



## **Memorandum of Understanding**

Between Denver North High School and Denver North High School Booster Club  
As of April 29, 2024

### **Purpose**

This agreement is intended to formalize the relationship between Denver North and Denver North High School Booster Club and to outline the parties' agreements governing their respective fiscal and administrative responsibilities and their legal relationship and other matters of mutual interest. These may include but are not limited to the following:

- A. Setting forth guidelines and direction for the management of funds derived from the fundraising activities of the Booster Club.
- B. Improving the transparency of matters and actions related to fundraising for the benefit of North Athletics.
- C. Supporting effective collaboration between North Athletics, the greater community, and the broader community within the surrounding neighborhood, Denver metropolitan areas, and Colorado.

### **Definitions of Entities**

**North High School** - Public High School within Denver Public Schools

**Principal** - North High School, Principal, provides leadership and stewardship for the educational programing and overall well being of the school.

**Director of Athletics** - North High School, Director of Athletics, provides leadership and stewardship for North Athletics and the overall well being of the athletic department.

**Denver North Booster Club** - The entity incorporated as a nonprofit public benefit corporation. The Booster Club's specific purpose is to provide financial support for North Athletics. This is accomplished with volunteer and fundraising efforts such as: special events, solicitation of donors, parent pledge drives, and solicitation of corporate and private sponsors.

**Advisory Board** - Group of 3 ex officio (non-voting) members of the Booster Club. This group will hold the following positions at North High School:

- Principal or Principal Designee
- Director of Athletics
- Current Head Coach (appointed by Director of Athletics)

**Executive Board** - Volunteers that will be responsible to act on behalf of the Booster Club membership. The Executive Board will manage the business affairs of the Booster Club in accordance with the established bylaws.

**Program Accounts** - Program accounts are specific to each varsity sport.

### **Agreements**

**1. Terms:**

- a. The term of this Agreement shall commence upon the date of mutual execution..
- b. The duly authorized representatives of the School is the Advisory Board.

- c. The duly authorized representatives of the Booster Club is the Executive Board.

## 2. Roles and Responsibilities:

**The roles and responsibilities of the School and the Booster Club include, but are not limited to, the following:**

### **Booster Club**

- A. To sustainably increase the financial and volunteer resources available to support the vision and mission of North Athletics.
- B. To allow the Director of Athletics to act as an ex officio (non-voting) member of the Booster Club's Executive Board.
- C. To serve as fiscal agent for North Athletics, will distribute funds as provided in Sections 3 and 4 below.
- D. To operate within sound governance and fiscal management principles as responsible stewards of significant financial resources.
- E. To carry out any other requests consistent with this MOU and consistent with the Booster Club's specific purpose as requested by the Advisory Board.

### **School**

- A. To provide oversight, input, and direction to the Booster Club that is in alignment with the vision and mission of North Athletics, and consistent with North HS mission and vision.
- B. To engage the community in obtaining input and buy-in on funding priorities.
- C. To ensure accountability and transparency in how the Booster Club funds are distributed, administered, and utilized by the school.

## 3. Management of Financial Resources

### **Collection and Management of Funds**

- A. Denver North shall not advance any funds to the Booster Club.
- B. Cash funds received by the Booster Club are to be deposited in an FDIC, NCUA or equivalent insured Interest bearing account with an established bank or credit union.
- C. The Booster Club shall at all times maintain at least one insured account as described in paragraph B above. The primary account shall be referred to as the "Booster Club Checking Account."
- D. The Booster Club shall maintain separate books of account for each allocation and program account.
- E. The Booster Club must notify the Advisory Board of any actions to open or close a bank account within 30 days of the transaction.
- F. The Booster Club may not enter into any debt instruments without prior written approval from the school.
- G. Generally accepted accounting principles will be applied to manage sub-accounts for monies collected, including, but not limited to, capital campaign funds, reserves, restricted funds, and program funds.

### **Expenditures of Funds**

- A. The Booster Club may only expend and distribute funds for the following purposes:
  - Expenses necessary and reasonable to generate funding and operate as a formal nonprofit corporation within applicable guidelines.
  - Maintaining approved budget allocations and fiscal reserves.
- B. The Booster Club shall maintain a 5% minimum reserve of cash on hand
- C. The Booster Club shall designate 2 agents to authorize expenditures for the Booster Club - Treasurer and North Director of Athletics. Disbursements above \$5,000 both signatures will be required for approval.

### **Budget Process**

- A. The Booster Club will create a draft budget for the following School year by March 1st.
- B. The Advisory Board will offer feedback on the draft budget by April 1st..
- C. The Booster Club will work to incorporate feedback and create a final draft budget before the Spring meeting. The Advisory Board can request further edits if needed.
- D. The Booster Club will vote to approve the next school year's budget in the Spring meeting.

## 4. Reporting Requirements

- A. The Booster Club will publish an annual report for the previous fiscal year in accordance with the requirements set for in the bylaws.
- B. The Booster Club shall conduct an annual fiscal review in accordance with generally accepted accounting principles applicable to a 501 (C) (3) corporations. The audit will be completed and sent to the Advisory Board after receiving.

**5. No Agency Relationship**

- A. The parties recognize that the Booster Club and the school are each separate legal entities and except as provided in this MOU or otherwise provided in their respective bylaws have no control over the operations and governance of such entity.
- B. In accordance with its specific nonprofit public benefit corporate purpose and IRS determination; The Booster Club shall act in the role of a supporting organization to North Athletics.
- C. North or North Athletics shall have no authority to enter into a contract that would bind the Booster Club, nor extend the credit of the Booster Club to any third person or party.
- D. The Booster Club shall have no authority to enter into a contract that would bind the North or North Athletics, nor extend the credit of North to any third person or party.

**6. Liability**

- A. North will not be liable for any errors, omissions, debts, or obligations made or entered into by the Booster Club prior to and after the date of this MOU.
- B. The Booster Club will not be liable for any errors, omissions, debts, or obligations made or entered into by North prior to and after the date of this MOU.
- C. It is the intent of the parties that the Booster Club shall be responsible for its own debts and obligations. Nothing in this MOU shall be construed as imposing on North and any liability arising out of the operations of the Booster Club, except as such liability may result from the provision of services by the Booster Club.
- D. North shall not hold the Booster Club or its Executive board personally or collectively liable for failure to meet North Athletics fundraising goals.

**7. Employees and Subcontractors**

- A. The Booster Club shall not employ personnel. They may subcontract services to independent contractors in accordance with this MOU.
- B. The Booster Club must notify the Advisory Board prior to contracting with any entity as a primary provider of Business services (accounting, legal, etc). With the contact information for the intended provider.
- C. North must notify the Booster Club in a timely manner if there are any concerns with a primary provider that may conflict with the interests, independence, or security of North. North may block or require the termination of any Booster Club contract with a provider if the Advisory Board determines that the contract and/or vendor violates school policy, or creates an unacceptable legal risk to the larger school community.

**8. Policies and Procedures**

- A. The Booster Club shall provide copies of all the Booster Club policies and procedures to the Advisory Board whenever they are created, amended or deleted.
- B. Should a conflict arise for matters governed by the terms of this MOU between the policies of the North and the policies of the Booster Club, North policies will prevail.

**9. Termination**

This MOU may be terminated only upon a material default by either party that is not cured within 10 business days of notice by the non-defaulting party to the defaulting party.