

December 23, 2014

SDM Members:

Square Dance Minnesota, Inc. (SDM) held its most recent Board meeting in Paynesville on December 13, 2014. Thanks to Koronis Nite Owls for hosting this meeting which allowed for more membership participation. It was good seeing the regulars as well as many new folks in attendance and we appreciate the input received from everyone. As noted SDM is your organization and we want to hear your suggestions for moving forward. For those that were unable to attend, I will review many of the items discussed.

As reported last month, the website www.squaredancemn.com was launched and contains a dance calendar, club (organizations) and dance locations, and other information. Please continue to send your information to e-mail address squaredancemn@aol.com.

We decided to extend the date to December 31, 2014 for accepting entries for the SDM logo. Due to the holiday season we will further extend the suspense to January 31, 2015. While we received some excellent suggestions we would like to have more to choose from, so please encourage everyone to try their hand at developing our logo. Send your suggestions to squaredancemn@aol.com. The winner receives a free 2016 SDM membership.

During various discussions and e-mails with United Square Dancers of America (USDA) insurance coordinator, we learned that our class rosters had not been submitted. We contacted the club representatives and the SDM class rosters were sent to USDA so that the students would have “free” insurance coverage. Upon graduation or receiving a diploma from you, the students “free” insurance ends, and they must join a club and pay SDM dues in order to be insured.

We also learned during those discussions that youth (17 and below) must pay for insurance coverage – the only “free” insurance is for new students in a class. All of the youth that were submitted to SDM have been insured for 2015. We will update Operating Procedure 14-04 – “Membership/Insurance” to reflect this requirement.

Due to the costs associated with the licensing (\$50 fee for each gaming activity and possible city taxes), requirement for a gaming manager, and oversight required, the Board decided that SDM and its clubs would not be involved in any gaming activities.

If your club has paid sales taxes on dance admissions in the past, you need to include November and December 2014 in your quarterly or yearly filing with the State (Minnesota). Once the 501(c)(3) is approved you can apply to get the funds returned for those two months.

Once our group exemption is approved, SDM will apply to the State (Minnesota) for sales tax exemption for purchasing items without paying sales tax.

SDM is considered a 501(c)(3) and we must comply with tax law requirements applicable to tax-exempt organizations, including filing a Form 990. Please return your organization's "Annual Report" to Bob Meyer as soon as possible. If your president hasn't received a copy from Bob, it is on page 15 of the SDM Information Booklet.

While our application is pending, contributors to the organization do not have advance assurance of deductibility. Once our application is approved the contribution will be tax-deductible to the donor, and the donor will receive a letter from SDM that may be given to your tax preparer for the tax deduction.

If any individual (caller or cuer) is paid \$600 or more during the year (single or multiple events combined), that individual must receive a Form 1099-MISC "Miscellaneous Income" from your organization by February 1. Because the IRS scans paper forms during processing, this form cannot be downloaded from the IRS website. To order Form 1099-MISC and its general instructions go to www.irs.gov/form1099misc, or call 1-800-829-3676. Since the meeting a member advised that IRS Form 1096 "Annual Summary and Transmittal of U.S. Information Returns" is required to transmit the Form 1099-MISC. This form must also be obtained from the IRS and is available at the above website. The online order process for obtaining the forms is simple and orders take 7 to 15 days for delivery.

There was a new (January 1, 2014) reporting requirement to notify the IRS to report a change in the "Responsible Party." There is still some confusion on exactly who this individual is when it comes to nonprofit organizations. The instructions for IRS Form 8822-B "Change of Address or Responsible Party – Business" refer tax-exempt organizations to IRS Publication 557. For nonprofits the "principal officer" (chair or president) of the organization is the responsible party. Since we all have Employer Identification Numbers, we all need to comply when there is a change in officers.

We discussed the various incentive programs (Rover, Certificate of Appreciation, Young at Heart Awards, Angels, Banner Raids; Dangles for Angels and Rovers, etc.). No decisions were made on these programs. Banner raid options discussed were the number of dancers required being reduced to six instead of eight, have the visiting club leave a banner for the visited club to display and return, half price entry for second banner, virtual banners, etc. If you have any ideas or opinions on any of these programs, please send them to squaredancemn@aol.com.

Tickets for graduates were discussed and it was determined that this was a valuable idea that would encourage the graduates to venture out and practice with other clubs and callers. The consensus was that SDM should give new graduates a packet containing a "free" full price ticket from each SDM organization valid through the end of the calendar year. Since all of the clubs

did not have representatives present, request that the president/representative send an e-mail to squaredancemn@aol.com if the club does not want to participate in this program otherwise it will be included.

Thanks to those that have already sent a copy of your organization's membership roster. If you haven't, please send it to squaredancemn@aol.com, and if you have members that paid their dues elsewhere, please identify the location. Also send a copy of your officer information, or simply identify them on your organization roster.

SDM has a small supply of "New Dancer" and "Ask Me to Dance" ribbons. If you could use some let us know.

Graduate diplomas were discussed and SDM will develop a standardized version that may be used (not required) by the clubs. It will be posted to the website when completed.


SDM will support expositions, state fairs, etc. Continue to use them as a way to promote square dancing and recruit new members.

Subjects to be discussed with the Federation include insurance, convention, graduate ticket program, etc.

Sixty members from eight clubs did not pay for their insurance through SDM. Since the Board meeting, we learned that the information for the clubs where the insurance was paid has not been sent to USDA. Consequently, not only are the individuals concerned not insured but neither is the SDM club since all members must be insured. SDM has sent the funds necessary to ensure that the eight clubs will have insurance on January 1, 2015. We will attempt to obtain a refund from either USDA or the Federation for the insurance not forwarded to USDA. I will be sending an e-mail to the club representatives so that they know whether or not their insurance was paid to USDA.

The next quarterly Board meeting is scheduled for Tuesday, February 3, 2015, from 10:00 to 1:00 pm at the Ridgedale Library, 12601 Ridgedale Dr, Minnetonka, MN 55305-1908. All members are welcome and encouraged to attend.

Please share this with all of your members either via e-mail or posting at your dances. Your Board wishes you a Merry Christmas and great dancing in the New Year!


LeRoy Elfmann
Chair, SDM