

**CROWDFUNDING
ON BEHALF OF THE SCHOOL SYSTEM**

Policy Code: **7360/8225**

1 For purposes of this policy, crowdfunding is the practice of using online sites to solicit
2 donations, whether monetary or in-kind, on behalf of the school system. A crowdfunding
3 campaign is considered to be on behalf of the school system if it uses imagery or language that
4 would lead a reasonable person to believe that (1) the school system is associated with the
5 campaign or (2) the campaign has the purpose or effect of providing resources or a benefit to the
6 school system.

7
8 The board recognizes that crowdfunding campaigns are increasingly being used by employees to
9 fund specific projects or programs. By aggregating donations from a broad and potentially
10 diverse group of donors, crowdfunding has the potential to provide additional revenue and
11 resources to classrooms and programs. Crowdfunding also has the potential to promote morale
12 among employees by rewarding hard work and dedication.

13
14 Despite the positive aspects of crowdfunding, the unregulated use of the practice can subject the
15 school system and the employee engaging in crowdfunding to potentially significant legal
16 liability. The purpose of this policy is to establish a balanced approach that regulates and
17 provides parameters for crowdfunding on behalf of the school system.

18
19 Parent organizations engaging in fundraising are subject to policy 5010, Parent Organizations,
20 and are exempt from this policy. The board reserves the right to designate additional groups or
21 individuals as exempt from this policy.

22
23 **A. UNAPPROVED CROWDFUNDING PROHIBITED**

24
25 Crowdfunding on behalf of the school system is prohibited unless undertaken by an
26 employee with prior written approval under this policy. No action towards initiating a
27 crowdfunding campaign on behalf of the school system may be taken until the campaign
28 is approved in writing pursuant to this policy.

29
30 No employee or student will be compelled to initiate or participate in a crowdfunding
31 campaign on behalf of the school system. Students are permitted to participate in
32 publicizing an employee's approved crowdfunding campaign but are prohibited from
33 otherwise engaging in crowdfunding on behalf of the school system. Employees or
34 students who participate in crowdfunding on behalf of the school system are acting in
35 their capacity as employees or students and are subject to all rules governing employee
36 and student conduct.

37
38 Except in furtherance of an approved campaign, employees are prohibited from doing
39 any of the following as part of a crowdfunding campaign: identifying as an employee of
40 or stating an association with the school system; using a school system email address,
41 school name, logo, or mascot; or linking to or referencing any school website, social
42 media site, platform, or account associated with the school system.

44 Approved crowdfunding campaigns will operate in compliance with all laws and other
45 board policies and regulations, including policies 6401/9100, Ethics and the Purchasing
46 Function; 8210, Grants and Funding for Special Projects; and 8220, Gifts and Bequests,
47 except as otherwise provided in this policy.
48

49 **B. APPROVAL REQUEST FORM**

50
51 An employee seeking approval of a crowdfunding campaign shall provide the following
52 information on a form designated for this purpose (hereinafter referred to as the
53 “approval request form”):
54

- 55 1. the employee’s name, job title, school, and email address;
- 56 2. the approved crowdfunding website to be used;
- 57 3. the nature and quantity or amount of donations being requested;
- 58 4. the classroom, program, or activity to be benefitted and the educational purpose to
59 be served;
- 60 5. the exact language that will be used in the crowdfunding campaign, as well as any
61 graphics that will be included;
- 62 6. the start and end dates of the crowdfunding campaign; and
- 63 7. a statement of recognition by the requester that any proceeds of the campaign are
64 school property.
65
66

67 The approval request form will be made available in school offices and on the school
68 system’s website.
69

70
71
72 **C. PROCESS FOR APPROVAL OF REQUESTS**

73 Notwithstanding anything to the contrary in policy 8220, Gifts and Bequests, the terms of
74 this section control the approval of proposed online crowdfunding campaigns.
75

- 76 1. Review by the Principal

77 To be eligible for approval under this policy, employees must submit in writing a
78 fully completed approval request form to the principal. The principal has
79 authority to approve proposed campaigns seeking a dollar value up to \$10,000.
80 Regardless of the amount sought to be donated, the principal has authority to deny
81 a proposed campaign because the campaign is not in compliance with the
82
83
84
85
86

87 requirements of this policy or because, in the judgment of the principal, the
88 proposed campaign would produce unacceptable inequity in the educational
89 environment.
90

91 If a proposed campaign seeks a dollar value in excess of \$10,000, and the
92 principal believes that the proposed campaign is in compliance with the
93 requirements of this policy and should be accepted, the principal shall refer the
94 proposed campaign to the superintendent or designee.
95

96 2. Review by the Superintendent
97

98 The superintendent or designee shall review referred approval request forms and
99 seek additional information about proposed campaigns as appropriate. The
100 superintendent or designee has authority to approve proposed campaigns seeking
101 a dollar value up to \$25,000. Regardless of the amount sought to be donated, the
102 superintendent or designee may deny a referred campaign because the campaign
103 is not in compliance with the requirements of this policy or because, in the
104 judgment of the superintendent or designee, the proposed campaign would
105 produce unacceptable inequity in the educational environment.
106

107 If a proposed campaign seeks a dollar value in excess of \$25,000, and the
108 superintendent or designee believes that the proposed campaign is in compliance
109 with the requirements of this policy and should be accepted, the superintendent or
110 designee shall refer the proposed campaign to the board.
111

112 3. Review by the Board
113

114 Only the board has the authority to approve a campaign that seeks a dollar value
115 in excess of \$25,000. After considering the superintendent's or designee's
116 recommendation, the board will decide whether to approve the proposed
117 campaign.
118

119 **D. REQUIREMENTS FOR APPROVED REQUESTS**
120

121 Crowdfunding requests will not be approved unless the proposed campaign:
122

- 123 1. meets all requirements of board policy and any applicable administrative
124 regulations, and is consistent with the requirements of Title IX, FERPA, the
125 IDEA, and any other applicable laws;
- 126 2. uses a crowdfunding site that has been approved by the superintendent pursuant to
127 Section E;
128
129

**CROWDFUNDING
ON BEHALF OF THE SCHOOL SYSTEM**

Policy Code: **7360/8225**

- 130 3. is consistent with the school system’s approved curriculum;
131
132 4. does not solicit funds for items or projects that are religious or political in nature
133 or that have a religious or political purpose;
134
135 5. seeks donations that are compatible with the school system’s technology, as
136 confirmed by the technology director;
137
138 6. has a specific, pre-determined beginning and ending date;
139
140 7. does not disparage the school system or any of its buildings, programs,
141 representatives, employees, or students;
142
143 8. does not include pictures or the identifying or confidential information of any
144 school system student, unless specifically approved by the student’s parent or
145 guardian in writing and attached to the approval request form;
146
147 9. furthers the educational mission of the school and is not used for the unrelated
148 personal gain of any individual;
149
150 10. does not result in donations being delivered directly to the requester;
151
152 11. is not contingent on the school system matching funds or making any expenditure;
153
154 12. does not request food or beverage items inconsistent with Smart Snack Standards,
155 Section C of **P**olicy 6140, Student Wellness, or nutrition standards set by the
156 school system or school; and
157
158 13. does not suggest or state that the donation sought is required for or integral to a
159 student’s special education program, a student’s ability to achieve his or her IEP
160 goals, or the participation of students with disabilities in any school program.
161

162 Any crowdfunding campaign that does not fully comply with the requirements of this
163 policy is prohibited. It is the responsibility of the employee implementing an approved
164 crowdfunding campaign to ensure that all applicable policies, regulations, and laws,
165 including the requirements of the crowdfunding site, are followed.
166

167 The school system reserves the right to terminate any approved crowdfunding campaign
168 or refuse any donation for any reason and at any time, including if it believes the
169 donation was acquired in violation of board policy, regulation, or other law.
170

E. APPROVED CROWDFUNDING SITES

173 The superintendent or designee shall create a list of approved crowdfunding sites. All
174 approved crowdfunding sites must (1) be operated by an entity with no known significant
175 history of fraud, unlawful activity, financial mismanagement, or other misconduct and (2)
176 have a policy requiring all donations on behalf of the school system to go directly to the
177 school system. The superintendent or designee shall encourage the use of sites that are
178 focused on K-12 education.

179
180 If no site meets these requirements or the superintendent or designee does not approve
181 any sites, no crowdfunding requests will be approved.

182
183 **F. PROCESSING AND ALLOCATING DONATIONS**

184
185 All monetary donations will be made payable to and deposited in an individual school
186 account where the employee is associated. If the monetary donation involves the
187 electronic transfer of funds, the principal shall ensure that the transfer is made properly
188 and in accordance with acceptable standards of practice. All in-kind donations must be
189 inventoried in accordance with policy 8350, Fixed Assets Inventory, by the individual
190 school where the employee is associated. The school finance officer shall ensure that all
191 donations are processed in a manner consistent with the School Budget and Fiscal
192 Control Act and any other applicable law.

193
194 All donations, regardless of their form, obtained through crowdfunding on behalf of the
195 school system are school property. As a general matter, the employee who completed an
196 approved crowdfunding campaign should be given preference in the use of the donations
197 obtained. Employees shall only use donations from a crowdfunding campaign for the
198 approved purpose stated in the campaign. The school system reserves the right to
199 transfer donations to a different use at the board's discretion.

200
201 **G. RECORDKEEPING**

202
203 After donations obtained through an approved crowdfunding campaign have been
204 utilized, the employee must file a written report with the principal detailing how the
205 donations were used and how students benefited.

206
207 Legal References: 7 C.F.R. 210.11; G.S. 115C-36, -47; The School Budget and Fiscal Control
208 Act, G.S. 115C, art. 31

209
210 Cross References: Technology in the Educational Program (policy 3220), Parent Organizations
211 (policy 5010), Collections and Solicitations (policy 5220), Student Wellness (policy 6140),
212 Ethics and the Purchasing Function (policy 6401/9100), Grants and Funding for Special Projects
213 (policy 8210), Gifts and Bequests (policy 8220), Fixed Assets Inventory (policy 8350),
214 Individual School Accounts (policy 8410)

215

**CROWDFUNDING
ON BEHALF OF THE SCHOOL SYSTEM**

Policy Code: **7360/8225**

216 Other Resources: *Crowdfunding in K-12: Developing a Vision that Informs Policy*, EdSurge
217 Research (2019), available at [https://www.edsurge.com/research/reports/crowdfunding-in-k-12-](https://www.edsurge.com/research/reports/crowdfunding-in-k-12-developing-a-vision-that-informs-policy)
218 [developing-a-vision-that-informs-policy](https://www.edsurge.com/research/reports/crowdfunding-in-k-12-developing-a-vision-that-informs-policy); Dave Yost, *Special Report on Crowdfunding*
219 *Classrooms*, Office of the Ohio Auditor of State (July 11, 2018), available at
220 <https://www.ohioauditor.gov/publications/2018%20crowdfunding%20report%20FINAL.pdf>;
221 *Crowdfunding in K-12 Education*, National School Boards Association (April 2018), available at
222 [https://www.ncsba.org/wp-content/uploads/2020/02/Crowdfunding-Best-Practices-for-School-](https://www.ncsba.org/wp-content/uploads/2020/02/Crowdfunding-Best-Practices-for-School-Board-Members-NSBA.pdf)
223 [Board-Members-NSBA.pdf](https://www.ncsba.org/wp-content/uploads/2020/02/Crowdfunding-Best-Practices-for-School-Board-Members-NSBA.pdf)~~[https://www.nsba.org/newsroom/american-school-board-](https://www.nsba.org/newsroom/american-school-board-journal/asbj-april-2018/online-only-crowdfunding-k-12-education)~~
224 ~~[journal/asbj-april-2018/online-only-crowdfunding-k-12-education](https://www.nsba.org/newsroom/american-school-board-journal/asbj-april-2018/online-only-crowdfunding-k-12-education)~~
225
226 Adopted: December 16, 2019; [DATE]

REVISED