

Chicago Public Schools Policy Manual

Title: POLICY ON LOCAL SCHOOL COUNCIL FUND-RAISING

Section: 401.7

Board Report: 97-0226-PO2

Date Adopted: February 26, 1997

Policy:

I. FUND-RAISING ACTIVITIES

Local School Councils (LSCs) may raise funds for legitimate educational activities which benefit the schools' students and for the LSCs' incidental operating expenses.

A. FUND-RAISING FOR LEGITIMATE EDUCATIONAL ACTIVITIES

The LSCs can raise funds for legitimate educational activities which directly benefit Chicago Public Schools students. For example, an LSC can raise funds to purchase school uniforms, band uniforms, and band equipment. Fund-raising for educational activities will be subject to procedures outlined in the School Internal Accounts Manual.

Allowable fund-raising activities are limited to those which are not ongoing in nature. Funds from ongoing sales in the schools are those such as, but not necessarily limited to, vending machine items and school supplies.

B. FUND-RAISING FOR OPERATING EXPENSES

The following procedures are applicable:

1. The profits that can be generated by, and the items that can be paid for from the profits of the fund-raising activities are limited to a cumulative total of \$1,500 per school (fiscal) year in schools with a student population of under 1,000 students, and limited to a cumulative total of \$3,000 per school (fiscal) year in schools with a student population of 1,000 and more.
2. To cover purchases in excess of the amounts noted in (A) about, LSCs are allowed to carry over unexpended profits from previous years. However, at no time shall the cumulative balance of carry-over amounts and the LSC sub-accounts for operating expense exceed \$1,500 and \$3,000 respectively.

II. FUND-RAISING PROPOSAL

Prior to commencing a fund-raising activity, the LSC must prepare a Fund-Raising Proposal for each project/venture. The Fund-raising Proposal shall include the following information:

- A. Items being sold;
- B. Quantity of items available or proposed for sale;
- C. Anticipated cost of items being sold;
- D. Anticipated revenue/receipts and profits;
- E. Inclusive dates of sale/duration of sale; and
- F. Proposed use of profits.

The Fund-Raising Proposal must be approved prior to the beginning of the fund-raising event by the Principal, the LSC, and the Region Education Officer, and shall be filed at the school. If the Proposal is not approved by the Principal, the LSC, and the Region Education Officer, the fund-raising activity will may not take place.

III. EXPENDITURES FOR OPERATING EXPENSES

A. Allowable Operating Expenses

Allowable operating expenses that may be paid from the proceeds or profits of LSC fund-raising activities are limited to:

- Advertisements for principal vacancies
- Stationery and general office supplies
- Copying/reproduction services
- Postage
- Reasonable expenditures for transportation to LSC/school meetings or workshops
- Reasonable expenditures for refreshments at meetings
- Reasonable expenditures for registration fees (only) for workshops, seminars and conferences

attended by LSC members

B. Prohibited Operating Expenses

Expenditures which are prohibited uses of the proceeds/profits from LSC-sponsored fund-raising activities include, but are not limited to:

- Costs associated with seminars, workshops and conferences other than registration fees
- Meals and travel expenses beyond the reasonable expenditures for transportation to LSC/school meetings or workshops allowed in III(A), above. Reimbursement for any other travel expenses is not allowed.
- Local School Council campaign-related expenditures
- Stipends to Local School Council members for services rendered
- Any payments made in violation of the Chicago School Reform Board of Trustees' Code of Ethics.

IV. DOCUMENTATION

All financial activities related to fund-raising shall be documented through a separate sub-account in a general ledger within the school's Internal Accounts.

If more than one fund-raising activity is being conducted at the same time, separate sub-accounts shall be maintained for each activity.

All funds collected relative to fund-raising must be deposited with the school treasurer on a daily basis. A dated treasurer's receipt will be issued to the person(s) making the deposit.

All expenditures of funds generated from fund-raising activities shall be paid by school check. All expenditures shall be documented by original invoices and receipts. No disbursements will be made directly payable to individual LSC members, except in the case of reimbursement for incidental expenses which are documented by original invoices and receipts.

All disbursements must be approved by the LSC prior to any expenditures.

V. AUDIT

All transactions related to the Local School Council fund-raising activities and resulting expenditures are subject to audit by the Department of Internal Audit. LSC fund-raising is subject to the procedures outlined in the Internal Accounts Manual.

VI. ADDITIONAL CONSIDERATIONS

The funds derived through fund-raising shall be used only for the purpose(s) and in the manner approved.

No Local School Council member shall engage in or permit the misuse of funds

Amends/Rescinds:

Cross References:

Legal References: