

EATON RAPIDS BAND BOOSTERS

Meeting Minutes – October 13, 2010 High School Library, 6:15 pm

Welcome and Introductions

The following people were in attendance: Chris Larson, James Crandall, Joyce Crandall, Mary Kelley, Katie Kelley, Lori Althouse, Mary Boulanger, Patsy Baker, Chris Rupp, John Greathouse, John Fata, and Lisa Fata

Officer Reports and Standing Business Items

- President – Chris Larson
 - Most everything is lined up for donor recognition at Greyhound Spectacular
 - Plaques are ordered, etc.
 - Information will be in the program for the middle school concert
- 1st VP (High School Support) – Lori Althouse
 - Parade went well. The students had water and got fed.
 - This week's football game is Senior night. It will be during pre-game.
 - Saturday is MSBOA
- 2nd VP (Fundraising) – Everyone
 - 2009/10 Concert CDs – Chris Larson
 - All concert CD's have been mailed out. The 2009 Holiday Concert CDs will not be duplicated. Current band families have been offered a free 2010 Holiday Concert CD. Refunds were given to families who no longer have a student in band.
 - Amy Henderson will help us with all concert CD sales at all concerts. She has a student in band at all levels.
 - Football Game Visitors Concessions – Kris Ziemer
 - Workers are needed for this Friday night during half-time. An email will be sent out to make a plea for volunteers
 - This is a great fundraiser. We really need some volunteers to learn the ropes this year for next year.
 - Holiday Wreath Sales – Mary Kelley
 - Sales go from Today through November 15th
 - Rick Carpenter from Carpenter tree farm was here to share some information. Students come and make the product and make good employees later.
 - Profits for each item have been outlined.
 - Great opportunity – many students have paid for trips, band camp, etc. with money from this fundraiser.
 - Applications for workers will be available. They start hiring workers at age 14.
 - Many area businesses are always great buyers from the band wreath sales
 - Because participation has been very low in recent years, advertising and opportunity are very important
 - See handout from Mary Kelley
 - Facebook event will be set up and will reach many groups.
 - Form will be available for download on the band website. Those will be mailed to Mary Kelley.
 - Offering student incentives – Can boosters offer gift cards for each grade 5-8 and hs band? Moved Boulanger, seconded baker for boosters to spend \$200 on giftcards.

- We will need to have volunteers to sell on the Hometown Christmas Parade Day. Because the middle school students will be playing before the parade, perhaps we can tap into their parents to help with sales.
- Mary Kelley will be at the middle school concert tomorrow.
- Lori Althouse will take the packets to the 5-6 building.
- Band group photo will be taken on the night of the Greyhound Spectacular
- Communications/Secretary – Mary Kay Boulanger
 - Minutes from the September Band Booster meeting approval moved by Althouse, seconded by Rupp. Motion approved.
- Treasurer – Patsy Baker
 - See attached Treasurer's Report. Motion to accept Greathouse, second Fata. Motion approved
 - Last week the visitor concession stand made \$470
 - Band camp Bus was paid
 - Half time show – an additional \$400 will be coming out of that fund.
 - Bills coming in for Half time show, color guard supplies, and percussion/pit.
 - Half time show expenses are within the budget.
 - Support – food bills are coming in from last weekend.
 - A check from Dowding -- \$250 – Dowding requested for the band to come and play. Volunteer band members went and played. This money was a donation to band boosters in appreciation for that performance. This money should go to the Band Boosters general fund.
 - Mary Kay Boulanger will send a thank you note from Band Boosters
 - Bills were presented for payment. These are covered in the budget. No action required.
- Member-At-Large (GIS & MS Support) – Cheryl Smith
 - Absent with prior notice
 - Everything is set for support for the concert tomorrow night

Director and Band Council Reports

- High School – Adam Gumbrecht
- Middle School /Greyhound Intermediate – Chris Rupp
 - Middle School concert tomorrow night at 7pm.
 - December combined choir/ band concert
 - Hometown Christmas – 8th grade will not march
 - 5th grade students have started on their instruments
 - ERPS Bond Proposal – Band Instruments can be purchased with a minimum of \$50,000. Phone volunteers are needed. Volunteers will be given a script and a list of people to call.
- Band Council – Becky Fether

Report in writing – see chris larson's agenda...

Old Business:

- **Band Photo Site** – exploring options. There have been discussions about this between John Greathouse, Chris Larson and Adam Gumbrecht
- **Marching Band Student Pictures w/ Composite -- see notes**
- **2011 Band Camp** – confirmed for the last week of July 23rd – 30th – Coordinator – James Crandall, Assistant Coordinators Lori Althouse and Joyce Crandall. A committee has been formed to discuss the timeline for payments, etc. for camp.

- Fiscal Year Accounting change – By law changes – proposal brought forth from Lori Althouse for group discuss at the next meeting. Motion to amend the bylaws by Althouse seconded by Rupp. Motion approved. Discussion of proposed by law changes will occur at the November meeting.
 - Volunteers needed to chaperone please contact James Crandall...
- **Financial Policies and Internal Controls** – We need financial policies and procedures. Handout from Patsy Baker. Motion to adopt the proposed the financial policies and internal controls by baker seconded Boulanger
 - Discussion of the proposal ensued.
 - Motion to amend #4 under Bank Account to read ... “Another active band booster member without check signing priviledges should review the
 - Motion was made to amend #3 under Bank Account to delete everything after “two officers”. The motion was not seconded. The motion failed.
 - Motion approved.

New Business:

- No new business

Announcements:

Band Booster Meeting Schedule (*meetings start at 6:30pm in the High School Band Room unless noted*)

November 9, 2010: MS Band Room (MS Parent/Teacher Conferences).

December 14, 2010: Will be rescheduled, high school concert night

January 11, 2011:

February 8, 2011: 2011 Marching Fees and Payment Schedule Set

March 8, 2011:

April 12, 2011: 2011/12 Budget Presentation and Officer Nominations

May 10, 2011: 2011/12 Budget Approval and Officer Elections

June 7, 2011:

5:13 PM
09/15/10
Accrual Basis

ER Band Boosters
Profit & Loss Budget vs. Actual
July 2010 through June 2011

	<u>Jul '10 - Jun 11</u>	<u>Budget</u>	<u>\$ Over Budget</u>
Income			
Fundraising/Income			
2011 Value Cards	\$ -	\$ 500.00	\$ (500.00)
CD Sales	\$ -	\$ 750.00	\$ (750.00)
Concert Raffles	\$ -	\$ 400.00	\$ (400.00)
Farmer's Market	\$ 991.16	\$ 1,000.00	\$ (8.84)
Football Concessions	\$ -	\$ 500.00	\$ (500.00)
Interest Income	\$ 4.37	\$ 100.00	\$ (95.63)
Meijers Rewards	\$ -	\$ 130.00	\$ (130.00)
Script	\$ -	\$ 50.00	\$ (50.00)
Silver Bells	\$ -	\$ 250.00	\$ (250.00)
Traveling Store	\$ -	\$ 50.00	\$ (50.00)
Wreath Sales	\$ -	\$ 250.00	\$ (250.00)
Total Fundraising/Income	<u>\$ 995.53</u>	<u>\$ 3,980.00</u>	<u>\$ (2,984.47)</u>
Expense			
Administrative			
Miscellaneous			
Guest Clinician	\$ -	\$ 300.00	\$ (300.00)
Miscellaneous - Other	\$ -	\$ 250.00	\$ (250.00)
Total Miscellaneous	<u>\$ -</u>	<u>\$ 550.00</u>	<u>\$ (550.00)</u>
MS Transportation	\$ -	\$ 300.00	\$ (300.00)
Postage	\$ -	\$ 50.00	\$ (50.00)
Trailer	\$ -	\$ 300.00	\$ (300.00)
Website, P. O. Box, etc.	\$ -	\$ 125.00	\$ (125.00)
Total Administrative	<u>\$ -</u>	<u>\$ 1,325.00</u>	<u>\$ (1,325.00)</u>
Band Banquet			
Awards (pins, letters, etc.)	\$ -	\$ 1,800.00	\$ (1,800.00)
Lynn Redburn Memorial	\$ -	\$ 100.00	\$ (100.00)
Supplies	\$ -	\$ 100.00	\$ (100.00)
Total Band Banquet	<u>\$ -</u>	<u>\$ 2,000.00</u>	<u>\$ (2,000.00)</u>
Band Camp Costs			
Band Camp Supplies	\$ 217.71		
Band Camp Transportation	\$ 587.44		
Camp Facility Fees			
Camp Reimbursements	\$ 200.00		
Camp Facility Fees - Other	\$ 14,382.00	\$ 18,500.00	\$ (4,118.00)
Total Camp Facility Fees	<u>\$ 15,387.15</u>	<u>\$ 18,500.00</u>	<u>\$ (3,112.85)</u>
Financial Aid	\$ 2,000.00	\$ 2,000.00	\$ -
Total Band Camp Costs	<u>\$ 17,387.15</u>	<u>\$ 20,500.00</u>	<u>\$ (3,112.85)</u>
Half Time Show			
Arrangement	\$ -	\$ 500.00	\$ (500.00)
Color Guard Expenses	\$ -	\$ 200.00	\$ (200.00)
Drill	\$ -	\$ 1,500.00	\$ (1,500.00)
Drum Major Camp Scholarship	\$ -	\$ 450.00	\$ (450.00)
Drumline, Pit & Color Guard	\$ 600.00	\$ 2,500.00	\$ (1,900.00)
Total Half Time Show	<u>\$ 600.00</u>	<u>\$ 5,150.00</u>	<u>\$ (4,550.00)</u>
Marching Band Support			
Christmas Lights	\$ -	\$ 500.00	\$ (500.00)
Parade Water, Cups, etc.	\$ -	\$ 150.00	\$ (150.00)
Pre-performance Food	\$ -	\$ 350.00	\$ (350.00)
Senior Flowers	\$ -	\$ 100.00	\$ (100.00)
Uniform Cleaning & gloves	\$ -	\$ 1,300.00	\$ (1,300.00)
Total Marching Band Support	<u>\$ -</u>	<u>\$ 2,300.00</u>	<u>\$ (2,300.00)</u>

MEMO

TO: Eaton Rapids Band Boosters
FROM: Mary Kelly
DATE: September 7, 2010
RE: Establishment of 501(c) tax-exempt status for
Eaton Rapids Band Boosters

* * * * *

I have done a little research concerning obtaining 501(c) status for the Eaton Rapids Band Boosters (hereafter Boosters), and have the following comments.

First, let me explain that I work for an attorney/CPA firm in Charlotte. I have actually worked as a legal secretary for 35 years, and have quite a bit of experience in the legal field. However, I am not an attorney and am not qualified to give legal advice with regard to what the Boosters should or should not do with regard to becoming a charitable organization. The purpose of this memo is only to outline for you what I have uncovered in researching this topic, and to help outline the steps the Boosters may need to take to accomplish the goal of becoming a 501(c) tax-exempt organization.

At the last Booster meeting, Chris Larson mentioned that the Boosters expect to need the services of an attorney to help you accomplish your goals. After reading through the legal process, I think that you could probably do part of the process yourself under the "guidance" of an attorney. Eventually, you would definitely need an attorney or CPA with experience in filing tax-exempt status forms with the IRS.

Someone has probably looked into this process already and I apologize if I am repeating what you already know. The following is a summary of what I found out in my research.

It appears that there is a two-phase process you need to go through. The first phase is setting up a non-profit corporation with the State of Michigan and the second phase is applying for tax-exempt status for that non-profit corporation from the Internal Revenue Service. The first phase requires that several steps be followed. The steps include:

- 1) Selecting a name and possibly reserving it with the Michigan Corporation Division;
- 2) Drafting "Articles of Incorporation" for the company;
- 3) Filing the Articles with the State of Michigan (there is a fee of less than \$20);
- 4) Drafting "Bylaws," if you think your activities warrant formal rules governing the operation of the Boosters;
- 5) Creating a "corporate record book" to keep your documents in and your monthly meeting minutes;
- 6) If you hold property for charitable purposes, you must register as a trust with the Michigan Attorney General's Charitable Trust Division. (This step may not apply to the Boosters; your legal counsel should be consulted.)
- 7) If you intend to solicit contributions for charitable purposes, you have to register and obtain a charitable solicitation license. (Again, this step may not apply to the Boosters, either, although legal counsel should be consulted.)
- 8) Apply for an Employer Identification Number (EIN) to use in all your dealings with the IRS.

After completing these steps, you move on to phase two, which is to file the required documentation with the IRS to qualify for tax-exempt status. You have 27 months from the date you form the corporation to file for tax-exempt status with the IRS.

Because there are a number of decisions that need to be made on behalf of the corporation you are forming, it seems like a good way to start would be by first forming a committee that would be responsible for making all the decisions on behalf of all the members. The committee would have to have absolute authority to make decisions on behalf of the entire group. For instance, decisions need to be made concerning the following (and this is just a partial list):

- (a) Whether you want to run the corporation as a directorship (using a board of directors), a membership (whereby you adopt rules limiting the number and qualifications of members), or a stock corporation (where stock is issued in the company);
- (b) The quorum requirements for meetings, if you decide to be a membership or stockholder corporation as opposed to a directorship;
- (c) A non-profit corporation must have a president, secretary and treasurer;
- (d) Decide who the first board of directors will be and how long each will serve on the board.

After your committee makes these basic decisions, among others, the Articles can be prepared and filed with the State of Michigan to form the corporation. After your corporation is formed with the State of Michigan, only then can you apply for tax-exempt status with the IRS.

The reason that you would want to be a 501(c) corporation would be so that the Boosters would be qualified to receive contributions that are tax deductible by the donors. In order to accomplish that status, you need to file either a Form 1023 or Form 1024 with the IRS. In discussing this with one of my bosses, I am told that the application form is a bear to fill out and someone with experience in forming a tax-exempt non-profit corporation should be responsible for doing it. The form can be found on the IRS website, and looks to be about 30 pages long. According to what I have read, the preparer of the form must use caution in filling out the form because the IRS will thoroughly scrutinize every response, particularly the description of the Booster's activities and its fund-raising programs. It is not unusual for the IRS to send the organization one or more additional lists of questions or requests for further information.

Among other things, the tax-exempt application requires you to decide whether your corporation is to be a public charity or a private foundation, and there are qualifications that must be met and requirements and restrictions that apply to each type of entity. Your committee would need to discuss the pros and cons with the attorney and decide how to proceed.

There are also fees involved with the filing, which can run from \$400 to \$3,000, depending on the type of entity you are forming. Again, an experienced attorney would be able to tell you more specifically what fees to expect.

The application also requires that copies of solicitation materials must be attached if you have developed them at the time of filing. You also need to attach certified copies of your Articles of Incorporation and a copy of your bylaws.

I did not find anything that gave a time frame of how long the process would take altogether. From my past experience at work, forming new corporations can be a relatively simple and quick process (1 to 2 weeks, if you can get everyone to agree on the type of corporation and how it runs). In fact, filing the actual Articles of Incorporation with the State of Michigan can be done by fax and usually only takes 24 hours. So, from what I can see, the IRS tax-exempt status application is what takes the longest to accomplish.

The attorney I work for does not specialize in tax-exempt corporation filings. If you are serious in proceeding with this, I could ask him if he can recommend someone. My hunch is that he will direct you to one of the larger (and more expensive) law firms in Lansing, such as Foster Swift Collins & Smith. If you haven't already inquired of the School District, it may be best if you start with the administration office to see if they have an attorney they keep on retainer who could help you out or who could provide you with a recommendation for an attorney to contact. An alternative idea is to put word out to parents who have children in the district who are in the legal profession to ask if they would be willing to donate some of their time for this effort.

I hope this information is of some assistance to you in deciding how you want to proceed.

Marching Band Uniform Donation Levels

Gold: \$325 or more (5 donors)

- Silver-level recognition
- Stitched label/tag in a uniform (for each \$325 donated)
- Special recognition at 2010 Greyhound Spectacular with “their” uniform(s)
- Sponsorship thank you announcement at home football games

Silver: \$100 or more (5 donors)

- Bronze-level recognition
- Listed on (a new) donation recognition plaque to be displayed in band room or auditorium lobby

Bronze: \$25 or more (12 donors)

- Certificate of Appreciation presented at the 2010 Greyhound Spectacular signed by directors, band booster officers and all 2010 marching band members
- Listed as a 2010/11 band sponsor on web site
- Thank you listing in all (GIS/MS/HS) fall and winter concert programs

All contributors will receive a (5 donors)

- Thank you letter from Boosters at the time of their donation
- ER Hounds-Band window cling
- Listed in a community “thank you” ad in an early fall edition of The Flashes
- Invitation to band tailgate party at the 2010 Homecoming football game
- Personalized invitation to the 2010 Greyhound Spectacular