



SCHOOL SUPPORT ORGANIZATIONS

BOOSTER OFFICER TRAINING

School Support Organization

- Refers to a Parent Organization or Booster Club
- Independent, not-for-profit organization created to benefit a school or a school program
- Funds raised and handled by SSO's are quasi-public funds
- All SSO's must be approved by the FCBOE



Internal Controls

- More than one person involved in collecting, counting, depositing and accounting for funds
- Someone in addition to the treasurer reviews bank statements and check copies
- Two signatures on all checks
- Bank statements and check copies with all supporting documentation attached to the monthly financial report



Fundraisers

- SSO's must have their annual paperwork submitted and approved by the Director of School before they can submit a fundraiser request
- SSO's must submit and receive approval for each fundraiser from the school principal and Director of Schools. All request must be approved by the Director of Schools 3 weeks prior to the start of the fundraiser.
- Fundraising prior to application approval is prohibited
- Athletic gate receipts go through school books- not SSO books- includes season pass sales
- No SSO can charge a fee to participate in a school-sponsored extra-curricular activity, e.g. a fee to participate in marching band, cheerleading or football



Paying Employees/Coaches

- ALL supplements must be paid through FCBOE payroll. This includes coaches, assistant coaches, bus drivers etc.
- Federal Income Tax, Social Security, Medicare and other mandatory payroll deductions will be withheld, and must be accounted for
- Any SSO wishing to pay a FCBOE employee must submit payment including applicable liabilities to either Franklin Co Finance or FCBOE Central Office.



Local Statement Audit Findings



Statement Audit Findings

Deficiency:
**SSO did not properly maintain
accurate records**



Statement Audit Findings

Deficiency: SSO did not properly maintain accurate records

According to the *Model Financial Policy*, “All collections and disbursements...shall be organized and maintained by the treasurer or bookkeeper by fiscal year. These records must be maintained for at least four years.” The lack of supporting documents for collections and disbursements increase the risk that fraud, waste, and abuse will occur without proper detection



Statement Audit Findings

Deficiency:
**SSO officers failed to implement
adequate segregation of duties**



Statement Audit Findings

Deficiency: SSO officers failed to implement adequate segregation of duties

The *Model Financial Policy* states, “Duties shall be segregated between officers and members of the SSO. No one person within the SSO shall be in control of a transaction from inception to recording.” Additionally, “one person shall not be solely responsible for authorizing a purchase, making the purchase, writing the check to pay for the purchase, signing the check, reconciling the bank statement, and recording the purchase to the accounting records.” Allowing one individual to have exclusive control over all financial duties increases the risk of fraud without prompt detection.



Statement Audit Findings

Deficiency:
**SSO officers did not require two
signatures on checks**



Statement Audit Findings

Deficiency: SSO officers did not require two signatures on checks

Local policy requires that official prenumbered checks have two signatures. Checks having two signatures provide an increased degree of control by indicating that both authorized signers agree that the payment is proper and reasonable. Authorized signers should be current officers only.



Statement Audit Findings

Deficiency:
**SSO officers failed to deposit
funds within three days**



Statement Audit Findings

**Deficiency:
SSO officers failed to deposit
funds within three days**

The *Model Financial Policy* requires that all funds are deposited into the official bank account within three days of collection. A delay in depositing funds weakens internal controls over collections and increase the risk of fraud and misappropriation



Statement Audit Findings

**Deficiency:
SSO officers used personal
Venmo accounts for fundraising
without Board approval**



Statement Audit Findings

**Deficiency:
SSO officers used personal
Venmo accounts for fundraising
without Board approval**

The *Model Financial Policy* states “the local board of education must approve all electronic collection methods and establish related policies and procedure.” Furthermore that if adequate internal controls cannot be established, electronic collection methods should not be used.



Statement Audit Findings

**Deficiency:
SSO did not obtain approval for
fundraisers**



Statement Audit Findings

Deficiency: SSO did not obtain approval for fundraisers

Local Policy requires that all fundraising activities be authorized by the Board. Furthermore that the Principal shall obtain prior written approval from the Director of Schools, and local procedure requires all fundraisers be approved at least three weeks prior to the start of the fundraiser.



Statement Audit Findings

**Deficiency:
SSO officers improperly paid
funds to Franklin Co BOE
employees**



Statement Audit Findings

Deficiency: SSO officers improperly paid funds to Franklin Co BOE employees

The *Model Financial Policy* states, “Payments made for supplements must not be made directly to the coaches, assistant coaches, or other employees of the Board of Education. Supplements for Board employees must be paid through the Board of Education. The SSO must make donations to the Board for this purpose rather than paying Board employees directly.” Failure to pay supplements thru FC BOE payroll increase the risk that an employees benefits, tax withholdings and other required deductions will not be properly handled and accounted for.



Statement Audit Findings

Let's talk about it: best practice

Email

Online accounts

Debit/Credit cards

New Website

Questions?





THANK YOU!!!

**Thank you for the work that you do to
fundraise and support our students, our
extra-curriculars, our schools and our
district!**

**If you suspect fraud, waste or abuse, you may report it by
contacting the Tennessee State Comptroller's Office.**

toll-free hotline 1.800.232.5454

**All forms may be found at fcstn.net under the "Departments" "School Support
Organization" tab.**



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