

## ADMINISTRATIVE OPERATING GUIDELINE

### SANCTIONING ORGANIZATIONS AND ASSOCIATIONS

In compliance with the provision of state law, the Deer Creek School District has established procedures to provide for sanctioning of organizations and associations exempted or applying to be exempted from statutory controls and Board policies and procedures pertaining to school activity funds.

Funds shall be deposited and expended through an organizations local bank account and shall be exempt from regulations of the district's school activity fund upon being granted sanctioning status by the Deer Creek Board of Education under the requirements of this sanctioning policy.

Organizations who have previously obtained IRS designation as a 501(c)(3) organization are still required to apply for sanctioning by the Board of Education.

#### PROCEDURES FOR SANCTIONING BY THE BOARD OF EDUCATION

- A. Application for sanctioning must be completed by the organization of association prior to July 1 each year.
- B. The completed application form must be submitted to the Superintendent/ Designee for review.
- C. The Superintendent/Designee will make a recommendation to the Board of Education concerning the organization seeking to be sanctioned.
- D. The Board of Education will review the organization's application and determine whether to approve or decline the sanctioning request.
- E. **The Board of Education's decision is final and non-appealable.**
- F. All organizations and associations wishing to be sanctioned shall make application to the Board of Education on annual basis.
- G. Sanctioning shall be approved by the Board of Education on a one year basis only (July 1 to June 30). The Board of Education shall consider all sanctioning application at one time during the year (normally the July Board Meeting).
- H. Following the first year of sanctioning, each organization or association shall provide, with its application for sanctioning, a set of its unaudited financial statements.

In reviewing the annual application for sanctioning, the Board of Education may require the organization to provide additional financial information in either of the following formats:

1. A compilation of its statements prepared by a Certified Public Accountant (CPA) or Public Accountant (PA) who is licensed to practice public accounting in the State of Oklahoma.
2. A review of its financial statements prepared by a Certified Public Accountant (CPA) or Public Accountant (PA) who is licensed to practice public accounting in the State of Oklahoma.
3. An audit of its financial statements prepared by a Certified Public Accountant (CPA) or Public Accountant (PA) who is licensed to practice public accounting in the State of Oklahoma.

**It should be noted that the sanctioning by the Board of Education in no way grants the organization or association “tax-exemption” status for its operations, nor does it grant “tax deductible” status to its donors. The organization or association should consult a tax professional for advice on these matters.**

*Sample wording for financial review if not performed by a CPA*

I have reviewed the financial statements and transactions of

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(Name of Sanctioned Organization)

for the period from June 1, \_\_\_\_\_ through May 31, \_\_\_\_\_.

I do hereby certify that

Financial transactions were made in accordance with the organization's by-laws and procedures, expenditures were properly approved, and the financial records are true and correct, exempt for the following exceptions, if any.

I further certify that I am not an officer of the organization.

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Signature

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Date

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Name

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Title

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Company