**298A.15 Entrepreneurial education funds.**

1. *Funds established — purposes.* For the purposes of enhancing student learning by encouraging students to develop and practice entrepreneurial skills at an early age and of fostering a business-ready workforce in this state, a school corporation may establish an entrepreneurial education fund at the request of a student organization or club and upon approval by the school board. An entrepreneurial education fund is a special revenue fund and shall consist only of moneys earned through entrepreneurial activities or returns on investments made for entrepreneurial purposes by the student organization or club, private donations and private contributions, and any interest earned on such moneys, that are deposited in the fund. Moneys in the fund shall be used only for investments made, or activities undertaken, for entrepreneurial purposes in accordance with this section. The student organization or club may designate an entrepreneurial purpose for the use of moneys in the fund in accordance with this section. A school corporation may expend moneys in the fund for use by the student organization or club in accordance with this section upon approval of the designated entrepreneurial purpose by the school board. A school organization or club shall deposit any return on an investment made with moneys from the fund in the school corporation's entrepreneurial education fund. The school corporation shall not transfer or contribute to the fund any other moneys that are not moneys earned through entrepreneurial activities or returns on investments made for entrepreneurial purposes by the student organization or club.

2. *Funds transferred.* At the request of a student organization or club and upon approval by the school board, a school corporation shall transfer moneys in a student activity fund established under section 298A.8, for deposit by the student organization or club in an entrepreneurial education fund. However, a school corporation shall not transfer such moneys unless the moneys are attributable through appropriate documentation to the specific student organization or club and unless the student organization or club shows through appropriate documentation that the student organization or club earned the moneys through entrepreneurial activities as defined in subsection 5, paragraph *"a"*.

3. *Conflicts of interest prohibited.* A student organization or club shall not invest moneys from an entrepreneurial education fund for an entrepreneurial purpose in which a member of the student organization or club, an advisor or supervisor of the student organization or club, or an immediate family member of such persons, has a financial interest. Sections 279.7A and 301.28 apply to this section.

4. *Fund closure.* A school corporation shall close an entrepreneurial education fund at the request of the student organization or club for which the school corporation established the fund. All moneys in the fund on the date of closure and any subsequent return on an investment made with moneys from the fund shall be deposited in the school corporation's student activity fund established under section 298A.8.

5. *Definitions.* For purposes of this section:

*a. "Entrepreneurial activities"* means starting, maintaining, or expanding a business venture, including a seasonal business venture, or rendering other labor or services in return for compensation. *"Entrepreneurial activities"* does not include charitable contributions or other donations or gifts received by the student organization or club for which no labor or services are rendered.

*b. "Entrepreneurial purpose"* means establishing or investing in a start-up company, early-stage company, or existing company developing a new product or new technology if the investment is in keeping with the education program of the school corporation; if the student organization or club or its members will, as a stated condition of the investment, take an active role in the company which active role directly relates to and furthers the educational purposes for which the student organization or club is established; and if a reasonable return upon the investment is expected.

*c. "Immediate family member"* means a spouse; natural or adoptive parent, child, or sibling; or stepparent, stepchild, or stepsibling.

2013 Acts, ch 71, §3 – 5

Referred to in **§11.6, §12B.10**

Subsection 2 applies to moneys in a student activity fund in existence on or after April 25, 2013, that are attributable to a specific student organization or club and were earned by the organization or club through entrepreneurial activities; 2013 Acts, ch 71, §5