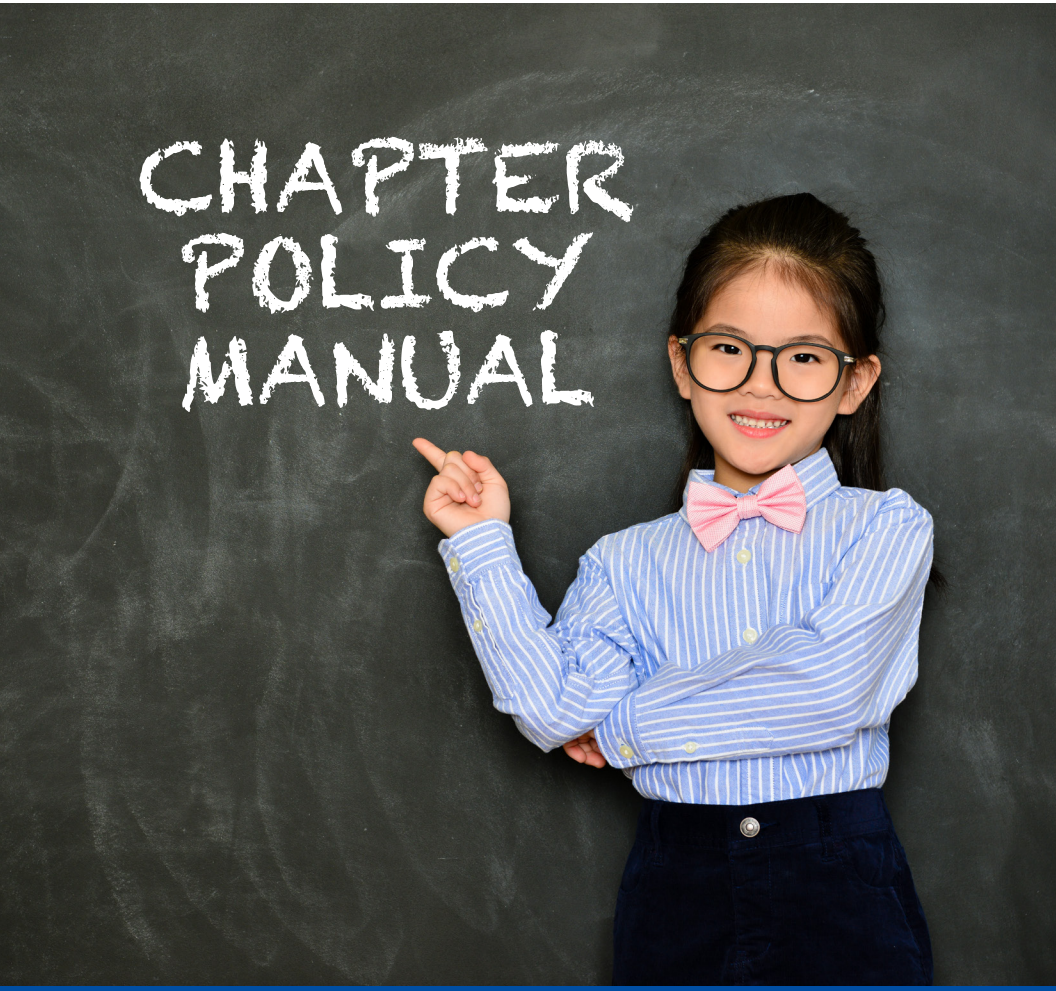
2021 - 2022

CHAPTER POLICY MANUAL



The Foundation for Douglas County Schools

www.foundationdcs.org

community support for students and teachers

THE FOUNDATION FOR DOUGLAS COUNTY SCHOOLS

EXPANDING EDUCATIONAL OPPORTUNITIES FOR STUDENTS



We are committed to providing support and resources to our Chapters. Dig-in to the chapter pages of our website to find information that will help you with policy, governance and fundraising to assist you in successfully raising funds for your school or organization.

VISIT OUR WEBSITE FOR MORE HELPFUL RESOURCES!

www.foundationdcs.org/chapters



The Foundation for Douglas County Schools ("the Foundation") is pleased to work with parent-led groups that wish to form a school Chapter of the Foundation. This guide supports Chapter officers in implementing policies that will professionalize the management of your group, empower your fundraising success and minimize risk for all stakeholders. All Chapters are held to a high standard of compliance to the Policies outlined below.

PURPOSE

The Foundation is a non-profit 501(c)(3) foundation incorporated in the State of Colorado in 1990. The Foundation was created to provide resources to the Douglas County School District. Foundation Chapters are created to provide resources that enrich the educational opportunities of students within their specific school or program. These resources may be in the form of funds (grants), materials and services.

MISSION

Formerly known as the Douglas County Educational Foundation, The Foundation for Douglas County Schools works to enrich student experience and promote innovation. The Foundation is an independent charitable organization that develops private resources to support our students and schools.

STRUCTURE

The Foundation Chapters shall be managed by a site-based committee/ board composed primarily of parents, with optional representation from the following groups:

• School staff • Community • Students • Others

Chapter officers should represent the members of the group contributing to the fundraising efforts. **Inclusion of school staff or personnel as officers is discouraged, and may never exceed 25% of voting officers. School staff or personnel may not serve as president or treasurer.**



ROLE OF CHAPTER

Our Chapters serve as fundraising and community building entities for their respective schools or school programs. Chapters should budget for income and expenses as it relates to these types of activities and therefore its mission. For example, buying spirit wear, paying for teacher appreciation meals or gifts, putting on the school carnival or holiday event, annual galas and other fundraisers. Chapters should not be purchasing items directly for the school. If it's something that belongs to the school such as equipment, furniture, team uniforms, or any capital or building improvements, those are purchases that the school needs to make via the procedures the District has in place. Generally, if the school has a budget line item for something, you should not be funding it, unless there are extreme circumstances. Rather, Chapters should issue grants to the school via a transfer or intra-district charge form. If you have any questions about whether an expense should by paid for by the Chapter or the school, click here for a link to more information, if you still have concerns, please don't hesitate to contact the Foundation.

BYLAWS

The Foundation requires all Chapters to have a current set of bylaws on file. Please send an electronic copy of your bylaws to the Foundation. For guidelines on what the bylaws document should contain, see the "Chapter Resources" page on the Foundation website: www.foundationdcs.org.

Bylaws should be reviewed at least every three years and can be amended as needed. A comprehensive set of bylaws will include provisions for doing so. Please forward an updated set of bylaws to the Foundation as changes are approved. These should be accompanied by the minutes from the meeting where the change(s) were approved.

Please make sure that your bylaws contain the following:

- Policy and Procedure for the Dissolution of Chapter
- Conflict of Interest Statement
- Procurement Policy
- Election of Officers and Terms
- Errors and Omissions

(Examples of each can be found on our website.)

CHAPTER IN GOOD STANDING

To maintain good standing, each Chapter must adhere to the policies outlined in this guide. Failure to comply may result in the loss of privileges and/or opportunities, or may result in a probationary status. The Foundation reserves the right to revoke a Chapter's affiliation if these policies are not followed.

Notice to a Chapter: The Foundation shall notify the Chapter president and treasurer in writing that the Chapter failed to meet the minimum standard of a required policy. The warning may include notice of potential fees for repeated non-compliance.

Probation: Upon repeated failure to comply with Foundation policy after notice is given, or for dereliction of duty, unlawful or improper behavior, a Chapter's good standing may be revoked and they may be placed on probation. Terms of the probation will be outlined in writing and provided to the Chapter president and treasurer, and will include any associated fees and the required steps to regain good standing status.

FINANCIAL

Bank Account: Each Chapter has one bank sub-account maintained under the umbrella of the Foundation's bank account. This account is shared with the District's pooled cash account and therefore a Foundation Chapter does not need to hold a minimum balance in its account. An additional account to be used for certain online funding programs, such as scrip cards or online auctions, is available for each Chapter. As per district policy, **NO outside bank accounts may be set up for any reason**. Doing so may risk dismissal as a Chapter from the Foundation. Additionally, under no circumstances can Chapter funds can be deposited to any bank account other than the Chapter's official bank account.

Credit Cards: Because Chapter officers are volunteers not DCSD employees, credit cards cannot be issued by the Foundation. It is incumbent on the Chapter and it's appointed volunteers to make purchases and reimburse those making purchases on behalf of the Chapter in a timely manner.

Deposits: The Chapter representative shall prepare funds for deposit by endorsing the back of each check; verifying the amount of cash to be deposited; filling out a chapter deposit slip; and depositing the money at any Wells Fargo bank or placing the money in the school's safe to be picked up by the courier. The Foundation requires **two people to count and sign** the deposit worksheet **for all deposits that include cash**. **The chapter representative is REQUIRED to send a copy of**

the deposit worksheet and a copy of the deposit receipt from the bank to the Foundation on the day the deposit is taken to the bank or placed in the school safe for pick-up, so that the funds may be correctly accounted for in the Foundation's bank account. Failure to promptly inform the Foundation of Chapter deposits may result in incorrect or delayed posting of those funds. **ACH Transactions:** ***If your Chapter will be receiving funds via ACH you MUST notify the Foundation with the dollar amount of the transaction so the funds will be correctly accounted for in your Chapter account.*** To replenish your supply of deposit slips or to order an endorsement stamp, please contact the Foundation.

Disbursement of Chapter Funds:

Reimbursements: To access funds to reimburse individuals, the Chapter Treasurer will submit a Pay Voucher Form and appropriate documentation (i.e. receipt) to the Foundation. Receipts must show proof of payment and may contain only the items and dollar amounts to be reimbursed - **no personal purchases may be combined with purchases requiring reimbursement.** If a personal purchase is on the receipt, **no sales tax will be reimbursed**. Items requiring reimbursement can be shipped to home addresses. Once proper documentation has been received, checks will be issued and distributed a week after receipt. Checks are issued on Tuesdays and Thursdays. Also note that DCSD employees will be reimbursed by direct deposit.

Vendors & Suppliers: Checks issued to vendors and suppliers may be based on the net payment terms established with the DCSD Purchasing Department. Individuals should not pay vendors for services directly, but rather submit an invoice from the vendor with an accompanying Pay Voucher for documentation purposes. All new vendors require a W9 on file, **in addition to an email address and phone number**. If the vendor will be on school grounds or in contact with students, they must also fill out an Agreement with the district. The Pay Voucher form can be found on the Foundation website under Chapter Resources. For a list of pre-approved vendors, check out the Foundation's Vendor Guide.

Granting Funds: Funds that will be granted to the school or other district departments should be done on an Intra-District Transfer Form and should have a brief description of the project and **supporting documentation (such as meeting minutes approving the expenditure)**. Items that will belong to the school, such as equipment, furniture, team uniforms, or any capital or building improvements like painting, may not be purchased by the Chapter. Those are purchases that the school needs to make via the procedures the District has in place. Rather, Chapters should issue the funds as a grant to the school.

Dues: In an effort to maintain the services we provide to our Chapters, the Foundation collects dues annually from its Chapters. The dues for each Chapter are calculated at 1.5% of gross receipts as of June 30th each year (the fiscal year end). Dues assessment shall be capped at $2,500.00, while a minimum of $250 assessed. Dues are assessed on October 1st and will automatically be deducted from your account. If this poses a hardship, the Chapter can contact the Foundation to discuss a payment plan, which will be considered on a case by case basis.

Income & Expense Reports: A monthly income and expense report will be provided to the Chapter Treasurer by the Foundation. Each Chapter must keep a record of all deposits and disbursements for use in reconciling the Chapter's records to the monthly reports generated by the Foundation. If a Chapter has an ACH account or a Foundation eCommerce account, the Chapter treasurer must also reconcile these accounts with the monthly report generated by the Foundation.

Matching Gifts Program: Many companies will match their employees' donations. The program involves no cost for the employees and Chapters can benefit. The Foundation is currently set up with multiple third party organizations to receive these funds. Encourage your parents and others donating to your Chapter to see if their company participates. When applying for a matching gift, please have the employee provide the following details:

Organization Name/EIN: <<Chapter Name>>, a Chapter of The Foundation for Douglas County Schools, a 501 (c) 3 organization, EIN #84-1165175

Address: The Foundation for Douglas County Schools
c/o Chapter Name
620 Wilcox Street, Castle Rock, Colorado 80104

Additional Information: If applicable, include employee name and Chapter in any description fields. We suggest notifying the Foundation of expected matching gifts using the Corporate Matching Gift Form.

Once the Foundation receives these funds, they will be paid over to the Chapter less any management or processing fees.

Online Payment Engines: The primary online payment system is My School Bucks, the District's online payment processor. The Foundation will set up the Chapter products (spirit wear, event tickets, etc.) to the Foundation's online store, which will show up on the school's store. My School Bucks has many advantages including a direct integration with your Chapter account and consistency for parent customers. For additional details, access the Foundation's eCommerce Guide**.** The Foundation

recognizes that occasionally a Chapter has a need to utilize an alternative payment processing system. These exceptions must be approved in advance by the Foundation and will be considered on a case-by-case basis.

Payments to DCSD Employees: If a DCSD employee is being paid for services (i.e. coaching), payment must be processed through the school's payroll as extra pay. The Chapter grants the funds to the school for paid wages plus any Medicare and PERA amounts that apply and the school bookkeeper handles the payroll processing.

Petty Cash: A Chapter may opt to keep petty cash on hand to **reimburse** parents for small expenditures (less than $30) rather than having to submit a pay voucher for reimbursement. Cash is **NOT** to be disbursed in advance of a purchase. If a Chapter decides to keep cash on hand they need to have a written petty cash policy. The policy must state the amount to be kept on hand, where the cash will be kept, who is permitted to disburse the cash, and what the limit is for disbursement (for example, a maximum of $15 per receipt). The Foundation recommends that no more than $150 be kept on hand, and that the cash box be kept in the school's safe.

If cash is needed to make change at an event, Chapters are permitted to request cash via a Pay Voucher payable to a parent who will then secure the cash accordingly. Minutes where the petty cash was approved should be supplied as documentation submitted with the pay voucher. When cash is collected as payment the funds shall be counted by two different members together, recorded on a cash log, and the balance signed-off on by the treasurer before depositing.

Receipts for Donations: The Chapter is responsible for providing receipts for all cash and in-kind donations. For donations of $250 or more (cumulatively in a calendar year), the IRS requires documentation from the recipient in order for the donor to claim the contribution as a tax deduction. It is advised the receipt be in the form of a thank you letter. See the Foundation website for an example of a properly written donor acknowledgment letter.

Record Retention: Chapters shall maintain their financial records in compliance with local, state and federal laws. These records and documents include pay vouchers, any expired contracts, deposit records and receipts, transfer requests and grants, and all associated ledgers. They shall be kept for a period of 7 years. A Chapter's application, approval letter, by-laws, board and committee minutes, as well as board policies, shall be kept permanently. Electronic documents are to be maintained as if they were paper documents.

COMMUNICATIONS

The Foundation will facilitate an annual Chapter meeting and treasurer training in an effort to share best practices and assist the Chapters in their fundraising and fund giving activities. **A representative from each Chapter must be present at these meetings.** Additional meetings may be held throughout the year to provide updates and specific trainings.

Minutes: **Chapters are required to forward minutes of Chapter meetings regularly to the Foundation.** When new officers are elected to the board, this should be documented in your minutes.

Promotion/Publicity: The Chapter shall be referred to as: **"[Chapter Name], a Chapter of the Foundation for Douglas County Schools"**. This title shall be used on all correspondence, promotional literature, brochures, etc. It is not permitted for the Chapter to utilize the title "[School Name] Foundation." In addition, the Foundation logo must appear. Any promotional materials, brochures, etc., developed by the Chapter are subject to review by the Foundation staff, any suggested changes or corrections must be made to the documents prior to printing. It is important that all communication pieces contain proper information and wording regarding Foundation and its Chapters for legal purposes.

CHAPTER ACTIVITIES

Enrichment Programs: A Foundation Chapter can sponsor an after-school enrichment program to benefit the school community; however, Chapters **CANNOT** use the operation of these programs as a fundraiser. Any fees collected for an enrichment program must only cover the costs associated with the program.

Events & Liability Insurance: As the fundraising and community building entity for your school, Chapters often host events. Whether the purpose is fundraising or social, strong preparation and organization are essential for success. To aid your planning efforts please review the Foundation's Checklist for Holding an Event.

Any Chapter planning an event off-site or anything involving physical activity of participants (e.g. fun runs, carnivals involving carnival rides, etc.) must submit a description of the event to the Foundation in writing no less than one week prior to the scheduling or promotion of said event. This will allow the Foundation enough time to work with the insurance company to request a certificate of insurance, or add policy riders, if necessary. The cost for additional insurance shall be covered by the Chapter. In addition to general liability insurance, the Foundation carries directors and officers insurance whereby Chapter Officers are also included in the coverage as detailed in the policy.

NO animals will be allowed at Chapter events or on school district property. No event with animals will be insurable; the District will seek personal liaibility for any incidents.

Bingo/Raffles/Auctions: The Foundation does not have a **bingo/raffle** license for Chapter use due to the complexities associated with a license for multiple Chapters, therefore Chapters may not conduct a **bingo/raffle**. Please see the Colorado Secretary of State's website: www.sos.state.co.us/pubs/bingo_raffles/bingoHome.html for more information. Auctions may be held, but outside companies that facilitate participants' payments online must be approved by the Foundation. This is to ensure the protection of Chapter funds. Live animals and weapons are strictly prohibited from being auctioned.

Alcohol at Events: Chapters may serve alcohol at events under the following circumstances: 1) The event is not held on school property; 2) No students are present at the event; 3) All applicable state laws are followed. If the Chapter event is held at a location that does not furnish a liquor license, it is the Chapter's responsibility to obtain and pay for the requisite permit from the municipality and/or event locale. The Foundation insurance does **NOT** include liquor liability and therefore does not cover Chapter members who serve or sell alcohol at a Chapter event, unless the Chapter uses a third-party vendor. Use of a third-party vendor to provide the sale and service of alcohol is strongly recommended. Chapters should request proof of liability coverage from their third-party vendors to ensure coverage is in place. In some cases, Chapters can add a rider to the existing policy for liability coverage. Please contact the Foundation for details.

ALLOCATION OF RESOURCES

The Chapter board will govern the distribution of Chapter resources. Each Chapter will submit an annual budget at the beginning of the school year to the Foundation. Additionally, each Chapter will provide a listing of all grants awarded (including grant name, recipient name, and a brief description of each project) to the Foundation at the end of the school year, as well as a summary of their fundraising efforts. This information is needed in order to facilitate proper accounting for Foundation Chapter funds and publication in the Foundation Annual Report.

DISSOLUTION OF CHAPTER

If a Chapter votes to dissolve its Chapter status with the Foundation, it may do so in writing to the Foundation. The communication shall be signed by the school's Principal and Chapter President and include a copy of the minutes from the Chapter meeting where such decision was authorized. To release the remaining funds, the dissolving Chapter must submit a transfer request (Intra-District Transfer Form) to the Foundation for the dollars remaining in its account along with documentation detailing the educational projects that such funds will be used for at the school.

The dissolving Chapter may also request its remaining funds be designated for projects funded through the Foundation. Funds will be paid to the school.

Tax-Exempt Status: All donations made to a Foundation Chapter are tax deductible within the limits of the law. Additionally, because the Foundation is a tax-exempt foundation, some of the donations a Chapter receives may be eligible for matching grant funds from donors' employers. The Foundation files annual reports with the state on behalf of Chapters and maintains the charitable solicitations registration required to solicit donations as a non profit in the State of Colorado. The Foundation is also exempt from sales tax when it comes to purchasing items. The exemption depends on the vendor and may require additional information to apply. If the vendor does not accept the exemption from sales tax when purchasing an item, the Foundation will permit reimbursement of the purchase price plus the tax paid. The Foundation maintains its tax-exempt status by filing tax returns, IRS reports, and conducting an annual audit of its books. Some transactions may not be exempt from sales tax based on the nature of the activity.

What is considered a tax deductible donation within the limits of the law? Donations are considered to be a financial gift that is made to your Chapter as part of the Foundation for Douglas County Schools, a 501(c)(3) organization, in which no exchange of a good or service is provided. If the contribution entitles the donor to merchandise, goods, or services, including admission to an event, membership in a group or access to equipment, it should not be considered a charitable contribution. Your Chapter may still receive the income, but it does not trigger tax benefits.

Documentation: The Foundation's 501(c)(3) Determination Letter and Tax Exempt Certificate will be sent to Chapter Treasurers each fall and are available online.

Liability Insurance: The Foundation maintains a liability insurance policy whereby all Chapters are included in the coverage as detailed in the policy.

Ease of Bookkeeping: All Chapter funds are processed through the Foundation bank account, adding a layer of accountability and protection for those funds. The Foundation processes checks weekly and mails payments on behalf of Chapters. At the end of each month, the Foundation prepares a report for each Chapter showing all transactions on its account. Additionally, the Foundation ensures necessary independent contractor agreements for vendors are in place, and that 1099's are issued annually as required by the IRS.

The Foundation files all necessary paperwork for annual business filings and tax returns, and completes an annual financial audit on behalf of its Chapters. The Foundation also provides the online sales options, as well as technical support for these applications.

BENEFITS OF BEING A CHAPTER

Credit Card Processing: Chapters may accept credit card payments by establishing an account under the Foundation's master Square Credit Card account. Chapter officers can utilize their personal devices (cell phones, tablets, etc) in combination with a credit card swiper to process payments. Swipers can be purchased by the Chapter or borrowed from the Foundation if available. Review the Square Credit Card Processing Guide for detailed instructions.

Online Giving: Your Chapter has access to ColoradoGives.org. This online giving platform, provided by the Community First Foundation, allows you to increase donations and run seamless fundraising campaigns. You can submit a request to the Foundation to set up a campaign page through the Foundation's account at any time. Your campaign page will have a direct link you can share with potential donors, bypassing the Foundation's landing page. Donors can make one-time or recurring gifts with a low 2% processing fee. Some restrictions apply, including that the account can only be used for contributions. You cannot use this site to accept credit card payments for any exchange of goods and/or services including event tickets or merchandise. Check out the Colorado Gives Guide to learn how to get started.

Continuity and Customer Support: One of the most significant benefits we offer our Chapters is access to historical information about their Chapters. By keeping bylaws, meeting minutes and financial records on file for our Chapters, officers can be confident that in the midst of transition or unplanned events, they can access critical information about their Chapter. Given the nature of parent-run groups, turnover is inevitable and often the transfer of records and information is not adequate. The Foundation is here to answer questions and provide training to your Chapter at your convenience.

Concession Equipment: The Foundation has established a partnership with Arapahoe Rental. Chapters may rent any item Arapahoe Rental carries at a 20% discount. Go to www.arapahoerental.com for a complete listing, or contact them at 303-798-1328. Arapahoe Rental also carries concession supplies for your event, making them a one-stop shop.

Communication: We are always available for Chapter officers to answer questions regarding fundraising and fund giving processes. In addition, when the Foundation becomes aware of fundraising opportunities which may be of interest, the Foundation passes that information along to the Chapters. The Foundation also seeks to foster communication between Chapters through e-mail, written communication and annual Chapter meetings, and to promote our Chapters via social media.



Community Nights: The Foundation provides family-friendly, affordable entertainment for DCSD families, employees and community members through its partnerships with many professional sports teams and Denver Metro area attractions and events.

The Foundation maintains partnerships and marketing, sales and accounting functions for schools to participate in these fundraising events. DCSD families have saved more than $1.6 million through the community night events sponsored by the Kroenke Sports and Entertainment program alone.

Funds raised through Community Nights are directly transferred to DCSD schools. On average, this program has raised more than $40,000 for DCSD schools each year. Foundation Chapters can assist the Community Night Ambassador at their school with the promotion of these events as they provide a great opportunity to increase funds for the school. Consider making an established Community Night one of your Chapter's community building or social activities to help increase school attendance.

Foundation Partnership Program: The Foundation develops relationships with several constituencies which benefit the Foundation through financial contributions. These relationships span from fundraising companies providing products for schools and Chapters to sell, to local and national companies offering discounts to students, families and employees.

Fundraising Partners: The Foundation currently holds partnership agreements with numerous fundraising organizations. These partners assist schools with developing tailored fundraising events, products and services specifically designed to showcase their school and their priorities.

Fundraising partners provide a valuable resource for schools for special events and fundraising programs, as well as donations back to the Foundation in the form of event participation.

The Foundation provides a vetting process to ensure schools are dealing with credible fundraising organizations, and ensures accountability and transparency.

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