

Program Balances

Overview

Program balances are funds that the BHSDG holds and administers under the direction of specific school divisions, departments and programs of Berkeley High School.

Sources of Program Balance Funds

- **Designated Donations:** Contributions to the BHSDG that donors have designated for established school divisions, departments and programs.
- **Outside Grants:** Grants made by foundations or other funding agencies.
- **Fundraising Proceeds:** The proceeds of fundraising events or activities.

Control of Program Balances

Academic Departments: The BHSDG typically receives instructions from a lead teacher.

Small Schools/Other School Divisions: The BHSDG typically receives instructions from a lead teacher or vice principal.

BHSDG's Role

The BHSDG serves as the non-profit fiscal agent for program balances. As such, the BHSDG receives and processes designated donations, grants and other fundraising revenues; issues tax receipts for qualifying donations; makes payments; and provides balance and transaction information as requested. All expenditures must be consistent with the mission of the BHSDG.

Program Balances vs. BHSDG Grants

BHSDG grants are made from the BHSDG's General Fund. We take program balances into account when evaluating grant requests. The BHSDG may approve a grant with the condition that a department or program agrees to provide some of the requested funding from its program balance. BHSDG grants are tracked and reported separately from related program balances. The unused portion of any completed or expired BHSDG grant returns to the BHSDG General Fund.

Program Balance Requirements

BHSDG does not currently charge a fee for administering program balances, but requests the following cooperation:

- **Appoint a Principal Contact:** Each program balance must have a principal contact to serve as a liaison to BHSDG. For academic departments, the Principal Contact may be a lead teacher or the responsible vice principal. For small schools or divisions, the Principal Contact may be a lead teacher or the responsible vice principal.
- **Actively Use Balances:** The BHSDG and most BHSDG donors wish to support the high school's current programs, so we encourage active use of program balances. Program balances do not earn interest, and they should not be seen as a savings or investment account. *Do not carry a balance* — donors want the funds spent during the year that funds are donated.

- **Monitor Program Balances:** You will receive a program balance report each month. Be sure to review the report to ensure that all designated contributions have been credited, and all expenses appropriately charged.
- **Timing of Fundraising Activities:** Please time any large-scale fundraising activities so as not to coincide with BHSDG's primary fundraising mailing, which occurs in early November each year.
- **Classroom Fees.** Teachers may administer fees collected from students to help cover the cost of classroom supplies, books or activities, including field trips. This kind of payment must be clearly identified when delivered to BHSDG. We will not record mandatory class fee payments as donations. Any donations in excess of the required amount should be clearly identified in a cover note accompanying the checks.
- **Outside Grant Administration:** BHSDG is happy to serve as fiscal agent for outside grants obtained on behalf of your department or program. At the application stage, if you need to include a supporting letter from BHSDG, please request this from a BHSDG Co-president well in advance of the application deadline. If you have been awarded a grant that includes use restrictions, reporting or other requirements, please send the BHSDG a copy of the award letter or other document setting forth these requirements. You are responsible for complying with all such requirements and may not make any commitments to the funding agency on behalf of BHSDG.

Delivering Designated Contributions to BHSDG:

- **Forward Checks Promptly:** Deliver donor checks as soon as possible as a courtesy to donors. While checks are technically valid for 6 months, earlier processing assures that donations are acknowledged for the correct tax year and reduces the risk of having checks returned for insufficient funds. Checks may be mailed to the P.O. Box below or, during the school year, placed in the BHSDG's box in the Berkeley High School mail room. Please write "Attention: Deposits" on the enclosing envelope.
- **Make Checks Payable to:** "Berkeley High School Development Group" or "BHSDG."
- **Memo Line:** Write the program balance for which checks are intended in the memo line.
- **Cover Note:** Place checks in an envelope with a cover note that indicates: 1) How many checks you are enclosing, 2) The Program Balance to which they should be credited, 3) Which if any of the checks are not fully deductible contributions (e.g., a personal check substituted for cash contributions, or a contribution in exchange for which the donor received something of value), 4) In case of *cash donations only*: include donor names, addresses and amounts contributed so we can issue appropriate tax receipts and acknowledgements; and 5) A phone number or e-mail address where we can contact you with questions.
- **Copy Checks:** When sending more than 12 checks, please make two copies of each check you are sending. You may include multiple checks on a single

page so long as each *entire* check can be read, including check number and all of name and address, and attach them to your cover note. It's a good idea to keep a copy of forwarded checks until you have confirmed that they have been properly credited to the program balance.

- **Fair Market Value:** If the donor received a product or service in exchange for their donation (e.g., t-shirts, sweatshirts, a meal, auction merchandise, books, art class supplies, etc.), give 1) A description of what they received, and 2) Your estimate of its fair market value.
- **No Cash:** Do not send cash to the BHSDG. We recommend substitution of a personal check for cash contributions. If this isn't feasible, contact the BHSDG Treasurer to arrange for personal delivery of contributions that include cash. If the cash donor would like a receipt, include the donor's name, address and amount of the donation.
- Donors may mail checks directly to the BHSDG at:
Berkeley High School Development Group
PO Box 519
Berkeley, CA 94701-0519

Types of Funds Administered as Program Balances

In order to use our limited resources effectively, BHSDG limits program balances to charitable contributions, grants from non-profit organizations or government entities, and proceeds from fundraising events. We gladly accept donations and other revenues from fundraising activities conducted to support school-related trips, but we cannot serve as your "treasurer" for fees or expenses paid by participating students' families.

How Can Program Balance Funds Be Used?

Program balance funds administered by the BHSDG must be used for purposes of supporting and augmenting the educational programs and student services at Berkeley High School. Purchases made and expenses paid out of program balances must be appropriate for organizations exempt from tax under federal and California law. A school division, department or program may agree to additional constraints on the use of their designated donations or outside grants, but the principal responsibility for tracking and complying with these constraints rests with the applicable department or program. Program balance funds administered by the BHSDG must be used in accordance with the BHSDG mission statement.

How Do I Access Program Balance Funds?

Complete a [Check Request Form](#), signed by an individual responsible for the program balance. *The form must be accompanied by an invoice, receipt or other similar documentation evidencing the amount of the obligation and the identity of the person or organization to whom payment should be made.* The BHSDG will then issue a check(s) to pay or reimburse qualifying expenses and purchases out of program balance funds.

Does the BHSDG Provide Program Balance Reports?

BHSDG sends detailed statements to all program balance principal contacts at the beginning of each month.