



**Club Information  
and  
Membership Manual**

**Last Update: September 26, 2014**

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## Introduction

Welcome to the Square Dance Federation of Minnesota! We are excited to have you join our organization. The Square Dance Federation of Minnesota (Federation) is organized under Minnesota law and is a tax-exempt 501(c)(3) nonprofit organization under the Internal Revenue Code.

This club information and membership manual is intended to help you complete the documentary requirements to become a member of the Federation. Once you complete the basic membership required documents, we will take care of most of the rest of the ongoing administrative requirements. That is one benefit of becoming a member!

All of the steps in this manual will need to be completed for a club to be included in the Federations 501(c)(3) filing. These steps include: 1. Incorporation of Club, 2. State Nonprofit Status, 3. Employee Identification Number (EIN), 4. MN State Sales Tax Number 5. Club Constitution and By-laws, 6. Federation Membership Procedures.

Some clubs have one or more steps completed already. This manual is arranged in the best order of completion. Each step has directions for completing and sample templates are included where applicable.

To be included in the Federation's initial filing, clubs need to submit the form on page 17 and the accompanying documents by December 1, 2014. This will give us time to verify all the information and complete the filing process.

What if your club can't complete all the steps by this date? DON'T WORRY! Complete the steps as soon as you can and your club can be included from the date that the Federation receives and verifies all the required materials.

For-profit clubs wishing to be members of the Federation only need to complete the Federation Membership Procedures section of this manual. You are responsible for your own tax compliance.

Questions? Please feel free to contact the Federation President.

2014-2015 Federation President  
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# Incorporation

All clubs need to be incorporated in the State of MN (or their respective state). Incorporation protects the club, its officers and its members. It also gives you the corporate entity that can be a nonprofit corporation affiliate of the Federation.

## **If your club is already incorporated as a NONPROFIT.**

No changes need to be made to your Article of Incorporation (unless you choose to do so). Please ensure that you have a copy for your files. If you don't have a copy, one may be ordered from the MN Secretary of State's Office. See steps 1-5 of the Minnesota Nonprofit Status Directions to check your status or to order a copy of your Articles of Incorporation. You will need to submit a copy to the Federation for their files.

## **If your club is NOT incorporated**

You will need to complete Articles of Incorporation for your club and file them with the Secretary of State's Office. The following template may be used if your club doesn't have this document. The portions in **red** must be included in order for the club to be included under the Federation's 501(c)(3) IRS exemption (Article numbers may be changed as needed). All other portions can be included/excluded at the club's discretion. If something isn't covered – add a section that fits your needs. **Blue** indicates where club specific information needs to be inserted.

For filing instructions see steps 15-20 of the Minnesota Nonprofit Status Directions.

## **Articles of Incorporation of the     (Name)     SQUARE DANCE CLUB**

### **ARTICLE I NAME**

The name of this organization shall be: \_\_\_\_\_.

### **ARTICLE II PURPOSE**

**The Club is organized and shall be operated exclusively for charitable and educational purposes, within the meaning of Sections 170(c)(2) and 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"). Within the limitations established by the preceding sentence, the Club is organized and shall be operated primarily:**

- 1) To educate the public about heritage dancing, including square, round, clogging, contra, line and ethnic dancing.
- 2) To promote a spirit of friendship and understanding.
- 3) To conduct an annual business meeting providing for the election of officers.

- 4) To conduct or sponsor educational panels, workshops, seminars, and classes to teach Modern Square and Round dancing.

### **ARTICLE III Restrictions**

- 1) Notwithstanding any other provisions of these Articles, the restrictions set forth in this Article III shall govern the activities of this corporation.
- 2) This corporation shall not engage in any activity which may not be carried on (i) by an organization which is exempt from federal income taxation under Section 501(a) of the Code by virtue of being described in Section 501(c)(3) of the Code, or (ii) by an organization the contributions to which are deductible under Sections 170(c)(2), 2055(a) and 2522(a) of the Code.
- 3) This corporation shall not, incidentally or otherwise, afford or pay any pecuniary gain, dividends, or other pecuniary remuneration to its members, and no part of the net income or net earnings of this corporation shall, directly or indirectly, inure to the benefit of or be distributed to any member, director, officer or other private individual. This corporation shall not lend any of its assets to any officer, director, or member of this corporation, or guarantee to any person the payment of a loan by any officer, director, or member of this corporation. Nonetheless, this corporation may pay reasonable compensation for services rendered and for supplies furnished to this corporation in furtherance of the purposes set forth in Article II above.
- 4) This corporation shall not, as a substantial part of its activities, attempt to influence legislation by propaganda or otherwise. This corporation shall not participate in or intervene in any political campaign on behalf of or in opposition to any candidate for public office (whether the publishing or distributing of statements or otherwise).

### **ARTICLE IV MEMBERSHIP**

- 1) Individuals become members of the Club by subscribing to the rules and regulations of the Club.
- 2) No one shall be denied membership or office on the basis of race, color, creed, sex, religion, age, disability, sexual orientation, marital status, national origin or political affiliation.

### **ARTICLE V GOVERNANCE**

- 1) The governance of this organization shall be vested in an Executive Board, duly elected and/or appointed as prescribed in the Bylaws.
- 2) The initial Board of Directors consists of (3 or more), their names and addresses are as follows:

\_\_\_\_\_,  
\_\_\_\_\_,  
\_\_\_\_\_

**ARTICLE VI  
NO PERSONAL LIABILITY**

The officers and members of the Club shall not be personally liable to any extent whatsoever for any debts or obligations of the Club, nor shall any property of any officer, director or member be subject to the payment of the debts or obligations of the Club.

**ARTICLE VII  
DISSOLUTION**

This corporation may be dissolved in accordance with the Laws of the State of Minnesota. Upon dissolution of this corporation, and after the payment of all liabilities and obligations of this corporation and all costs and expenses incurred by this corporation in connection with such dissolution, and subject always to the further provisions of this Article VIII, any remaining property shall be distributed to one or more organizations that are exempt from federal income taxation under Section 501(a) of the Code by virtue of being described in Section 501(c)(3) of the Code, or to the United States government, or to the State of Minnesota, or any political subdivision or agency of the State for exclusively public purposes, all in such proportions as shall be determined (i) by the Board of Directors of this corporation if the dissolution of this corporation is not required by the laws of the State of Minnesota then in existence to be conducted under court supervision, or (ii) by a court of competent jurisdiction if the dissolution of this corporation is required by the Laws of the State of Minnesota then in existence to be conducted under court supervision. Notwithstanding anything apparently or expressly to the contrary contained in this Article VIII, if any assets are then held by this corporation in trust or upon condition or subject to any executory or special limitation, and if the condition or limitation occurs by reason of the dissolution of this corporation, such assets shall revert or be returned, transferred, or conveyed in accordance with the terms and provisions of such trust, conditions, or limitations, provided that such assets shall not be distributed to the corporation's members, directors or officers.

**ARTICLE VIII  
REGISTERED OFFICE ADDRESS**

The principle office of this corporation shall be located at \_\_\_\_\_

**ARTICLE IX  
INCORPORATOR**

The name and address of the incorporator, who is an adult, natural person, is:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_(Electronic Signature is OK)\_\_\_\_\_, Incorporator      Date: \_\_\_\_\_

## Minnesota Nonprofit Status

All clubs will need to achieve and/or maintain their Minnesota nonprofit status. You will need to access the Minnesota Secretary of State website to complete this process.

1. Go to: <http://mblsportal.sos.state.mn.us>
2. Click on the “**Advanced Options**” button.
  - a. This will allow you to change the “**Search Scope**” button to “**Contains**” which makes it easier to see if your club is already in their system. You may need to try a variety of words/parts of your club name in order to find your club.
  - b. Leave “**Filing Status**” as “**Active**”
  - c. Click “**OK**”
  - d. Search for your club name – if found move on to #3
  - e. If you didn’t – Click the “**Advanced Options**” button again
  - f. Change the “**Filing Status**” to “**Inactive**”
  - g. Click “**OK**”
  - h. Search for your club name again – if found move on to #3
  - i. If still not found – ensure that you have completed Articles of Incorporation for your club and move to step #15
3. Click “**Details**” next to your business name.
4. If copies are needed – select “**Order Copies**”. You do not need a certified copy. It is suggested that you order “**Copy of Original Filing and All Amendments**” to ensure you have the most recent filing.
5. Save or Print this page for reference. This is the page that needs to be submitted to the Federation (with the correct Renewal Due Date). You will also need this information to complete the renewal form.
6. Click “**File Amendment or Renewal**” at the top of the page.
7. If you can file a renewal – do so!
8. Select the appropriate amendment or renewal. Both the “**Annual Renewal - Nonprofit Corporation (Domestic)**” and the “**Annual Reinstatement – Nonprofit Corporation (Domestic)**” are free of charge to do on-line.
9. You may also change the “**Registered Office**” free of charge on-line.

10. Note: There is a fee to change the “**Registered Agent**”. This field is not required when you complete your application.
11. Download, complete and save the appropriate documents. DO NOT close the webpage, you will need to return to this page to upload your completed PDF document.
12. To file on-line - Complete all the required fields on the submittal page and follow their instructions.
13. To file by mail or in person – Follow the instructions on the second page of the PDF.
14. This needs to be completed yearly by December 31<sup>st</sup>.
15. Return to original link: <http://mbportal.sos.state.mn.us>
16. Scroll down and select “**Original Filing – Nonprofit Corporation (Domestic)**”.
17. Select “**No**” for professional status question and Click “**Next**”
18. Enter the EXACT name you wish to file for your club.
19. If it says the name is available – proceed with filing by clicking “**File Nonprofit Corporation (Domestic)**”
20. Follow the instructions on screen. Reminder: You don’t need to list a name for the Registered Agent.

## Employee Identification Number (EIN)

Every club needs to have their own employee identification number (EIN). This should not be someone's personal social security number. An EIN is used to identify a business entity for tax administration purposes. This number is required to open a checking account for your club.

To complete the process on-line go to: <https://sa.www4.irs.gov/modiein/individual/index.jsp> and follow the instructions on the screen. The IRS recommends having Adobe Reader installed before you begin the application process. (You can download here: <http://get.adobe.com/reader/>)

You may also complete the form on the computer to mail. Download a pdf form at: <http://www.irs.gov/pub/irs-pdf/fss4.pdf>

### **Line-by-line Instructions**

Follow these instructions to avoid unnecessary delays in the processing of your application. If something doesn't apply – just leave the line blank.

**Line 1:** Legal name of your club (Name used to Incorporate)

**Lines 2 & 3:** Blank

**Line 4 a-b:** Mailing address of responsible club person

**Line 5 a-b:** Street address only if different than Line 4.

**Line 6:** County and State you dance in.

**Line 7:** You must enter the Full Name and Social Security Number of the responsible club member. This social security number is never referred to or listed anywhere again after the issuing of the EIN.

**Line 8a:** Check "No"

**Line 9a:** Entity – Check box "Other nonprofit organization" and specify "Educational"

**Line 9b:** State where your club is incorporated.

**Line 10:** Check "Banking Purpose" and specify "Open Account"

**Line 11:** Use Current Date

**Line 12:** December

**Line 13:** Enter "0" in all three categories

**Lines 14 & 15:** Blank

**Line 16:** Check "Other" and specify "Education"

**Line 17:** Enter "Educate public about square and round dancing"

**Line 18:** Check "No"

## **MN State Sales Tax ID Number**

Even with a 501(c)(3) Non-profit status with the IRS, we still need to pay state sales & use tax on our gate admission fees in MN. If your average monthly reported TAX (not income) is less than \$100 then your Sales & Use tax is due each year by February 5<sup>th</sup>.

### **For clubs that already have a State Sales Tax ID Number:**

The easiest way to file is to use e-Services provided on the Minnesota Department of Revenue Website at: <http://www.revenue.state.mn.us/businesses/sut/Pages/File-and-Pay.aspx> Follow the instructions on this page to complete your yearly filing.

### **For clubs that DON'T have a State Sales Tax ID Number:**

To register go to the Minnesota Department of Revenue Website at:  
<http://www.revenue.state.mn.us/businesses/Pages/Business-Registration.aspx>

This page contains links to register for a MN Tax ID number by web, phone or paper. There are **a lot** of questions on this application that **won't apply** to your club. Don't worry! Just leave these questions blank.

# Constitution & By-Laws

The following templates may be used if your club doesn't have these documents already. These are flexible documents that you can tailor to your club. Nothing in your club constitution or by-laws can contradict anything in the Federation's. The portion's in red must be included in order for the club to be included under the Federation's 501(c)(3) IRS exemption (Article numbers may be changed as needed). All other portions can be included/excluded at the club's discretion. If something isn't covered – add a section that fits your needs. Blue indicates where club specific information needs to be inserted.

## Constitution and Bylaws of the \_\_\_\_\_(Name)\_\_\_\_\_ SQUARE DANCE CLUB Effective (Insert date)

### MISSION STATEMENT

To promote and educate about Modern Square and Round Dancing in all its heritage forms.

### CONSTITUTION

#### ARTICLE I NAME

The name of this organization shall be: \_\_\_\_\_.

#### ARTICLE II PURPOSE

The Club is organized and shall be operated exclusively for charitable and educational purposes, within the meaning of Sections 170(c)(2) and 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"). Within the limitations established by the preceding sentence, the Club is organized and shall be operated primarily:

- 1) To educate the public about heritage dancing, including square, round, clogging, contra, line and ethnic dancing.
- 2) To promote a spirit of friendship and understanding.
- 3) To conduct an annual business meeting providing for the election of officers.
- 4) To conduct or sponsor educational panels, workshops, seminars, and classes to teach Modern Square and Round dancing.

**ARTICLE III  
Restrictions**

- 1) Notwithstanding any other provisions of these Articles, the restrictions set forth in this Article III shall govern the activities of this corporation.
- 2) This corporation shall not engage in any activity which may not be carried on (i) by an organization which is exempt from federal income taxation under Section 501(a) of the Code by virtue of being described in Section 501(c)(3) of the Code, or (ii) by an organization the contributions to which are deductible under Sections 170(c)(2), 2055(a) and 2522(a) of the Code.
- 3) This corporation shall not, incidentally or otherwise, afford or pay any pecuniary gain, dividends, or other pecuniary remuneration to its members, and no part of the net income or net earnings of this corporation shall, directly or indirectly, inure to the benefit of or be distributed to any member, director, officer or other private individual. This corporation shall not lend any of its assets to any officer, director, or member of this corporation, or guarantee to any person the payment of a loan by any officer, director, or member of this corporation. Nonetheless, this corporation may pay reasonable compensation for services rendered and for supplies furnished to this corporation in furtherance of the purposes set forth in Article II above.
- 4) This corporation shall not, as a substantial part of its activities, attempt to influence legislation by propaganda or otherwise. This corporation shall not participate in or intervene in any political campaign on behalf of or in opposition to any candidate for public office (whether the publishing or distributing of statements or otherwise).

**ARTICLE IV  
MEMBERSHIP**

- 1) Individuals become members of the Club upon payment of the prescribed annual dues and by subscribing to the rules and regulations of the Club.
- 2) No one shall be denied membership or office on the basis of race, color, creed, sex, religion, age, disability, sexual orientation, marital status, national origin or political affiliation.
- 3) Individual membership year shall be January 1 to December 31.
- 4) Individuals who are Club members shall be entitled to vote at any and all Club General Membership meetings.

**ARTICLE V  
GOVERNANCE**

The governance of this organization shall be vested in an Executive Board, duly elected and/or appointed as prescribed in the Bylaws.

**ARTICLE VI  
NO PERSONAL LIABILITY**

The officers and members of the Club shall not be personally liable to any extent whatsoever for any debts or obligations of the Club, nor shall any property of any officer, director or member be subject to the payment of the debts or obligations of the Club.

**ARTICLE VII  
FISCAL YEAR**

The fiscal year shall be from January 1 to December 31

**ARTICLE VIII  
DISSOLUTION**

This corporation may be dissolved in accordance with the Laws of the State of Minnesota. Upon dissolution of this corporation, and after the payment of all liabilities and obligations of this corporation and all costs and expenses incurred by this corporation in connection with such dissolution, and subject always to the further provisions of this Article VIII, any remaining property shall be distributed to one or more organizations that are exempt from federal income taxation under Section 501(a) of the Code by virtue of being described in Section 501(c)(3) of the Code, or to the United States government, or to the State of Minnesota, or any political subdivision or agency of the State for exclusively public purposes, all in such proportions as shall be determined (i) by the Board of Directors of this corporation if the dissolution of this corporation is not required by the laws of the State of Minnesota then in existence to be conducted under court supervision, or (ii) by a court of competent jurisdiction if the dissolution of this corporation is required by the Laws of the State of Minnesota then in existence to be conducted under court supervision. Notwithstanding anything apparently or expressly to the contrary contained in this Article VIII, if any assets are then held by this corporation in trust or upon condition or subject to any executory or special limitation, and if the condition or limitation occurs by reason of the dissolution of this corporation, such assets shall revert or be returned, transferred, or conveyed in accordance with the terms and provisions of such trust, conditions, or limitations, provided that such assets shall not be distributed to the corporation's members, directors or officers.

**ARTICLE IX  
AMENDMENTS**

This Constitution may be amended upon a resolution of the Executive Board proposing an amendment and approved by two-thirds (2/3) of all member votes cast.

# BYLAWS

## ARTICLE I MEMBERSHIP

- 1) Individuals become members of the Club by paying membership dues and abiding by all other guidelines set forth.
- 2) Dues shall be set by the Executive Board, but may be modified by a vote of the membership.
- 3) 100% of the club members must be members of the Federation. A Club roster along with any Federation membership monies collected must be submitted to the Federation.
- 4) A Club must have a minimum Executive Board of a President and a Secretary/Treasurer

## ARTICLE II General Membership Meetings

- 1) The annual meeting of the general membership shall be held at the time and place set by the board.
- 2) A quorum at General Membership Meetings shall consist of **thirty (30) members**, or 10% of the membership, whichever is less
- 3) Individual members shall have one (1) vote.
- 4) A special meeting of the general membership may be called by the Executive Board.
- 5) The members may call a special meeting of the membership by presenting a petition to the President, signed by at least **30 members** or 10% of the membership, whichever is less.
- 6) Notice of a special meeting must be distributed to the membership. Such notice shall include the reasons a special meeting is being called.

## ARTICLE III THE EXECUTIVE BOARD

- 1) The Executive Board shall be the **President, Vice President, and Secretary/Treasurer. (Minimum of two officers)**
  - a) Each office will be filled by an individual or couple.
  - b) Each office shall have one (1) vote.
- 2) The Vice President shall advance to the office of President the term following his/her Vice Presidency or upon the occurrence of a vacancy in the office of President.
- 3) The Vice President, and Secretary/Treasurer, shall be elected at the Annual Meeting by ballot.
  - a) On the first ballot, a plurality of votes cast for a position shall be necessary for election. In case of a tie, there shall be a second vote between the tied candidates.
- 4) The term of office shall be **one year, from Annual Meeting to Annual Meeting**, or until replaced by a duly elected or appointed officer. The Vice President moves to the office of President with the “passing of the gavel.” All other officers transfer duties immediately following the close of the meeting.
- 5) All members of the Executive Board will support the Club in all of their actions and will not support or participate in actions contrary to those of the Club.
- 6) All officers of the Club shall serve without compensation.

**ARTICLE IV  
DUTIES OF THE EXECUTIVE BOARD**

- 1) The powers and duties of the Club officers shall be those customarily granted or imposed in statute by the state of Minnesota, or as stated in these by-laws or appended documents.
- 2) The Executive Board shall be responsible for the general welfare of the Club, initiating such actions and policies as, from time to time, may be needed to comply with the purposes of the Club.
- 3) The President may appoint any auxiliary officers or committees as may be deemed necessary to advance the interests of the Club.
- 4) Checks issued on the treasury of the Club shall carry the signature of either the Treasurer or the President of the Club.
- 5) The Treasurer shall issue a financial report at each meeting and a complete year-end report at the close of the fiscal year. These reports shall be made in accordance with generally accepted accounting principles.
- 6) The Secretary shall maintain a complete set of records.

**ARTICLE V**

These Bylaws may be amended upon a resolution of the Executive Board proposing an amendment and approved by a majority of all member votes cast.

## Federation Membership Procedures

As part of your Federation membership, we provide club liability and individual secondary medical coverage insurance through the United Square Dancers of America (USDA). This cost is included in your membership dues. Another benefit of membership is the opportunity to be included in our annual membership directory.

Clubs need to submit the following member information to the Federation: Name, Address, Phone Number, E-mail address. A member may choose to purchase a directory for personal use. No specific form needs to be used to gather this information, clubs may do what they choose. Specific instructions on submitting this information can be found at: <http://mnfederationmembers.org/federationmembership/default.aspx>

Clubs may also need to submit the following forms. Current copies may be found on our website at: [www.squaredanceminnesota.com](http://www.squaredanceminnesota.com)

\*Certificate of Insurance Request – Complete this form to request a Certificate of Liability Insurance for all your dance locations and events.

\*Group Travel Form – Use to request coverage for group travel with a licensed commercial carrier.

\*Club Class Form – Submit following your first club lesson. Student costs are covered by the Federation.

# Initial Club Report to the Federation – Due: December 1, 2014

Date: \_\_\_\_\_

Name of Club: \_\_\_\_\_

Employer Identification Number (EIN): \_\_\_\_\_

State Nonprofit File Number (Secretary of State Filing): \_\_\_\_\_

State Sales Tax Number: \_\_\_\_\_

Attach the following documents:

- A copy of the club's page from the Secretary of State's website (showing Active status with next year's renewal date).
- A copy of the club's Articles of Incorporation
- A copy of the club's Constitution & By-laws

## **Club Statement**

Our club wishes to be included in the application for a group exemption letter being submitted by our parent organization, Square Dance Federation of Minnesota, and is willing to be recognized as a 501(c)(3) from the date that "application for group exemption letter" is filed.

- Our club's fiscal year dates are January 1-December 31.
- Our club is not a private foundation that is funded by a family or a special group.
- Our club has an annual gross income that is less than \$50,000.

Printed name of President: \_\_\_\_\_

Signed name of President: \_\_\_\_\_

Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_

Phone Number: \_\_\_\_\_

E-mail: \_\_\_\_\_

# Annual Club Report to the Federation – Due: December 1

Date: \_\_\_\_\_

Name of Club: \_\_\_\_\_

Employer Identification Number (EIN): \_\_\_\_\_

State Nonprofit File Number (Secretary of State Filing): \_\_\_\_\_

State Sales Tax Number: \_\_\_\_\_

Attach the following documents:

- A copy of the club's page from the Secretary of State's website (showing Active status with the next year's renewal date).

Only if updated in the last year:

- A copy of the club's Articles of Incorporation
- A copy of the club's Constitution & By-laws

## **Club Statement**

Our club wishes to remain included in the group exemption under our parent organization, Square Dance Federation of Minnesota.

- Our club's fiscal year dates are January 1-December 31.
- Our club is not a private foundation that is funded by a family or a special group.
- Our club has an annual gross income that is less than \$50,000.

Printed name of President: \_\_\_\_\_

Signed name of President: \_\_\_\_\_

Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_

Phone Number: \_\_\_\_\_

E-mail: \_\_\_\_\_