

The Redbook requires that the financial transactions of school organizations shall be accounted for in the school internal funds. All funds handled by district school board employees during normal working hours shall be included in and become part of the internal funds of the school unless accounted for in the district-level accounting system. All organizations of the school, or organizations operating in the name of the school, that obtain money from the public shall be accountable to the board for receipt and expenditure of those funds in the manner prescribed by the board. If approved by the district school board, a school-based, direct-support organization as defined under section 1001.453, F.S., may have all financial transactions accounted for in school internal funds. Collecting and expending of school internal account funds shall be in accordance with the State Constitution, Florida Statutes, SBE rules and district school board rules. Sound business practices should be observed in all transactions. {"Redbook" Chapter 8 Section 1 Subpart 2 & 8}

**DONATIONS**—Every time a school receives a charitable contribution (donation) of \$250.00 or more, the school must issue a contemporaneous written acknowledgment. It is also required to provide a written disclosure to a donor who receives goods or services in exchange for a single payment in excess of \$75. *Per IRS publication 1771. Charitable Contributions - Substantiation and Disclosure Requirements.*

*The schools should provide the donor a timely, written statement containing the following information:*

1. *Name of organization (i.e. school name).*
2. *Amount of cash contribution.*
3. *Description (but not the value) of non-cash contribution.*
4. *Statement that no goods or services were provided by the organization in return for the contribution, if that was the case.*
5. *Description and good faith estimate of the value of goods or services, if any, that an organization provided in return for the contribution.*
6. *Statement that goods or services, if any, that an organization provided in return for the contribution, if that was the case.*

We can provide either a paper copy of the acknowledgment to the donor, or an acknowledgment electronically, such as via an e-mail addressed to the donor. It is not necessary to include either the donor's social security number or tax identification number on the acknowledgment.

On school letterhead write a thank you letter to the donor using the examples below:

“Thank you for your cash contribution of \$300 that (school's name) received on July 10, 2015. No goods or services were provided in exchange for your contribution.”

“Thank you for your cash contribution of \$350 that (school's name) received on July 10, 2015. In exchange for your contribution, we gave you a cookbook with an estimated fair market value of \$60.”

**Please keep a copy of the acknowledgement on file for audit with the bookkeeper at your site/school.**