

2005

20 Really Hard ASB Questions

Q. A teacher had some checks from a fundraiser last May in the drawer of his cash register and missed them last May (I guess they were under the drawer). Total money is about \$350. That fundraiser has been closed and I'm not sure of the correct way to handle this. I might add this has never happened before with this teacher and he runs many fundraisers. Do we deposit the money directly into the FFA account (it was an FFA fundraiser)? The other money was deposited into an FFA fundraiser account and this account has been closed for 2003-04. This same fundraiser will occur in May of 2005, so should we open a new account now?

A. Anytime you find money that hasn't been deposited you must put it in the bank as soon as possible. With checks that are this late, you should probably call each writer and make sure they still have money in that account- this avoids dealing with NSF accounts and mad patrons. Place the money into the FFA account for 2004-05 and write a new (corrected) reconciliation on the fundraiser. An Auditor will want to know why you didn't figure out the shortage before years end, so you should write an explanation and have it signed by your FFA advisor, an ASB officer, the Principal and you. The Auditor will mostly want to know what steps you have taken to assure that this will not happen again. Make sure you inform the District Office about how you corrected this error as soon as you caught it.

Q. We have an incoming freshman cheerleader/ASB officer who received a MIP (minor in possession) this summer and self-reported it to the high school administration. Does ASB have regulations that speak to circumstances like this or is it up to our schools' ASB constitution whether or not she can remain in ASB?

A. Issues related to codes of conduct and ethics are local problems. The Auditor cares about finance, not this type of situation. It is up to the discretion of the administration if no Honor code was signed before the incident (and the school board may become involved if an appeal is made by the cheerleader and/or parents).

Q. I have some questions regarding an ASB "fundraiser" that have come to my attention through a concerned parent. This is what we have done over the last several years. We have advertised our student athletic physicals as a "fund raiser" for athletics. Student athletic physicals are provided at the school through a private physician. Parents write a check to the physician. This check is received and logged by a district employee (AD Secretary) Apparently no receipt is provided but a log is kept. The physician processes all checks. He then "rebates" or "donates to the school ASB" the difference between cost and charge in a single check to the ASB.

A. I am a bit surprised that the Physician's accountant allows for this practice. Does the Doctor report the income to the IRS and then the donation? It would seem to be a better process if you collected all the money and put it into ASB. Then the Doctor bills you for the service, and subsequently donates back any amount that he/she wishes. The school receiving a donation is fine particularly if you used the funds for both male and female sports (don't forget Title IX), and the Doctor can write it off.

Q. I would like to know if when chartering clubs under the ASB, it is permitted to have ASB fund the stipend for the club's advisor. We are interested in a variety of activities we would like to have for students and the need to fund the adult advisors. These are before or after school groups for us. Annual, Community Service, and before school jazz and choir programs that are not tied to a grade, a Gen Y program for technology. In your experience if these are chartered clubs, is it permissible to request monies from ASB to fund the stipends?

A. It is permissible to use ASB funds to cover any expense associated with ASB. So, you CAN use ASB funds to pay stipends. BUT the chances are that your extracurricular bargaining unit would want to have a say in that practice, as stipend are probably a part of a collective agreement. Check with whoever is the head of that Association. You would also need school board approval.

Q. We are starting our 6th year as a new school; we are now 4 - 6 grades. After our 1st year, we set up an active ASB with student officers. However, I have been asked to find out, if we actually do have to have a working ASB. As I remember, at one of your trainings, it was mentioned that the state requires grades 7 - 12 to have a working ASB, but K-6 does not. What would we have to do to discontinue the student part of ASB? We would use the ASB for our only fundraiser that is cookie dough sales. As I remember, the principal of elementary buildings would oversee the ASB. I hope I have asked this in somewhat an intelligent manner!!!

A. *Yes...you can remove the student input/collaboration aspect of your ASB if your have only k-6 in your building. You still must account for the money in the same way and only spend the money on C-A-R-S, you just don't need student input*

Q. I have three basketball coaches that want to go to a clinic and use their ASB Boys Basketball money. I say at least I have to have a letter signed by several kids stating why they "want" their coaches to go to this clinic. The coaches' rationale is the money was budgeted to the sport by the district. They got a small budget this year to help athletics. I just don't want to allow something that is not legal or right.

A. *If your district policy allows, it is permissible to use ASB funds to train coaches. The ASB must show that they approve this expenditure. Generally, the minutes of an ASB meeting are proof that students agree.*

Q. I need to know if it is OK for your ASB to pick up the \$3000.00 tab on all our students receiving Premier Student Agenda Books?

A. *You can use ASB funds to help pay for the planner but probably not pay for all of it. The Auditor expects that the General (building) Fund also contributes if teachers use any of the planner for curricular purposes. The extra curricular part of the book (calendar, ASB constitution, how to get involved in activities) is a legitimate portion of the cost.*

Q. Is it legal for the PTA to have the fundraiser and use school time for the kickoff assembly and reward assembly? If not, can they do it if they split the profits fifty-fifty with ASB? Can you direct me to

the WAC or RCW that states that? Any information that I can get will help state my case.

A. *The Auditor has agreed that a PTO can hold an information assembly to offer students the opportunity to participate in their fundraiser. But the PTO needs to follow the rules in the attachment "Parent Group Definition" and not have the school collect the money. You can sign a contract with the PTO to split money- it is best to run all the funds through ASB and then have the PTO bill you for their half. The Parent group must be considered private organization (a company). The school is a public entity. Thus, private enterprise on public land must be regulated. The Washington PTA may have some more information of the WAC's & RCW's. I got this information from their publication "ASB and the Law"*

Q. Do you think it sounds ok for the booster club to use HS kids to teach elementary kids sports skills and charge some money as a fundraiser?

A. *This may be ok if the students' participation is optional and there are no promises from the coach of future privileges on the team. Students can have a personal life. Warn the Boosters that if they are planning on paying the helpers, there will be IRS tax implications. Also, have them check their insurance policy for this event.*

Q. Our district requires each field trip to be submitted to the board with a lesson plan, making it curricular related. What, if any part could ASB pick up? Could they pay for the busses? If so, would the correct procedure be that each ASB council have in their minutes information stating that ASB funds have been voted on to use for this purpose?

A. *If a field trip is tied to a grade then ASB funds CANNOT be used. The trip could be an academic mission, but it must be optional and not for credit in order for ASB funds to be used. Minutes of ASB or club/class meeting approving the expenditure is sufficient proof that the students were engaged in the decision making process.*

Q. A student in DECA wants to set up a "thrift store" in the DECA store. Students would drop off clothes (clean and in good repair) for resale. Some students might also want to sell original bead bracelets or necklaces, hand knit scarves, hats...We would not sell

any electronic items, or related items. DECA would track the seller and the item and the money from the sale of the item(s) would be split 3 ways: The DECA store would get a percent of the sale as well as the ASB organization the student chooses, like the choir, drama, or Spanish club. The student would get a portion of the sale as well. My questions:

Is this legal? Can students keep a percent of the money from the sale of their item(s)? Do you know if any other school has tried something like this?

My principal had a question about the "lawsuit" possibilities. Perhaps someone gets an allergic reaction to a piece of jewelry or clothing, and they want to sue. Of course, they can sue for anything these days, but could we have the buyer sign a waiver when they purchase the item? I can't think of anything that someone would sue over, but I'm sure the possibility exists in a remote sense. Items not sold in a certain period of time would be donated to charity or given back to the "owner"

A. This is a hard question (and the first of its kind). I called the Auditor to ask her opinion, too... I didn't tell her what school asked ;-)

The idea of a thrift store is great; the donation from individuals can even be tax deductible. The twist comes in reimbursing the student for a part of the sale. You are creating either a new employee or a new vendor. Both have tax implications and potential conflict of interest. We agreed that if you created this Thrift Store and took donations, the donors could earmark the profit to go to their favorite club or class along with the split for DECA. Unsold items would have to be surplus or donated to the Drama Club for costumes. The Auditor is real nervous about the pay to a student (your Business Manager might be nervous, too). I know of no school that has tried this unique approach.

PS- I don't think you need to worry about liability unless you start selling cars, trucks, or motorcycles ;-)

Q. Are we able to have students work off fees? By work, I mean to help run sports events, take tickets and things like that. We have a large number of students who are unable to pay sports fees, or club dues. Is this practice acceptable? If not, what do you suggest?

A. The law says that the school district is required to have a policy that provides a means for students who

are otherwise unable to participate in extra curricular activities due to family income. It is unclear if work/service could be an option. You probably have a district policy that would give you guidance. Your suggestion makes sense. I talked to the Auditor about this question (I didn't tell them what school asked) and she said that it may be ok but a clear policy of work vs. credit should be in place (i.e. minimum wage is credited for the work). She will check to see if there are any other implications and let me know. In addition, it occurred to me that you should be careful that the work does not supplant an employee's job or hours. So don't ask the student to do something that would take away from a janitor, ground keeper, etc. Otherwise, you may have a grievance filed.

Q. Can we give league passes to parents of students because the student is an ASB officer? These passes allow them the parents to get into all league games home and away

A. NO. The Auditor will consider this practice a gift of public funds and will generate a finding.

Q. When clubs/classes are putting together budgets for the year, they include and list fundraiser events and the expenses and profits from these fundraisers. Our people complain because they say they can't plan a year in advance. When they come up with a great idea and it has not been put on their planning sheet we don't let them do it. Staff members are telling me in other schools they are allowed to fund raisers without prior planning. Are we misinterpreting the guidelines?

A. I think you are more stringent than most schools. The reason for budgeting and planning is to assure that the School and ASB officers are good stewards of public money. You CAN allow for new fundraisers not anticipated in the prior spring, but risk not having budget capacity to spend the profits. If you have wiggle room within the budget (i.e. some other program does not raise the planned amount) then you can allow for the new idea fundraiser provided that you show you have control over that sale/event. Control is witnessed by meeting minutes, fundraiser intent forms, reconciliation forms, and evaluation of the sale/event.

Q. Our school is on an Indian reservation-, which rules do we follow for raffles- the Tribe's or the gambling commission.

A. *The Raffle question created quite a stir- nobody knew the answer! The Gambling Commission finally had to ask the Attorney General. Here's what they said: "If the school is on trust land then follow the Tribe's rules; if the school is on leased land on the reservation then follow the state rules."*

Q. I was talking to another advisor about doing an ASB card drive. She said that at the end of the week they do a drawing and give away a prize to a student who has an ASB card. She said that if I asked you, you would know how I could word the PO so that I could get the purchase approved. Any ideas? We want to give away something that costs about \$100.

A. *Unless your district has a policy against incentives, it is ok to give a prize. You and your ASB officers should probably try to justify why \$100.00 is the best amount. I'm more concerned that this is an illegal raffle. A raffle has three components; cost-chance-prize. Since you cannot sell a raffle ticket to anyone under the age of 18, this could be a problem. I'm guessing the advisor never considered the raffle aspect.*

Q. Could you give me a little advice on the criteria for establishing a Bible Club as an ASB organization? (There's a student here who's gung-ho to do so.) I recall something in my Master's program about how such a club can be legitimately established, but requires an advisor, yet by law the advisor may NOT run the meetings.

A. *The Prince v Jacoby case found that you must charter religious clubs just like any other ASB club. As far as I know, a teacher can be an advisor. Establish the club with a constitution, student approval, and then whatever process you normally follow (Principals, School Board, etc.).*

Q. The business manager called me today and wanted to know what we did with the winter dance decorations. She said that since we spent over \$100 on them, we should have kept them and then if they were not to be used again, we could surplus them for resale. I had not heard of this. What do you suggest we do? If we have to keep every item that we use at dances, we are going to run out of storage space - Help me with an answer for her. What do other schools do in cases like this? I understand materials like light can be re-used, but I do not understand cardboard being marked as surplus.

A. *If the items were supplies not equipment and they are consumable then you do not have to inventory and store them.*

Q. I want to set up an Art club – open to all kids – however I want to limit the numbers for management purposes. Is that allowed? Would that/could that be part of the constitution?

A. *If your Principal, the School Board, and the ASB officers agree with the constitution of the club then you are ok. Write the rationale to show that management is the issue and that this is not meant to be a discriminatory practice.*