

## **School Support Organizations**

The following guidelines are provided for use by booster and/or PTSA/PTSO groups which are involved in fundraising activities:

1. Local booster clubs and PTSAs/PTSOs should be incorporated as nonprofit organizations.
2. In order to receive nonprofit status, the group must file articles of incorporation and bylaws with the Secretary of State. A nonprofit organization must adhere to state laws RCW 24.03.
3. The board of directors of the school district has established a fee schedule that governs the use of facilities by a school-support organization.
4. The nonprofit organization must operate without cost to the district.
5. The Washington State Gambling Commission, the Department of Licensing and the Internal Revenue Service have licensing regulations covering fundraising activities by nonprofit corporations.
6. A nonprofit corporation may conduct sales or benefit affairs which include athletic or sports events, bazaars, benefits, campaigns, circuses, contests, dances, drives, entertainments, exhibitions, expositions, parties, performances, picnics, sales, social gatherings, theaters, and variety shows;
7. A nonprofit corporation may operate bingo activities, raffles, and amusement games under requirements regulated by the Washington State Gambling Commission (RCW 9.46); and
8. A charitable organization involved in sales and benefits grossing over \$5,000 must obtain IRS recognition.

When bingo, raffles, and amusement games are conducted, the State Gambling Act controls the endeavor. Certain gambling activities may be conducted by nonprofit organizations without a gambling permit under certain conditions. To operate without a gambling permit, a nonprofit must be recognized by the IRS and/or contributions to the group must be considered tax deductible. In addition, the nonprofit must have been organized and operating for at least 12 months before operating the gambling activity, and be able to prove that it has made significant progress towards accomplishing its stated purposes during the 12 consecutive months before operating the gambling activity.

A nonprofit organization may hold an unlimited number of members-only raffles if the combined gross revenue (money taken in) from these raffles does not exceed \$5,000 during a calendar year. In addition to members-only raffles, a nonprofit may offer two unlicensed raffle, bingo, or

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amusement game events to the public each year and must notify its local police agency at least five days before conducting the event. (RCW 9.46.0321)

**Adoption Date:**

**Classification:**

**Revised Dates: 08.98; 10.05; 12.11; 07.17; 09.17**