly followed.
- B. Fundraising activities shall not count as instructional time and are not allowed to interfere with classroom instruction.
- C. Only fundraising activities that offer at least forty-percent return of proceeds to the school may be considered.
- D. In all fundraising activities, educators shall comply with Utah Educator Standards **Utah Admin. Code R277-515** and other Summit Academy policies. In particular, educators shall refrain from using his/her position of influence to profit commercially or benefit personally from fundraising (i.e., teachers should not sell products or services offered by a family owned business unless the transaction is arms-length and the educator receives express permission from the school Principal after disclosing the potential conflict of interest). This provision is not intended to prevent educators from communicating opportunities for extracurricular involvement or other enrichment activities.
- E. With express approval from the Principal, Summit Academy employees may receive reimbursement out of fundraising funds for expenses incurred while supervising school-sponsored student activities (i.e., travel, accommodations, and standard, approved per-diems).
- F. Fundraising as a Fee. If the activity, camp, class, club or clinic, fundraising event, program, or other events is “provided, sponsored, or supported by a school” or LEA, any amount charged to students must meet the regulations outlined in UCA 53G-7 Part 5,6,7, and 8

V. Student Participation

- A. Teams, clubs, classes, or programs may sponsor individual or team fundraisers for appropriate purposes such as travel, equipment, professional services, or other specific purposes consistent with other Summit Academy policies and State law.
- B. Student participation in school-sponsored fundraising activities shall not impact grades, academic credit, or eligibility for teams, clubs, classes, or programs.
- C. Students shall not be required to solicit door-to-door for school-sponsored fundraisers.
- D. Unused funds from group or individual school-sponsored fundraising activities will revert to the designated school account for the team, club, class, or program at the end of the school year and not to students or parents.



VI. School-Wide Fundraisers

The following school-wide fundraisers are allowed annually:

- A. One school-wide fundraiser intended to benefit the school may be sponsored by the school each year.
- B. One school-wide fundraiser intended to benefit a charitable cause may be sponsored by the school each year.
- C. One school-wide fundraiser intended to benefit the school's parent organization may be sponsored by the school each year.
- D. Passive fundraisers are allowed under the direction and at the discretion of the Principal. Marketing information regarding passive fundraisers may not be distributed by schools as stand-alone flyers except for information packets for student pictures and forms for schoolbook programs.

The following fundraisers require approval from the Business Administrator, or Director. Each of these activities poses a higher risk of liability and an additional policy will need to be added.

NOTE: The policy will increase the cost of the fundraiser event.

- A. Activities that pose liability, safety, or risk concerns. These include but not limited to:
 - i. Bounce House
 - ii. Bounce Slide
 - iii. Mechanical or Animal Rides
 - iv. Objects thrown at people
 - v. Use of water tanks
 - vi. Trampolines
 - vii. Bungee Jumps

The following fundraisers are NOT allowed:

- A. Raffles or games of chance: School entities, including student clubs, are not authorized to participate in raffles because, unlike local SPO's, they are NOT nonprofit organizations exempt from state tax as defined in the franchise Tax Code.

VII. Group Fundraising

Funds raised in a required group fundraiser **must** benefit the group, team, or organization. If LEAs choose to require group fundraising for students to participate in an activity, class, or program, they must comply with all requirements in UCA 53G-7. As a fee, fundraising may be listed on the fee schedule per Board rule R277-407. The amount expected to be received, per student, through required group fundraising must be included as part of the maximum fee amount for an activity. As group fundraising is required and considered a fee, funds raised must provide a benefit to all individuals on the group, team, or organization. This means that fundraising funds cannot be used to only cover the cost of fee waiver students.



VIII. Individual Student Book Orders

In order to comply with the Utah State Tax Commission guidelines, the following procedures must be observed when ordering books for individual elementary students through mail order companies such as Troll Books, Scholastic, Weekly Readers, etc.

- A. Elementary students cannot be required to purchase books to be used as part of the curriculum. These books are to be used only for individual reading or free time activities. Student participation is voluntary.
- B. Students who wish to purchase books should:
 - 1. Complete the order forms.
 - 2. Attach a check or money order (NO CASH) made out to the book company.
 - 3. Return the order form and check (or money order) to their teacher or a volunteer. The order forms and checks are then sent directly to the publishers.

Following this procedure, the school is not responsible for collection and remittance of sales tax on these purchases.

- C. “Bonuses” received for the orders must remain with the school and cannot be accepted by an individual as a personal gift for initiating the purchase.
- D. The Principal and individual teachers must agree about class participation in mail order offers.

IX. Utah Sales Tax

- A. Utah law provides for a sales tax exemption on school fundraising sales if all of the following conditions are met:
 - 1. Funds are used by the school for the purpose of purchasing equipment or materials or to provide transportation.
 - 2. Fundraising activities are part of an officially school-sanctioned activity conducted in accordance with this policy.
 - 3. Funds are not used to directly or indirectly compensate a teacher or other school employees.
 - 4. Revenues from the fundraiser are deposited in a dedicated school account controlled by Summit Academy.
- B. For all sales made during school-sponsored fundraising activities that do not qualify for the sales tax exemption, schools shall charge, collect, and appropriately remit sales tax.

X. Limitations and Prohibitions

- A. Employees are not permitted to accept personal payments, bonuses, or gratuities from commercial fundraising organizations or individuals pursuant to **Utah Code 63-56-72** and **Utah Admin. Code R277-515**. Fundraising incentives, bonuses, etc., however, may be accepted if used to directly benefit students and/or programs.



- B. School-sponsored fundraising may not involve communication, advertising, and/or depictions of tobacco or alcoholic products or any other material or product that may not legally be used by school age children or is otherwise not in compliance with the state or Summit Academy rules; that may be harmful to the health and welfare of students; that may exploit or create undue intrusion into the classroom or home; that would detract from or interfere with student learning; that would conflict with the educational mission of Summit Academy; or that would commercialize or damage the image of Summit Academy.
- C. Schools may not sponsor or co-sponsor fundraising events with the intended or unintended effect of offering an undue advantage to any outside entity or otherwise circumventing Summit Academy policies or state laws regarding facility rentals, donations, booster clubs, access to students, etc. For example, an individual or entity shall not be allowed to profit commercially by promising a donation or a portion of event proceeds to a team, club, class, or program in exchange for free or reduced-rate use of facilities, work performed by students or district personnel, or some other advantage gained by using a public facility.
- D. School-sponsored fundraisers cannot require students to submit the personal information of other people, and students shall not be used to develop mailing or contact lists for any commercial or fundraising organizations.
- E. Schools shall ensure against selling during the school day, as part of a fundraiser, food and beverage items that do not meet nutrition standards for competitive foods unless exempted. To be exempted, the number of such fundraisers may not exceed three (3) per year with each fundraiser lasting no longer than five (5) consecutive days. If these conditions are not met, Summit Academy shall ensure that all food and beverage items sold as part of a fundraiser meet such nutrition standards. (See **Utah Admin. Code R277-719-5.**)

XI. Private Fundraisers

- A. A third party who wishes to conduct a fundraiser using school facilities, equipment, or other resources may do so provided they enter into a rental or other contractual arrangement with Summit Academy to use such resources.
- B. Private fundraisers using school facilities, equipment, or other resources may not be conducted during normal school operating hours.
- C. Private fundraisers must be approved by the Principal. In doing so, the Principal shall consider whether the private fundraiser will compete or otherwise interfere with school-sponsored fundraising activities.
- D. The funds raised belong to the third party and are not considered public funds.
- E. The third party retains all risk as well as all obligations to comply with State laws and/or requirements.



XII. References

Utah Admin. Code R277-719-5
Utah Admin. Code 53G-7
Utah Admin. Code R227-407
Utah Code 63-56-72
Utah Admin. Code R277-515

XIII. Attachments

N/A

XIV. Revision History and Approval Date

Version 1: September 2014: Original Date of Approval

Version 2: November 2015

Version 3: April 14, 2022: Formatting changes, addition to Individual Fundraising