SCHOOL-SPONSORED VS. NON-SPONSORED

The rules in this section are found in Utah Administrative Code R277-113. These rules and restrictions do not apply to non-curricular clubs specifically authorized and meeting all criteria of Utah Codes 53A-11-1205.

School Sponsored Activities

School sponsored activities include activities, fundraising events, clubs, camps, clinics, or any other event or activity that is authorized by a specific school, and which satisfies at least one of the following conditions:

- It is managed or supervised by a District or public school, or District or public school employee,
- It uses the District or school's facilities, equipment, or other school resources, or
- It is supported or subsidized, more than inconsequently, by public funds, including the school's activity funds or minimum school program dollars.

If an activity or event meets the criteria of a school-sponsored activity, then any money received at the event is considered District money, and it must be received, deposited, accounted for and spent in accordance with all laws and district rules that apply to District money.

Non-Sponsored Activities

Non-sponsored activities include all other activities or events which do not meet the criteria of school-sponsored activities.

The school is prohibited from using its employees, facilities, equipment, funds, or other resources to support non-sponsored events. Schools are not allowed to assume any fiscal responsibility, oversight, or custody over money received at non-sponsored events.

Keep in mind that "school resources" include money, personnel, equipment, and facilities.

Advertising for the event is also considered “school resources.” This includes announcing the event on the school’s website, in assemblies, or via flyers sent to parents.

An activity is not necessarily school sponsored if it is managed or supervised by a school employee. It depends on whether the employee (a) presents themselves as acting on the school’s behalf, or (b) can be perceived as acting on the school's behalf.

Behavior that would lead a reasonable person to assume the employee is acting on behalf of the school includes advertising the event at a school or practice, meeting at or using school facilities, using the school name in any communications, etc.
The law is intended to create a stark dividing line between the school and outside organizations. The only way to get around these rules, and to allow school personnel/facilities/resources to be used towards non-sponsored activities, is to have a written contract between the school and the person or organization overseeing the non-sponsored event.

The contract needs to outline the rights and obligations of both parties. It must state what resources the school will contribute, and what the school will receive in return. Contracts must be renewed at least every five years.

A contract is not valid unless it includes a quid pro quo component. In other words, the contract is not valid if the school is not receiving anything in return, or if there is a major discrepancy between the value of the resources the school is providing, and what the school expects to receive in return.

All transactions and agreements between schools and other, separate organizations must be conducted at “arms-length”. In other words, the school has an obligation to act in its own self-interest and to try to get the best deal it can. The school should not give preferential treatment to any given organization, including PTAs, Booster clubs, or businesses which have a close working relationship with the school.

When considering whether a given transaction is being conducted at arms-length, it is helpful to consider whether the same deal would also be given to other individuals, businesses or organizations.

Example 1: A high school basketball coach runs a basketball clinic during the offseason. The clinic is separate from the school’s basketball team, and is operated by the coach as a private business venture.

The basketball clinic is considered a non-sponsored activity. Regarding the clinic, the coach is not allowed to:

- Hold the clinic at school facilities.
- Use school equipment.
- Use the school’s name or mascot.
- Promote the clinic to students or parents at school practices or meetings.
- Hang posters at the school, distribute fliers at the school, promote the clinic on the school’s website, or use student/parent contact lists to advertise the clinic.

The only way around these prohibitions is to have a written contract with the school.

Regardless of whether a contract exists or not, the coach should always make it clear that the clinic is not a school-sponsored event when discussing it with students and parents.

Example 2: Teachers at a school donate $3 a month to the “Sunshine Committee”. This money is used to pay for socials, wedding gifts, baby shower gifts, etc.

The Sunshine Committee is considered a non-sponsored organization. The funds are not allowed to be deposited into an account controlled by the school. The principal and school
finance secretary are not permitted to have any responsibility over the money or direct how it is used.

The principal can require the Sunshine Committee to take reasonable steps to ensure the money is safeguarded, and to using it in a way which may reflect poorly on the school or lead to problems among the students and staff.

Example 3: The school PTA wishes to hold a carnival night fundraiser in the school’s gymnasium.

This would be considered a non-sponsored activity because the PTA is a legally separate organization.

The activity can only use school resources so long as there is a written contract outlining what resources will be used, and what the school will receive in return.

If the PTA wishes for the school to collect or handle the money received at the event, that must also be included in the contract. To the extent the school is involved in receiving and/or depositing money received at the fundraiser, it should follow the chain of custody and documentation procedures as outlined in the “Cash Receipts” section of the WCSD Finance and Accounting Manual.

Example 4: A high school football booster club is purchasing jerseys for all members of the football team and coaching staff.

If the booster club is a school-sponsored booster club, then the booster clubs money must be spent in accordance with WCSD purchasing policies and procedures, and following the rules outlined in the “Purchasing” and “Disbursements” sections of the WCSD Finance and Accounting Manual.

If the booster club’s activities and funds are not overseen and controlled by the school, then it is a non-sponsored club. The school is not party to any purchase agreements between the booster club and vendors. The coaches may consult with the booster club about the jersey purchase, but the coaches may not enter into a purchase agreement with the vendor on behalf of the booster club. Since the coaches are WCSD employees, they may not assume any fiduciary responsibilities on behalf of the booster club.