



LOL BUSINESS OF BARBERSHOP

CHAPTER BUSINESS GUIDE AT-A-GLANCE FOR
CHAPTER PRESIDENTS, SECRETARIES, AND TREASURERS



LOL Revised: December 2020

THE LOL BUSINESS OF BARBERSHOP

AN AT-A-GLANCE CHAPTER BUSINESS GUIDE FOR BHS CHAPTER PRESIDENTS, SECRETARIES, AND TREASURERS

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Your chapter is considered a business, a non-profit corporation, and a “501 (c) 3” entity (as defined by the United State Internal Revenue Service) under the umbrella of the Barbershop Harmony Society (SPEBQSA, Inc.) Accordingly, there are certain legal, financial, and business requirements that must be met; some every month, some only as needed, and some on a schedule throughout the year. This guide is intended as a “**QUICK-REFERENCE GUIDE**” to lay out a work plan for your chapter executive team, showing who is responsible and when it should be done. Please become very familiar with the following BHS guidance.

Chapter President Workbook - https://drive.google.com/file/d/1C7dTMMqZi-12deNc_THvhpfidDgh7TIw/view

Chapter Secretary Manual - <https://drive.google.com/file/d/0B06bQhVih7-DQ0NMclNkdDM0MGc/view>

Chapter Treasurer Manual - https://drive.google.com/file/d/1Em9vcO6Lv-g7hHmGJ4_PI-LRiKX7dAYT/view

The District will provide each chapter hard copies of these manuals – you will find these to be very helpful.

EVERY MONTH

• **PRESIDENT**

- Meet with Chapter Secretary to prepare monthly Board Meeting Agenda.
- Once finalized, authorize the Chapter Secretary to publish an agenda for the board and membership
- Preside over monthly Chapter Board Meeting.

• **SECRETARY**

- Meet with Chapter President to prepare monthly Board Meeting Agenda.
- Once the agenda is finalized and the Chapter President authorizes its release, publish the agenda to the board and membership.
- Download a current chapter roster from the Society’s online Chapter Management system, **BHS Member Center**, located at <http://members.barbershop.org>.
 - Verify with the membership any changes in contact information (mailing address and emails and phone) and update it on **BHS Member Center** if member is unable to update their own information.
 - Include a copy of the roster in the minutes of the Board Meeting.
 - Pass off to Chapter Membership VP for follow-up on lapsed members.
- Take minutes at the board meeting.

• **TREASURER**

- Keep an accurate record of all chapter income and expenses.
- Process the payment of bills and invoices
- Report the current financial status at every Board Meeting.

MONTHLY AS NEEDED/REQUIRED

• **PRESIDENT**

- Fill any vacancies on the Chapter Board of Directors by having the Nominating Committee select a candidate and have him stand for election by the remaining Chapter Board.

• **SECRETARY**

- **Membership Applications/Transfers:**
 - Once a prospective chapter member has completed any required membership prerequisites (audition, etc.), process his membership application with payment promptly.
 - Keep a copy of membership applications in the chapter record, for at least three-years.
 - Always use the latest Membership Application and Transfer Form found at:
https://files.barbershop.org/PDFs/Membership/Membership-Application-rev-01_19-1.pdf
- **Member Death:**
 - When a member passes, please send a notice to your District Secretary and BHS Customer Service Department at customerservice@barbershop.org including next of kin information. They will note the loss with CEO letter to next-of-kin, add the member to the Society's Chapter Eternal, and include the member's name in an announcement in the Harmonizer.
- **Chapter Officer Changes:**
 - Record any changes in the make-up of the Chapter Board.
 - In the minutes of a Chapter Board Meeting.
 - Under your "Chapters" then "My Chapters" in the BHS Member Center, select your chapter. Once in your chapter profile, select "Leaders" link and update.
 - With your Secretary of State, Incorporations Section (or equivalent agency), if required in your state.
- **Show Clearances:**
 - **BMI/SESAC or SOCAN Show Clearance Applications** are due **BEFORE** the show. You should file necessary **BMI/SESAC or SOCAN Show Clearance Applications** before finalizing show venue and guest quartet contracts. Many districts have a policy prohibiting competing shows in close proximity to one another. This distance will vary from district to district and approval by your District Secretary is first-come, first-served. Check with your District Secretary for the policy in your district. The earliest cleared show will usually control the date. If allowed in your district, resolving a conflict usually means presenting a written waiver of district policy from the controlling chapter to the District Secretary.
 - For **United States Chapters:** Complete a BMI/SESAC Show Clearance using the fillable form https://files.barbershop.org/PDFs/Copyright/2019-BMI-SESAC-Show-Report-Form_BHS.pdf and secure a payment from your Chapter Treasurer, payable to "BHS".
 - For **Canadian Chapters:** Complete a SOCAN Show Clearance using the fillable form <https://drive.google.com/file/d/1KX5oagNpNgeShQSMPDiQ9GlfJ5itECVu/view> and secure a payment from your Chapter Treasurer, payable to "SOCAN"
 - Submit the completed application and payment to **YOUR DISTRICT SECRETARY** for approval. Once approved, you will get a copy of the executed show clearance for your chapter records. *(You should have a copy with you at the show, just in case an auditor shows up.)* Shows within 40 miles of each other on the same date must be resolved. Your show will be

added to the LOL District Show Calendar published in the Pitch Piper and on the LOL website.

○ **Non-Profit Corporation Annual Report to your Secretary of State:**

▪ File with your state or province, Incorporations Section (or equivalent agency) any required **Annual Report**. While the date and necessity of filing this requirement will vary by state/province, it is strongly recommended that you report it is completed/file each year after the annual chapter officer election in October through your chapter profile under the “Compliance Filings & Reports” section in the BHS Member Center.

▪ **Registered/Resident Agent:**

File with your state/province office (or equivalent agency) any required establishment or update of your Registered/Resident Agent (RA).

- *Your Registered/Resident Agent is the person whose name and address are on file with the state/province as the official point-of-contact for communications and legal service. Failure to maintain current information on your RA is the number one reason for the involuntary dissolution of chapter incorporations by States and Provinces. Something will happen, the Secretary of State will try to communicate with your RA, his information isn't current, and an important opportunity to fix a state deficiency is missed. The only recourse by the Secretary of State is to involuntarily dissolve your corporation.*

○ **Insurance Forms:**

▪ **Certificates of Insurance** – A certificate of insurance is requested by many venues prior to chapter performances to ensure the venue is listed as additional insured on the BHS liability insurance policy. Request a certificate of insurance with this fillable form for **U.S. chapters** <https://www.barbershop.org/files/documents/businessandfinance/PDF%20Fillable%20COI%20Request%20Form.pdf>

To request a certificate of insurance complete this fillable form for **Canadian chapters** https://drive.google.com/file/d/1AIOsvEUaO8qLYQowZ1_nfaKRyNx16f9q/view

▪ **Accident Claims** – To prepare an accident claim form you may download the form from the BHS website using the following link. It must be completed and sent to the BHS for verification and signature.

<https://drive.google.com/file/d/1qwkrB2Piy2QjimmA6McHr9WswP3UTZ-pj/view>

○ **Contest Eligibility:** Verify that Chapter membership dues and registrations for a convention are paid for all chapter members who intend to compete and are current or will be current before taking the contest stage.

○ **Dues Changes:** If your chapter wants to change its membership dues, the Society requires 60 days advance notice. Thus, the deadline for a January 1 effective date for a dues change is November 1. Dues changes should be reported in your chapter profile in BHS Member Center.

○ **Chapter Journal of Public Service:**

▪ One important aspect often overlooked is **maintaining a contemporaneous journal of your public service**. This record comes in handy should your tax-exempt status ever be challenged by the US Internal Revenue Service (IRS) or Canadian Revenue Authority (CRA), as it documents your charitable service. Don't wait to do it from memory. Update the record as you go along. It will be a stronger record than one compiled from memory and is generally admissible as evidence in court proceedings when kept contemporaneously!

- **TREASURER**

- Ensure the processing of required **BMI/SESAC or SOCAN Show Clearance Application** payments as applications are received from your Chapter Secretary.
- All United States (US) chapters are required to file an ASCAP report after their last show of the calendar year. The minimum amount (based on your annual gross ticket sales) is subject to change without notice. Please refer to the ASCAP form for the respective year on the BHS Website:
<https://files.barbershop.org/PDFs/Copyright/BHS-ASCAP-REPORT-FORM-2020-2.pdf>
 - Any US Chapter who does not produce shows throughout the year, will not be required to pay ASCAP fee (BUT, must still complete form)
 - ASCAP form should be submitted with payment, payable to “BHS”
 - **Send ASCAP form and applicable payment, to the Barbershop Harmony Society**
 - Copy your Chapter Secretary for the chapter record to be kept for at least seven years.

SCHEDULED THROUGHOUT THE CALENDAR YEAR

JANUARY

• **PRESIDENT**

- Attend the annual **Leadership Training Academy (LTA)** and encourage all chapter leaders to attend. This event provides all of the necessary tools for chapter leaders to be successful.
- Unless another individual is elected by your chapter, you are the presumptive chapter delegate to the **District House of Delegates Meeting** held in conjunction with the LTA. If you cannot attend, please designate an alternate and have his name read into the minutes of a Board Meeting.
- **Appoint a Nominating Committee** to develop a proposed slate of officers for the annual chapter election held in prior to October 15. The committee should **report back at least 30 days ahead of the Annual Chapter Meeting but not later than September 15th** so the slate can be reported to the membership ahead of the annual chapter meeting on or before October 15.
- Appoint a committee to perform the **Annual Financial Review to report back before May 15th** with their results. This committee should NOT include the Treasurer or chapter board members, as the review is to verify the quality and integrity of work.
 - Example Annual Financial Review formats available on BHS Website: <https://drive.google.com/file/d/0B06bQhVih7-DdU5SYzg2Uk9OcUE/view>
 - When the review is completed, you, your chapter secretary or your treasurer should update your Chapter Financial Profile in BHS Member Center under the “Compliance Filings & Reports” section.

• **SECRETARY**

- Attend the annual **Leadership Training Academy (LTA)** and encourage all chapter leaders to attend. This event provides all of the necessary tools for chapter leaders to be successful.
- If your chapter selects an Alternate Delegate to the **District House of Delegates Meeting**:
 - Record the name of the alternate in the minutes of a Chapter Board Meeting and report that name to the District Secretary.
- **Appointment “Financial Handlers”**
 - During the first board meeting of the year, appoint those individuals who are expected to handle money in any capacity for the chapter throughout the year. Annotated these names in the minutes as an official record for your chapter. Your chapter is protected by a BHS fidelity bond covering losses by financial handlers.

• **TREASURER**

- Attend the annual **Leadership Training Academy (LTA)** and encourage all chapter leaders to attend. This event provides all of the necessary tools for chapter leaders to be successful.
- For United States Chapters, **IRS 1099 Forms** are due to anyone your chapter pays (director, show quartets, etc.) by January 31st of each year. For Canadian Chapters, submit required forms the CRA or your province requires.
- When asked, submit financial records to the Annual Financial Review Committee.

FEBRUARY

- **PRESIDENT**
 - Share with your chapter information gathered at the **Leadership Training Academy**.
- **SECRETARY**
 - Share all documents received at the **Leadership Training Academy** with your leaders.
 - Each chapter should receive a packet with a hard copy of each of the following:
The LOL Business of Barbershop, Chapter President Workbook, Chapter Secretary Manual, Chapter Treasurer Manual and the LOL District Directory.
 - Contact a member of district leadership team, if you did not receive these.
- **TREASURER**
 - For United States Chapters, IRS 1096 Forms (report of 1099's) are due to the IRS by January 31st of each year. For Canadian Chapters, submit any required forms the CRA requires.

MARCH

- **PRESIDENT**
 - Attend the District House of Delegates Meeting as the official delegate for your chapter (if appropriate).
- **SECRETARY**
 - Verify your chapter's **incorporation status** with your state or province (equivalent agency).
 - Post to the Compliance Filings & Reports section of the BHS Member Center the date to which your chapter's incorporation is good. If "perpetual", enter 1/1/2099.
 - Verify your chapter's **Registered Agent (RA)** information with your state or province and update, if necessary. Changes to your Registered Agent should be approved by your chapter Board and reflected in the minutes of a Chapter Board Meeting. Check your state/province requirements for qualifications of RA, some require that the RA be either a current board member or an attorney.

APRIL

- **PRESIDENT**
 - Remind your Chapter Treasurer to file any necessary Federal forms (**i.e. IRS Form 990-NE-Postcard filing is required by May 15th or CRA Form filings**).
 - *Consult with your Treasurer to determine whether your chapter may need to file an alternative form then an IRS 990-N filing or standard CRA Filing.*
 - Remind your Chapter Treasurer that the filing (once completed) should be reported to the Chapter Board (specifically the President and Secretary).
 - Remind the Annual Financial Review Committee that their Financial Review must be filed by the Chapter Treasurer through your Chapter Profile in the BHS Member Center by May 15th.

MAY

- **PRESIDENT**

- Receive the report from the **Annual Financial Review** Committee.
 - Post a copy for the membership to review.
 - Give a copy of the report to the Chapter Secretary for the record.
 - Review with the Treasurer.
- Receive from the Treasurer a copy of the acknowledgment of the Federally Required Forms (i.e. IRS 990-N E-Postcard filing other IRS 990 Return, or CRA required forms).
 - Give a copy to the Secretary to be filed in the chapter's official record.

- **SECRETARY**

- Receive a copy of the Annual Financial Review
 - Post to your Chapter Profile in the BHS Member Center: Compliance Filings & Reports section
 - File in chapter's official record and keep for a minimum of seven years.
- Receive a copy of the acknowledgment of filing IRS or CRA forms, and file with chapter records.
 - Post to your Chapter Profile in the BHS Member Center: Compliance Filings & Reports section
 - File in chapter's official record and keep for a minimum of seven years.

- **TREASURER**

- All United States Chapters, Districts and Subsidiaries (Harmony Brigades, etc.) must report to the IRS by May 15th, each year. Failure to file can result in financial penalties or loss of nonprofit status (or both). Loss of nonprofit status would cause all receipts to become taxable and any donations to the chapter ineligible as a charitable donation. Please ensure that the appropriate filing is sent to the IRS by May 15th and reported in your BHS Member Center Chapter Profile
- All non-profit entities, regardless of size is to file an annual return by using one of the following:
 - Form 990-N (electronic filing only—not a paper form) for organizations with gross receipts of \$50,000 or less
 - Form 990-EZ for organizations with gross receipts less than \$200,000
 - Form 990
- Provide a copy of the acknowledgment of the filing to your President and Secretary.
- Review with the President the Annual Financial Review.

JUNE

- **PRESIDENT**

- Verify with Secretary and Treasurer that financial filings (IRS or CRA) information was reported in the BHS Member Center.
- Verify with Secretary and Treasurer that the annual financial review was reported in the BHS Member Center.
- Verify with Secretary that incorporation information was reported on the BHS Member Center.
- Inform membership of the upcoming Society International Convention.

JULY

- **PRESIDENT**
 - Review Society Board developments with the membership

AUGUST

- **PRESIDENT**
 - Verify Nominating Committee is preparing the Slate of Officers for the coming year.

SEPTEMBER

- **PRESIDENT**
 - Set the date for the **Annual Chapter Meeting** at which the next year's chapter officers will be elected. Per the Standard Chapter Bylaws, this **must be before October 15th of each year**.
 - Have the Secretary send notices to the membership of the **Annual Chapter Meeting**.
 - Receive the coming year's proposed slate of officers from the Nominating Committee.
 - Give a copy of the proposed slate to the chapter secretary for inclusion in the Annual Chapter Meeting Notice and Agenda.
 - Reading of the slate at chapter meeting is an option you may choose, but not required.
 - You are the presumptive chapter delegate to the **Fall District House of Delegates Meeting**. If you cannot make the meeting, please designate an alternate and have his name read into the minutes of a Board meeting.
 - Share with membership the **Fall District House of Delegates Meeting** information.
- **SECRETARY**
 - Send required notices to the membership of the Annual Chapter Meeting and the proposed slate. (*Standard Chapter Bylaws requires notification at least two weeks prior to the meeting*)
 - If your chapter selects an Alternate Delegate to the **Fall District House of Delegates Meeting**:
 - Record the name of the alternate in the minutes of a Chapter Board Meeting.
 - Report it to your District Secretary

OCTOBER

- **PRESIDENT**
 - Attend the Fall House of Delegates Meeting at your District's Fall Convention as your chapter's official delegate. (if applicable)
 - Read the proposed slate of officers for the coming year two weeks ahead of the Annual Chapter Meeting and once at the Annual Chapter Meeting. (if applicable)
 - Opposing nominations from the floor must be received and announced at least one week prior to the Annual Chapter Meeting. If there are any nominations other than the slate, remind the Secretary to prepare written ballots.
 - Preside over your chapter's Annual Chapter Meeting by October 15th.
 - Remind newly elected officers of the importance of attending your District Leadership Academy.

- **SECRETARY**

- If there are any nominations opposing the slate, prepare written ballots for the contested position(s) for use that the Annual Chapter Meeting as required by Standard Chapter Bylaws.
- Record minutes of the **Annual Chapter Meeting**.
- **CRITICAL** – Report in your Chapter Profile in the BHS Member Center (Leader Section) the elected slate of new officers.
 - If you don't report them in the Future Leader section, when the new year rolls around your officers will be left out of the communications loop and you will be unable to update anything in your Chapter Profile in the BHS Member Center. Your authority to edit that information expires when the computer detects you are out of office. As a minimum, report the future secretary, even if it is you to ensure your chapter can update the Member Center.
- File any changes in the make-up of your Chapter Board with your State/Province, Incorporations Section (or equivalent agency).
- Register incoming officers for your **District Leadership Academy**.

NOVEMBER

- **PRESIDENT**

- Appoint a chairman for the installation of officers ceremony and arrange for a District Officer or Chapter Advocate to install the new chapter officers.
- Assist the incoming President in transition to office.
- Incoming President should attend Leadership Academy officer training.

- **SECRETARY**

- Assist the incoming Secretary in transition to office.
- Incoming Secretary should attend Leadership Academy officer training.

- **TREASURER**

- Assist the incoming Treasurer in transition to office.
- Incoming Treasurer should attend Leadership Academy officer training.

DECEMBER

- **PRESIDENT**

- If a United States Chapter, verify with the Treasurer that the annual ASCAP filing and payment were made.

- **TREASURER**

- If a United States Chapter, submit the annual ASCAP filing, and payment if necessary if you have not already done so.
 - <https://files.barbershop.org/PDFs/Copyright/BHS-ASCAP-REPORT-FORM-2020-2.pdf>

OTHER THINGS TO KNOW

- *Other Chapter Insurance*

- **General Liability Insurance**

- Chapters will receive a bill (generally towards the beginning of the year) for general liability insurance (bodily injury, and property damage)
 - This protects the chapter, district, and society from third-party liability claims.
 - Does not necessarily cover chapter members, but member accidental death & dismemberment (AD&D) now included in mandatory premium
 - Chapters may not opt out of this insurance policy.

- **Property Insurance**

- Chapters are not automatically covered by the BHS Property Insurance. It is an opt-in opportunity.
 - If chapter is interested in enrolling with property insurance by the Barbershop Harmony Society, contact chapters@barbershop.org.

- *Tax Exemption*

- Chapters are under the umbrella of the tax-exempt of the Barbershop Harmony Society (SPEBSQSA, Inc.) which entitles your chapter to an exemption from paying federal income taxes on chapter earnings. But...
 - Your chapter still must file necessary federally required forms.
 - Failure to file could result in the loss of your tax-exempt status.
 - Loss of your tax-exempt status could result in the loss of your Society Charter unless timely reinstated.
 - Your chapter tax-exempt status MAY also entitle you to an exemption from income taxes if your state has an income tax. Check with your state/province to verify requirements.
 - Your chapter tax-exempt status MAY also entitle your chapter to an exemption from paying sales taxes or other taxes in your state. Check with your state/province to verify requirements.
 - While your chapter may be exempt from paying sales (check with your state/province) **it may still be required to COLLECT sales tax on chapter sales**. Check with your state/province to verify requirements.

- *Soliciting Charitable Contributions*

- Some states/provinces require that non-profits must register if they are soliciting charitable contributions, in some cases annually. You should check with your state/province or other appropriate agency for information about this registration requirement.

- *State/Province Offices*

- Your state/province offices are valuable resources. You should consult with them about technicalities of your situation. When in doubt, ask.

Chapter Records and Legal Files

It is the responsibility of the chapter secretary (in cooperation with the Chapter President & Chapter Treasurer) to properly store and protect all chapter records until they are legally destroyed or discarded. The chapter documents may be stored as hard copy or electronically. It is strongly recommended that a **copy** (hard copy or electronic) of all records and documents be stored in a location that will protect the documents from manmade (i.e. fire) or act of God (i.e. flood, hurricane, tornado, earthquake, etc.) catastrophes. A suggested location could be a fireproof or fire resistant file, a home safe or Safety Deposit Box in a bank.

The following table is suggested best practices in determining the required length of time that chapter documents or records should be stored in the chapter legal files before discarding.

Year to Year	Three-Years	Seven-Years	Forever
<ul style="list-style-type: none"> • Insurance Certificates • Copy of Society Bylaws • Copy of District Bylaws • Copy of Orders placed with Harmony Marketplace or other invoices 	<ul style="list-style-type: none"> • Copy of Membership Applications submitted to Society • Approved BMI/SESAC or SOCAN Show Licenses • Submitted ASCAP Applications & Records • Chapter Standing Ovation Program (SOP) Reviews 	<ul style="list-style-type: none"> • Copies of IRS 990 or CRA filings • Copies of Annual Financial Reviews • Original Director Contracts • Copies of Contracts for Venues or Rehearsal Spaces • Copies of Youth Protection Forms • Receipts/Invoices for Chapter Property Purchases 	<ul style="list-style-type: none"> • Original Chapter License • Original Chapter Charter • Annual End-of-Year Financial Statements • Articles of Incorporation • Statements of Continued Existence • Minutes of Annual Meetings • Minutes of Board Meetings • Chapter Bylaws & Policies • A record of community service and free performances.

RESOURCES

Managing a small non-profit organization can be a bit daunting and with the scope of what's expected you could easily become over whelmed. Different requirements come up throughout the year, so the first thing to do is **GET A PLAN ON YOUR CALENDAR**. Once you have that plan there are numerous resources available at your fingertips to help you get through the year. And, remember that you don't have to learn all this stuff at once in order to do a great job.

What you really need to know is **WHERE TO GO** to find the information to be successful. And here's a summary of where to start:

Barbershop Harmony Society Web site: <https://www.barbershop.org/> Log in to the Member Center at <https://members.barbershop.org/members/login> and learn how to review and update chapter information. Go to the Document Center <https://www.barbershop.org/docs> and spend time finding the documents that relate to the chapter forms and requirements discussed in this guide. There are also valuable resources found at: www.barbershop.org/healthy chapters

LAND O'LAKES DISTRICT Web site: <http://www.loldistrict.org/index.html> Click on the Document Center and poke around in there to review the various documents including chapter officer job descriptions and more. These are all in PDF form and free for you to download.

Hard Copy Guides: The Chapter President workbook, the Secretary Manual, the Treasurer Manual, the LOL Business of Barbershop, and the LOL District Directory are invaluable resources for all chapter leaders and are a ready reference for your job. Keep them handy and review them often.

And don't forget, your District President, District Secretary and District Treasurer – they are here to help you too!

Your additional resources:

District President

Jay Althof

althof@aol.com

(651) 206-2686

District Secretary

Bob Brey

Rwbrey1950@gmail.com

(920)973-4472

District Treasurer

Jack Edgerton

ragtime75@charter.net

(715)344-5746