

Oakdale High School Band Boosters

Individual and Fundraising Account Declaration

Your child may be participating in Oakdale High School Band Booster fundraisers. They will have the opportunity to raise funds through approved fundraisers to help support band activities. All fundraising activities are considered voluntary.

All fundraisers are subject to the following guidelines as directed and suggested by the IRS 501(c)(3) and nonprofit law:

1. Students are only to participate in approved fundraisers.
2. Payments made by parents will be credited to each individual account. These payments are not tax-deductible.
3. Straight contributions to the Oakdale High School Band Boosters (which may be tax-deductible) may not be earmarked and credited to support specific students.
4. Checks returned for non-sufficient funds will be charged an amount equal to the Bank's returned item fee.
5. Students and Parents understand that the money raised is really the property of the tax-exempt organization.
6. All amounts raised are used for the tax-exempt purposes of the Oakdale High School Band Boosters.
7. The Oakdale High School Band Boosters, and not the students, must determine how the funds are used...see IRS and nonprofit law recommendations.
8. Students or Parents may not withdraw funds to use as they wish and students may not transfer such funds to friends.
9. Any personal deposits that were made to an individual account will be refunded at the time of closing the account (graduation or no longer in band). The only exception will be any debts owed to the Oakdale High School Band Boosters and any non-refundable trip expenses (501(c)(3)).
10. No earned credits or personal deposits can be transferred from one band member's account to another except for transfers between existing accounts of siblings who live in the same household. Transfers will also be permitted between existing accounts of siblings who are leaving the band and new accounts of siblings from the same household who are entering the band in the following year.
11. According to IRS 501(c)(3) and Parent Booster USA, participation in a fundraising activity is voluntary. Students and parents are not required to participate in a minimum number of fundraising activities or events to receive funds from the general fund. This organization does not engage in a "no work, no play policy". To demand students work for their funds

removes the idea that fundraising is voluntary and now becomes “work” for your share of the funds.

Crediting of Fundraising Amounts Constitutes Private Benefit

The IRS has a strict rule against private inurement “If a booster club confers a benefit on a participant in return for their fundraising activities, such as by crediting amounts raised by a participant toward that participant's dues requirement, or by crediting amounts raised against the cost of a trip, the booster club is providing a private benefit to that participant. Consequently, such practices could result in the organization failing to be described in 501(c)(3). It is also possible that amounts credited to a participant's account due to fundraising would constitute income from services, and could result in employment taxes.”

For the safety of our students, and the legality of any fundraiser, approval must be made from the school's administration. Fundraisers done without the approval of the organization and the administration of Oakdale High School will be recognized as an “individual business” and will not be considered a tax-exempt fundraiser. All income from that fundraising activity may be considered taxable income.