**Women’s Club at UCF, Inc.**

 Board of Directors Meeting

UCF Foundation

Friday, August 14, 2015

**Welcome:** Meeting was called to order at 9:40 a.m. by president, Sarah Magann.

Members present: Beth Barnes, Maggie LeClair, Sarah Magann, Mary Meeker, Lynn Moharam, Karen Monteleone, Ruthie Rieder, Ann Simpson, and Kathy Weise

Bette Boston, Jennifer Rupert, Dell Shadgett, Roberta Shoopman, and Judy Simonet were unable to attend.

**Vice President:** Ann Simpson There are currently 128 members. Two brand new and a total of 6 new to-date.

**Secretary:** Lynn Moharam Minutes dated June 5, 2015 and July 10, 2015 were approved by e-mail.

**Treasurer:** Kathy Weise Current balance in the checking account is $9,446.19 as of 8/11/2015. Balance in Share Savings Account is $5,015.75 as of 7/31/2015. To-date approximately one third of membership has paid 2015-16 dues.

 Kathy made a motion to approve the 2015-16 budget which reflects updates per discussion at the June 5 board meeting. Mary Meeker seconded the motion. The budget was approved by the board.

 The law office of Merrill Bailey has prepared annual corporate minutes for the fiscal years 2013-2014 and 2014-2015 which are to be signed by appropriate officers. Signed copies will be retained in the corporate record book and a copy sent to the law firm.

Kathy made a motion to approve the terms of an engagement letter from the law

Office of Merrill Bailey to perform annual maintenance of our corporate records, including the preparation of annual corporate minutes. Beth Barnes seconded the motion. The board approved signing of the engagement letter. [Note that Ms. Bailey has indicated she will waive her attorney fee for this service and will only bill for work done by paralegals.]

A compliance requirements document [see attached] summarizing the legal and

regulatory requirements of our 501(c)(6) organization has been compiled by Kathy and reviewed by counsel. This document provides consistent information for officers and board members.

 Due to the requirements of our Internal Revenue code we cannot provide receipts for charitable donations. This will be communicated to the membership via the newsletter, the fall meeting, on auction donation forms, via mass email, and clothing sale flyers.

**Fall Meeting:** Ann Simpson Nancy Marshall and Karen Monteleone have arranged for the FAIRWINDS Alumni Center to include reserved parking. They also secured speaker, professor M. C. Santana, Ph.D., program directorfor the UCFWomen’s and Gender Studies Department Committee members met with teacher Lynn Azcona of Lyman High School to acquire centerpieces at cost. This is a community service project for the horticultural students. Pots will also be at cost and awarded as “take aways” for attendees.

 It was suggested that the spring meeting date be finalized in the near future and the speaker identified. Karen Monteleone will assist with securing the speaker.

**Scholarships:** Maggie LeClair Recipients of our 2015-16 non-traditional scholarships are: Melissa Wyclestadt, BS Mechanical Engineering May 2016; Forrest Hardy, BS Mechanical Engineering May 2016; Nicole Phansteil, Communicative Disorders [graduate scholarship]. All have been invited to the fall meeting with the hope that at least one recipient will be able to attend and speak. They all will be featured in the newsletter.

 Current scholarship balances after payout of 2015-16 scholarships: First Ladies (Undergraduate) Endowed $160,299.75, Spendable $11,653.05\*; Sheila B. Somerville (Graduate) Endowed $101,482.00, Spendable $7,660.84. \*A request will be made to transfer $3,600.00 back into Endowed leaving a balance of $8,053.05 to cover:

2 scholarships @ $2K each for 2016-2017, 2 scholarships @ $2K each for 2017-18 and start-up for 2018-19 of $53.05.

**Sunshine**: Bette Boston Reached out to: Ruth Jean Ostle – cheer on her recovery; Beryl Colbourn – encouragement on recent diagnosis; Glenna Oro – friendship on death of son; and Martha Ricard – get well on recent surgery.

 Bette sent “Save the Date” (Steppin’ Out) and the fall meeting invitation to Peggy Marshall and Lois Robertson who do not receive e-mails.

**Newsletter:** Ruthie Rieder Template from last year will be used again this year at no cost to the Club. Publication schedule: 1st after the fall meeting; 2nd after Christmas to highlight holiday events and promote clothing sale; 3rd before spring meeting; 4th after spring meeting.

**Interest Groups:** Judy Simonet by e-mail All interest group chairs except for daytime Mahjong have been identified. An orientation for chairs will take place on Wednesday, August 26, 2015 from 4:30 to 6 p.m. Board members are welcomed to attend but should let Judy know if they plan to do so.

 Interest group chairs will be asked to provide a display and sign-up sheets for the fall meeting.

**Website:** Jennifer Rupert by e-mail President’s message and photo, board minutes to-date, and fall meeting date have been posted on the website. Awaiting message from Martha Hitt.

**Scholarship Fund Development:** Sarah Magann “Steppin’ Out for Scholarships” Contract with the Crystal Ballroom Casselberry has been signed and deposits made. Save the date reminder and request for committee participation has been sent to members.

 Owners have expressed concerns with existing contract as the sales representative is no longer with the company. Sarah will meet with the owner to clarify points of concern and secure signature of the owners.

**New Business:**

1. **Board Meeting Calendar:** Sarah Magann The next board meeting is scheduled for Friday, September 11, 2015 9:30 a.m. at the UCF Foundation [as available]. Future board meetings will be scheduled on the second Friday of the month.
2. **September Board Meeting:** Sarah Magann Agenda items to be considered:

 1) Spring Meeting date and 2) ClothingSale date.

Meeting was adjourned at 11:20 a.m.

Respectfully submitted,

Lynn Moharam

Secretary

Women’s Club at UCF, Inc.

Compliance Requirements

Required Filings & Renewals (prepared by Treasurer):

IRS Form 990-N (gross receipts <$50,000 annually) due November 15th annually

State of Florida Annual Report due between 1/1 – 5/1 annually

Florida Dept. of Agriculture

 Solicitation of Contributions Act Renewal due Oct. 3rd annually

Fictitious Name Renewal due 8/21/2018 (every 5 years)

 (In 2018 change the address to the P.O. Box at Apollo Mail Center)

Federal Requirements:

Tax Exemption

We are exempt from Federal tax as a 501(c) (6) business league and have a letter from the Dept. of the Treasury. We do not qualify for reduced postage and may not receipt charitable contributions. (Sections of the IRS Code below are in italics.)

*Contributions to section 501(c) (6) organizations are not deductible as charitable contributions on the donor’s federal income tax return.*

Section 6113 of the IRS Code requires an express statement in any fundraising solicitation that contributions to such organization are NOT deductible as charitable contributions.

*Section 6113 of the Internal Revenue Code provides that certain tax-exempt organizations that are not eligible to receive tax deductible charitable contributions must disclose, in any fundraising solicitation (see below), in "an express statement (in a conspicuous and easily recognizable format)" that contributions to the organization are not deductible for federal income tax purposes as charitable contributions. This provision applies to organizations that are not eligible to receive deductible charitable contributions and are described in either section 501(c), section 501(d), or section 527. The Service issued* [*Notice 88-120*](http://www.irs.gov/Charities-%26-Non-Profits/Notice-88-120%2C-1988-2-C.B.-454) *to provide safe harbors for meeting the requirements of section 6113.*

*A fundraising solicitation is any solicitation of contributions or gifts made in written or printed form or by television, radio, or telephone.  It does not include any letter or telephone call that is not part of a coordinated campaign soliciting more than 10 persons during a calendar year.*

However, the Notice 88-120 referenced above provides that organizations such as ours, whose annual receipts do not normally exceed $100,000, are exempt from including this disclosure requirement:

*DISCLOSURE OF NONDEDUCTIBILITY OF CONTRIBUTIONS*

*Section 10701 of OBRA added new sections 6113 and 6710 to the Internal Revenue Code (IRC). Section 6113 requires certain tax-exempt organizations that are ineligible to receive tax deductible charitable contributions to disclose, in "an express statement (in a conspicuous and easily recognizable format)," the nondeductibility of contributions during fundraising solicitations. Section 6710 provides penalties for failure to comply with section 6113 without reasonable cause. Organizations whose annual gross receipts do not normally exceed $100,000 are excepted from this disclosure requirement.*

 (cf. Florida Dept. of Agriculture Solicitations of Contributions Act section below for its required wording on solicitations.)

Because of this IRS exemption, we have not been providing any statement on solicitations or receipts that contributions to the Club (either monetary or in-kind, e.g. clothing sale donations) are not deductible as charitable contributions. This has created some confusion for members, who do not understand our tax exempt status, and perceive they are donating to “charity” because the donations go to support our scholarships.

While monies paid to the Club are not income tax deductible as charitable donations, such contributions may be considered “business expenses” if the donor operates a business.

Additionally, if a donation is made to the UCF Foundation on behalf of the Women’s Club at UCF, Inc. for our scholarship funds, such donation should be income tax deductible as a charitable donation, as the recipient is the UCF Foundation, which is a 501(c)(3) charitable organization.

Payments to Independent Contractors

The Club pays an individual independent contractor for web site assistance/maintenance. Based on the following IRS section, if we limit this compensation to less than $600 per year we avoid the requirement to file a Form 1099-MISC, which would be our objective.

*If you pay independent contractors, you may have to file Form 1099-MISC, Miscellaneous Income, to report payments for services performed for your trade or business. If the following four conditions are met, you must generally report a payment as nonemployee compensation.*

1. *You made the payment to someone who is not your employee;*
2. *You made the payment for services in the course of your trade or business (including government agencies and nonprofit organizations);*
3. *You made the payment to an individual, partnership, estate, or in some cases, a corporation; and*
4. You made payments to the payee of at least $600 during the year.

State of Florida

Department of Revenue

As a 501(c) (6) organization, the Club is not automatically exempt from paying state sales tax. However, the Club has no Florida sales tax liability as long as it limits its fundraising/scholarship development events to two per year, since these are considered isolated/occasional (e.g. clothing sale and auction). For this reason, we classify our Fall/Spring meetings as “member meetings” that include a lunch. In this way, sales tax is handled by the event caterer and the club does not incur that liability. Membership dues are also exempt from Florida sales tax.

*FS 205.192 Charitable, etc., organizations; occasional sales, fundraising; exemption.—A business tax receipt is not required of any charitable, religious, fraternal, youth, civic, service, or other similar organization that makes occasional sales or engages in fundraising projects that are performed exclusively by the members, and the proceeds derived from the activities are used exclusively in the charitable, religious, fraternal, youth, civic, and service activities of the organization.*

Department of Agriculture – Charitable Solicitations Act

FL Department of Agriculture requires an annual filing/renewal if the Club’s total receipts are less than $25,000. This is the link to the form for the annual filing:

<http://forms.freshfromflorida.com/10110.pdf>

*Every charitable organization or sponsor that is required to register under s. 496.405 F.S. or is exempt under s. 496.406(1) (d) F.S. shall conspicuously display the following statement on every solicitation, confirmation, receipt, or reminder of a contribution:*

*REGISTRATION#: CH39566 EXPIRATION DATE: October 3, 2015 (note year changes with each annual renewal)*

*"A COPY OF THE OFFICIAL REGISTRATION AND FINANCIAL INFORMATION MAY BE OBTAINED FROM THE DIVISION OF CONSUMER SERVICES BY CALLING TOLL-FREE (800-435-7352) WITHIN THE STATE. REGISTRATION DOES NOT IMPLY ENDORSEMENT, APPROVAL, OR RECOMMENDATION BY THE STATE."*

The Club is exempt under F.S. 496.406(1)(d) because we have less than $25,000 in annual total revenue; therefore, we are required to display the above statement as directed.

Best Business Practices

Treasurer:

1. Balance checkbook monthly
2. Prepare financial statements regularly
3. Collect receipts for expenses to be reimbursed
4. Maintain copies of IRS and State of Florida filings and other relevant business records as scans or hard copy

Secretary:

1. Prepare minutes for all Board meetings and Annual Meetings
2. Maintain copies of all minutes

All Board members should treat the corporation with respect; remembering it is a company with rules and legal obligations.