

Minutes for Coastal Quilters Board meeting: August, 1995

Judy Gorrindo called the meeting to order.

Barbara Maxwell gave Judy Gorrindo the original and copies of the appraisal of the Santa Barbara quilt. This appraisal has an error in a name in it. A new copy should arrive from the appraiser, or the appraiser should be contacted.

She also gave Judy a number of documents concerning the guild's non-profit status:

1. A 4 page document which is the proof of our non-profit status. These papers can not be replaced, and care should be taken that they are not lost.
2. A copy of the new laws for non-profit status. Barbara suggests that someone on the board keep track of our compliance with these laws which include:
 - no money invested in commercial ventures
 - meetings open to the public
 - the guild should perform charity work
 - income is incidental to the purpose of incorporation.
 - All moneys paid to the guild ~~should be viewed as~~ ^{are} donations (including membership "fees") and should be presented as such. *Corrected - S. M. Mora-Schell*
3. the original tax form *minutes*
4. amendments to the California articles of incorporations.
5. Joan Watson has some other relevant papers, and well as 2 employee numbers we will need.
6. A copy of our state exemption form. Joan has the original.

Each year we will need to submit 1099 forms, as well as a statement of domestic non-profit organization. We should also change our stationary heading to add the word Inc. to our name.

Interest was expressed in getting slides of the Santa Barbara quilt to use in submitting it to shows, as well as viewing by the guild. Barbara Maxwell has had excellent slides already made, and it was decided to purchase 7 copies of the full view, as well as one complete set of the slides, from her. Barbara will pick the best slides to copy and inform us of the price.

The board discussed renting storage to hold the various paraphernalia used by the guild. It was decided to ask in the newsletter for the use of some spare space at someone's home.

The idea of giving a free dying workshop for guild members was discussed.

It was suggested by the welcoming committee that new members be invited to come to a small get-to-know-you party, to be held at 6PM before the October meeting.

Respectfully submitted,

Kathy Doughty

Barbara D. Maxwell

466 N. La Cumbre Road, Santa Barbara, Ca. 93110

7/20/95

Coastal Quilters Guild Inc.
P.O. Box 6347
Santa Barbara, CA 93160
Att.: All Board Members

There should still
be one more letter
from the IRS (a correction)
no hurry just get it to
me.

The Coastal Quilters Guild Inc. is now a Nonprofit Corporation. Please note that the name has changed and should be changed on the letter head and all documents from now on.

I organized all the documents from the State and the IRS and will transfer them to Joan Watson as soon as a Safe Deposit Box is available.

Please note the original Determination letter of Jul. 11, 1995 can not be replaced. This is your only proof of Nonprofit status and has to be kept safe.

This is a so-called **advanced ruling period** until **December 31, 1998**. At that time the IRS will want information about our operation which I expect to be something like an audit, so keep the books in order and keep records of workshops, public meetings, any activities for the public, charitable activities and so on. Also make sure the meetings are always advertised correctly in the paper (keep copies) and it would be good to have posters of meetings and workshops at the stores. After 1998 the nonprofit status (public supported organization as the IRS calls it) will be more secure. Remember this status is a privilege not a right.

Please make yourself familiar with all these documents and the meaning of "nonprofit". The IRS is quite serious about these laws and will audit. You might know that the Camarillo Guild was audited and got into trouble.

From now on any contributions to the Guild including membership are tax deductible. The Guild now qualifies for using city support like meeting places or places for shows and so on. Board members can no longer be sued for actions of the board or be liable for any costs. And there are no taxes only a one page report to the State and the IRS each year. Please use the Accountant to be sure as we did last year. If you decide on any commercial enterprise see a lawyer first.

Again please read the documents, especially the sheet with the newest laws and look at the general provisions for Nonprofit Corporations.

Congratulations of being board members of a Nonprofit Corporation!

Sincerely,

Barbara D. Maxwell
Former Guild representative to the IRS

September 13, 1995

Board Meeting Agenda- as time allows

- 1) Review Expenses and Income to see where we are at
- 2) Heritage Housing: can we pay one day.
- 3) Roslin Perry: Quilters hall of fame project donation
- 4) Safe Deposit box, Storage issue
- 5) Dues next year
- 6) Nominations
- 7) Next year agenda report