



Book	Policy Manual
Section	700 Property
Title	Crowdfunding
Code	702.3 (new)
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### **Purpose**

**The Board recognizes that crowdfunding has become an increasingly popular method by which school districts can procure funding for specific projects and/or programs.**

### **Authority**

**The Board permits District employees and eligible organizations to maximize opportunities to obtain resources for the benefit of students and the District; however, unregulated use of crowdfunding on behalf of the District can expose the District, the employee, and an organization to significant potential legal liability. The Board adopts this policy to effectively mitigate risks and establish parameters for the use of crowdfunding on behalf of the District.**

**Organizations not granted formal recognition by the Board as an eligible organization shall not engage in crowdfunding on behalf of the District.**

### **Definitions**

**Crowdfunding shall mean a mechanism by which an individual or organization solicits and accepts donations from the general public, via specially-designed websites, to fund a specific purpose or cause. Crowdfunding shall not include requests for donations the District makes using its own website or social media platforms.**

**Eligible organizations, for the purposes of this policy, include District employees and school-sponsored student organizations that have been formally recognized/approved by the District and granted permission to engage in crowdfunding on behalf of the District, subject to the requirements of this policy. District-affiliated organizations including, but not limited to, parent/teacher organizations and booster groups for the Spring Grove Area School District, as well as the Spring Grove Area Educational Fund are not subject to the requirements of this policy.**

**A crowdfunding campaign shall mean an approved crowdfunding request that has been set up and is actively soliciting and accepting donations.**

**A crowdfunding request shall mean the form and related information submitted by an individual who, or eligible organization that, seeks permission to engage in a crowdfunding campaign.**

**Individual, for purposes of this policy, shall mean a District employee.**

Resources include donated funds, items purchased with donated funds, and, when the crowdfunding site directly provides the items, the items themselves.

### Delegation of Authority

The Director of Business Operations or designee shall approve crowdfunding sites for use by individuals and eligible organizations based upon the criteria outlined in this policy.

The Director of Business Operations or designee shall maintain a list of approved crowdfunding sites and update the list as needed. It shall be the responsibility of the Director of Business Operations or designee to review and approve or deny all crowdfunding requests.

If the crowdfunding request is approved, the requester shall be responsible for:

1. Preparing all materials and information related to the crowdfunding campaign.
2. Keeping District administrators apprised of the status of the campaign.
3. Following all applicable laws, Board policies, and administrative regulations, including the requirements, policies, and/or regulations established by the crowdfunding site.

### Guidelines

The District reserves the right to withhold approval of any crowdfunding request or terminate a pre-approval for a crowdfunding campaign for any reason.

The District reserves the right to refuse to accept funds that have been raised through a crowdfunding campaign if it discovers that the campaign violated this policy or any of the crowdfunding site's requirements, policies, and/or regulations.

All resources obtained through crowdfunding campaigns are the property of the District.  
[2]

While preference shall be given for the resources to be used and maintained by the individual or eligible organization who originally obtained them through crowdfunding, the District reserves the right to transfer such resources to another classroom, program, and/or individual, as necessary.[3][4] [5]

### Approval of Crowdfunding Sites

All crowdfunding sites that are approved by the District for use must meet all of the following requirements:

1. The site must be operated by a legitimate corporation or limited liability company with no history of fraud, unlawful activity, financial mismanagement, or other misconduct.
2. The site must have a policy that requires all funds raised by an individual on behalf of the school to go directly to the school, not the individual who posted/advertised the fundraising request.

### Approval of the Crowdfunding Request

Individuals who, and eligible organizations that, wish to use crowdfunding to obtain resources for classroom or school purposes shall submit the Crowdfunding Request Form to the Director of Business Operations or designee for approval at least thirty days before the desired start of the crowdfunding campaign.

**The written request for approval must be provided directly to the Director of Business Operations or designee, as applicable, via the designated approval form and must contain the following:**

- 1. The name, job title, school, and email address of the requester, or, if the applicant is an eligible organization, the names of and contact information for the members of the eligible organization who shall be responsible for overseeing the crowdfunding campaign;**
- 2. The crowdfunding website or physical location (site) to be used;**
- 3. The items being requested and/or the amount of funds targeted to be raised;**
- 4. The classroom, program, and/or activity to be benefited;**
- 5. The exact language that will be included in the post/advertising for the crowdfunding campaign; and**
- 6. The start and projected end dates of the post/advertising.**

**When reviewing the crowdfunding request, the Director of Business Operations or designee shall ensure that: [1][2]**

- 1. The crowdfunding request is consistent with the District's educational program, mission, vision, shared values, curriculum, and District initiatives.**
- 2. The crowdfunding request does not conflict with other District fundraising efforts.**
- 3. The District does not already have the requested resources.**
- 4. The District can adequately utilize, support, store, and maintain the resources, if received.**
- 5. The crowdfunding campaign is compliant with all applicable federal and state laws and regulations, and Board policies and administrative regulations.**
- 6. The District, staff, and/or students are not portrayed in a negative light.**

### **Use of Crowdfunding**

**Where crowdfunding resources are in the form of funds, such funds shall be sent to the Director of Business Operations, who shall ensure the appropriate accounting and holding of such funds until they are used for their stated purpose.**

**Items obtained through crowdfunding must fulfill the purpose of the approved crowdfunding campaign.**

**Where crowdfunding resources are in the form of the requested items, all items become the District's property and must be delivered directly to the principal of the building in which they will be used. While preference shall be given for the items/materials to be used and maintained by the employee who originally obtained them through crowdfunding (where applicable), the District reserves the right to transfer such items/materials to another classroom and/or teacher, where necessary.**

**For every crowdfunding campaign, individuals and eligible organizations shall be required to report the following to the Director of Business Operations or designee: how the resources were used in the school, classroom, program, and/or activity to be benefited and how the students and the District benefited.**

**All crowdfunding campaigns involving classroom materials, projects, or resources must be consistent with District-approved curriculum.**

**The Director of Business Operations shall be promptly notified of any unused funds and determine the appropriate way to expend or return the unused funds.**

### **Prohibitions**

**Crowdfunding campaigns may not:**

- 1. Disparage the District or any of its buildings, programs, students, or employees or paint the District or any of its employees, students, or programs in a negative light.**
- 2. Include pictures or personally identifying information of District students in the crowdfunding post, or on the posting individual's home or biography page on the crowdfunding site, without proper consent.[6][7][9][10][11]**
- 3. Be used for the personal gain of any individual.**
- 4. Solicit funds for items or projects that are religious or political in nature or that have a religious or political purpose.**
- 5. Violate Title IX or any other applicable state or federal law.**
- 6. Be contingent on additional District spending or require "matching" funds from the District or another organization.**
- 7. Request food items that do not meet the Smart Snacks standards of the USDA regulations for school nutrition.[12][13]**
- 8. Contain language that suggests, infers or states that:**
  - a. The resources sought are required for, or otherwise integral to, a student's special education program, necessary for a student to achieve his/her Individualized Education Program (IEP) goals, or essential to ensure participation of a student or students with disabilities in school or any program offered by the District.[14][15]**
  - b. The school does not have enough resources. Individuals may not keep resources for personal use.**

**Individuals who are not employees of the District or authorized as part of an eligible organization may not engage in crowdfunding on behalf of the District.**

Legal

1. Pol. 229
2. Pol. 702
3. Pol. 122
4. Pol. 123
5. Pol. 150
6. Pol. 113.4
7. Pol. 216
8. Pol. 324
9. 20 U.S.C. 1232g
10. 22 PA Code 15.9
11. 34 CFR 99.3
12. 7 CFR 210.11
13. Pol. 246
14. Pol. 103.1
15. Pol. 113
- 24 P.S. 216
- 24 P.S. 1603-C
- 34 CFR Part 99
- 7 CFR Part 210