

**Board Meeting Minutes**  
**Rocky Mountain Creative Quilters**

**May 28, 2008**

The meeting was opened by Stephanie, a summary of the General Meeting on May 12 was presented.

Stephanie went over the logistics of the next General Meeting, a Garden Party to be held at Gwen Hatchett's home on June 9 at 6:30. It will be a potluck, *please bring a dish*. RMCQ will provide dining supplies and drinks. Darlene has wine and other drinks, napkins, and tablecloths from the MOCA meeting she will bring. Some board members have patio tables they will be bringing. Please contact Gwen Hatchett if you have questions on anything.

Janet Schramke explained the contract process, and the importance of having a well constructed contract that is checked by an attorney. There were some concerns with the proposed CD Management contract for the quilt show that was forwarded to board members to review. It was mentioned that the bylaws will be reviewed in the near future for updates, and at that time it may be suggested to add amendments to the bylaws to make sure that: a board member be the liaison with any outside party, only written contracts be entered into with outside parties and will be approved by the board, and only executive officers of the board can sign contracts with outside parties. These are implied, but not spelled out clearly in the current bylaws, and are necessary because of potential liability to the guild and board members. We also need to look at possible amendments necessary to make our bylaws meet with all 501c3 regulations. It was suggested that we look into an Errors and Omissions insurance policy to cover board members, it should not be very expensive and can protect against personal liability to the board.

Kit had received an email from Judy Patterson explaining that the contract sent to coordinate the quilt show was being withdrawn. She emailed back asking if Judy would like to coordinate vendor and Ranch cancellations (in case Judy still wanted to go ahead with the show). It was decided by all present that we would give Judy 48 hours to respond, and if no response is received by then we would cancel the contract with the Ranch, and go ahead and send all applications and fees back to vendors. We also made notes on an email to be sent to Judy thanking her for her interest and asking her to keep us in mind for future ventures in this area. Kit will complete and send that email, let her know if you would like to see it.

It was discussed by those present and it was decided that based on researching concerns with our recent 501c3 non-profit status (see Kit's notes below), guild bylaws, timing (we received the contract on Wednesday, and it was requested to be signed by Thursday), this being at the same time as the tornadoes in Windsor, and other factors, that we couldn't meet Judy's deadline, and the contract expired.

We still need to find a member willing to take over Tina's place as membership committee chair.

In the June meeting it will be mentioned that we would like to get an apprentice Treasurer-elect to join Kit in her Treasurer duties. In this way, a smoother handoff would occur at the end of the year when new officer elections take place. The apprentice would have hands-on training; know the requirements of the 501c3 and other duties of the position. October is the timeframe suggested to have the apprentice come on board. Kit suggested the guild provide this person with a copy of Quickbooks software if they do not already have it.

By the end of July we need an Election Chairperson – not a current member of the board – to begin the election process for next year. It will be brought up at the June meeting, and duties explained in order to get people thinking about stepping up.

Janet Pugh suggested that we look at having the Program Committee made up of 2 – 4 members rather than one contact. In this way we can have a committee large enough to provide a programming person at each meeting, at each workshop, and to provide continuity from one year to the next year so that a person familiar with the program schedule carries over into the following year. She has had more than one person volunteer to assist with this already.

The speaker lined up for October is requesting equipment that she does not have, and the guild does not have available. Janet Pugh will be looking into this to see if the equipment can be made available, or if not, let her know that we cannot provide it.

Below are Kit's notes on concerns regarding the 501c3.

### **Kit Robinson's Notes for 501c3**

501(c)3 Benefits and Responsibilities (Advance Ruling Status, Good for Five Years)

Benefits:

We will receive non-profit rates for venues such as the Senior Center and the Ranch, which includes free rooms for workshops.

We can apply to the State of Colorado for exemption of paying State and Local Sales Tax.

We are a registered charitable organization that people can donate to and receive a tax deduction.

We have been told that Joann's will give our members a 10% discount if we make an agreement with them and prove that we are a 501(c)3. We would need to have membership cards in such a case.

Responsibilities:

We must not ever endorse a political candidate or a political cause.

We must not provide an excess benefit to a person who is in a position to exercise substantial influence over our affairs, whether they are an officer or a member.

We must not engage in lobbying.

We must keep good accounting records which can be audited.

FORMS TO FILE:

RMCQ must file a form 990 or 990EZ by May 15th each year, or pay a \$20 / day penalty.

We must file a form 8734 at the end of five years, detailing our financial records and our history of behaving as a non-profit organization.

We must file 1099s for all of our contractors (in our case, speakers and teachers, each year by Jan 31 of the year following payment).

At the end of five years, we must file form 8734, Support Schedule for Advanced Ruling Period. This will show all of our sources of public income and our expenditures. If we maintain good records for all of this period and are able to show that we have acted as a non-profit throughout, we will receive our permanent 501(c)3 status.