

# EAST STROUDSBURG AREA SCHOOL DISTRICT

SECTION:

TITLE: CROWDFUNDING

ADOPTED: **NEW DRAFT POLICY**

REVISED:

929.1-CROWDFUNDING	
1. Purpose	<p><b><u>Introduction</u></b></p> <p>The Board of School Directors recognizes that crowdfunding campaigns have become an increasingly popular method by which teachers and organizations can procure funding for specific projects and/or programs. The revenue-raising potential that crowdfunding campaigns may provide may be a benefit for District programs and classrooms. The District further recognizes, however, that unregulated employee use of crowdfunding campaigns on behalf of the District can subject both the District and employees to significant potential legal liability.</p> <p>The purpose of this policy is to effectively regulate and establish parameters for use of crowdfunding campaigns for District purposes, on behalf of the District, or for the purpose of supplementing District programs.</p>
2. Definitions	<p><b>Campaign</b>, for the purposes of this policy, is a fundraising effort designed to raise funds to meet an advertised goal or need.</p> <p><b>Crowdfunding</b>, for the purposes of this policy, is the practice of funding a project or venture by raising monetary contributions, typically via the Internet, for a particular purpose or cause.</p> <p><b>Eligible Organizations</b>, for purposes of this policy, include any school-sponsored student organization that has been formally recognized/approved by the Board 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 East Stroudsburg School District are not subject to the requirements of this policy.</p>
3. Delegation of Responsibility	<p>The Superintendent or designee shall ensure that procedures and guidelines are in place to monitor all crowdfunding requests. The Superintendent or designee shall disseminate and explain information to building administration and post information on the District website. Building administration will be responsible for forwarding all information to his/her staff and eligible organizations.</p>

4. Guidelines

**Prohibition on Unapproved Crowdfunding on Behalf of the District**

District employees, including coaches and activity sponsors, may not engage in crowdfunding campaigns related to their roles or duties as a District employee or otherwise benefiting the District, including District programs, initiatives, mission, students, or staff without prior written authorization from the Superintendent or designee.

Approved crowdfunding campaigns must operate in compliance with all laws and all other Board Policies and Administrative Guidelines.

Only employees and/or eligible organizations with written approval from the District pursuant to this policy are permitted to utilize crowdfunding campaigns for District purposes or programs. Groups, clubs, and/or organizations that have not been granted formal recognition/approval by the Superintendent or designee may not be granted permission to engage in crowdfunding campaigns on behalf of the District.

Employees and/or eligible organizations that have not obtained written approval pursuant to this policy may not solicit funds or items on behalf of the District on a crowdfunding website; give the appearance of soliciting funds or items on behalf of the District on a crowdfunding website; use the District's name, logo, mascot, or other identifying information in a crowdfunding post; or link to or reference any of the District's websites, social media sites, or other site, platform or account associated with the District.

Absent written approval by the Superintendent or designee of a crowdfunding project pursuant to this policy, employees are prohibited from identifying on a crowdfunding site that they are an employee of the District, if such identification may lead a reasonable reader to infer from the crowdfunding post that the funds designated will be utilized by or within the District or for a District program. Employees may not utilize their District email address for any crowdfunding campaigns, unless the campaign has been approved by the District.

**Procedures**

Employees and eligible organizations wishing to utilize crowdfunding for District purposes or programs are required to obtain written permission for doing so by submitting a pre-approval request form, consistent with the requirements of this policy, to building administration. Written permission must be received before proceeding with any crowdfunding efforts.

It shall be the responsibility of Superintendent or designee to approve all crowdfunding requests. The pre-approval request form shall be available in school offices and/or on the District's website. Crowdfunding requests that are incomplete, not submitted in writing, and/or that do not meet the requirements of this policy shall

	<p>not be considered for approval.</p> <p>Any employee/eligible organization must submit a written request for approval of a crowdfunding project. The written request for approval must be provided directly to building administration, as applicable, via the designated approval form and must contain the following:</p> <ul style="list-style-type: none"><li>a. 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 two members of the eligible organization who shall be responsible for overseeing the crowdfunding campaign;</li><li>b. The crowdfunding website or physical location (site) to be used;</li><li>c. The items being requested and/or the amount of funds targeted to be raised;</li><li>d. The classroom, program, and/or activity to be benefited;</li><li>e. The exact language that will be included in the post/advertising for the crowdfunding campaign; and</li><li>f. The start and projected end dates of the post/advertising.</li></ul> <p><b>Crowdfunding requests shall not be approved unless they meet the following conditions:</b></p> <ul style="list-style-type: none"><li>a. Crowdfunding campaigns must meet the requirements set forth in this policy, including obtaining written approval and posting on a District-approved crowdfunding site;</li><li>b. Where crowdfunding proceeds are in the form of funds, such funds must be sent to building administration, as applicable, who shall ensure the appropriate accounting and holding of such funds until they are used for their stated purpose;</li><li>c. Funds for crowdfunding, rather than items are preferred. Where items are received from a crowdfunding project instead of monetary funds, all items become the District's property and must be delivered directly to the building administration of the building in which they will be used;</li><li>d. All crowdfunding campaigns involving classroom materials, projects or resources must be consistent with the District-approved curriculum;</li><li>e. Before building administration accepts technology related items, the building</li></ul>
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	<p>administration is responsible to confirm acceptability with the Director of Technology.</p> <ul style="list-style-type: none"><li>f. All crowdfunding campaigns, including the solicitation of donations, online posting, selection of items, and/or use of funds must be consistent with all applicable laws and board policies; and</li><li>g. All crowdfunding campaigns must have specific, pre-determined beginning and ending dates.</li></ul> <p><b>Crowdfunding Projects SHALL NOT:</b></p> <ul style="list-style-type: none"><li>a. 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;</li><li>b. Include pictures of District students in the crowdfunding post or on the posting individual's home or biography page on the crowdfunding site;</li><li>c. Include identifying information of any District student on the crowdfunding site;</li><li>d. Be used for personal gain of any individual other than the District-related benefits associated with the campaign's purpose;</li><li>e. Result in funds and/or items being provided/delivered directly to the individual who requested the funds;</li><li>f. Solicit funds for items or projects that are religious or political in nature or that have a religious or political purpose;</li><li>g. Violate Title IX or any other applicable state or federal law;</li><li>h. Be contingent on additional District spending or require "matching" funds from the District or another organization;</li><li>i. Request food items that do not meet the "smart snacks" standards of the USDA regulations for school nutrition; or</li><li>j. Contain language that suggests or states that an item or items for which the donations are being sought are required for or otherwise integral to a student's special education program, necessary for a student to achieve his/her IEP goals, or necessary to ensure participation of a student or students</li></ul>
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with disabilities in school or any program offered by the District.

**Designation of Approved Crowdfunding Sites**

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

- a. The site must be operated by a legitimate corporation or limited liability company with no significant history of fraud, unlawful activity, financial mismanagement, or other misconduct.
- b. 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.

To the extent that no crowdfunding sites available meet all of the requirements above, the District shall not approve requests for crowdfunding.

Sites designed for crowdfunding by schools and/or educators shall be given preference, if they meet the requirements of this section.

**Additional Requirements and Regulations**

Where a crowdfunding campaign requires the electronic transfer of funds, building administration in consultation with the Chief Financial Officer shall ensure that such transfer is made properly and in accordance with acceptable standards of practice. Where such transfer cannot be properly achieved, the campaign will not be approved.

The District reserves the right to refuse funds that have been raised through an approved crowdfunding campaign if it discovers that the project violated this policy or was in violation of the crowdfunding site's requirements, policies, and/or regulations.

The District reserves the right to terminate any pre-approved crowdfunding campaign for any reason or withhold approval for any crowdfunding campaign project for any reason.

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

The Chief Financial Officer shall be promptly notified of any unused funds and determine the appropriate way to expend or return the unused funds.

	<p>It shall be the responsibility of the individual whose crowdfunding campaign is approved by the Superintendent or designee to ensure that all applicable laws and rules, including rules and requirements established by the crowdfunding site, are followed.</p> <p>All items/materials obtained through District-approved crowdfunding are the property of the District. 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.</p>
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