



THE 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 (SPEBSQSA, 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 for what and when it should be done.

EVERY MONTH

- **PRESIDENT**

- Meet with Chapter Secretary to prepare monthly Board Meeting Agenda.
- Once finalized, authorize the Chapter Secretary to publish the agenda to 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, **eBiz**, located at <https://ebiz.barbershop.org/ebusiness>.
 - Verify with the membership any changes in contact information (mailing address and emails and phone) and update it on **eBiz** if member unable to update own information.
 - Include a copy of the roster in the minutes of the Board Meeting.
 - Pass off a copy 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.

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ANY MONTH 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**

- **Any Contest Cycle:**

- Verify that the Chapter membership dues and paid registrations for the convention of all chapter members who intend to compete are current or will be current before taking the contest stage.

- **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 on the BHS Society Website: www.barbershop.org/ (Join Us -> Membership & Renewal Documents)

- **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 makeup of the Chapter Board.
 - In the minutes of a Chapter Board Meeting.
 - Under your "My Memberships" tab in eBiz, select your chapter. Once in your chapter profile, select "Chapter Leaders" link.
 - With your Secretary of State, Incorporations Section (or equivalent agency), if required in your state.

- **Annual/Periodic 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 as completed/filed each year after the annual chapter officer election in October through your chapter profile under the "Financial Filings" section in eBiz.

- **Registered/Resident Agent:**

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

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○ 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.
- Download a “fillable” copy of the BMI/SESAC or SOCAN form on the BHS Website: www.barbershop.org/resources/document-center (Business and Finance)
- **For United States Chapters:** If a BMI/SESAC Show Clearance, secure a payment from your Chapter Treasurer, payable to “BHS”.
- **For Canadian Chapters:** If a SOCAN Show Clearance, secure a payment from your Chapter Treasurer, payable to “SOCAN”
- Submit the completed application and payment to **YOUR DISTRICT SECRETARY** for approval.
- Your District Secretary may have automated aspects of this process. If different, defer to your District’s process.
- Once cleared, 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.*
- Once cleared, your show will be added to your District’s Show Calendar. For some districts this will take a separate request while others will add it automatically. Check your district policy on publicizing shows on master calendar.

○ 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!

○ 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 eBiz.

○ General Liability Insurance Certificates as required (i.e. show venues):

- Many venues require that you name them as an additional insured on your Society provided liability insurance. The form and instructions for doing that are located on the BHS Website: www.barbershop.org/resources/document-center (Business and Finance). Ensure you allow sufficient time for processing of request.

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• **TREASURER**

- Process 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. For the most up-to-date rate, please refer to the ASCAP form for the respective year on the BHS Website: www.barbershop.org/resources/document-center (Business and Finance)
 - Any US Chapter who does not produce shows throughout the year, will not be required to pay ASCAP fee (**BUT, must still complete form**)
 - **Send ASCAP form and payment, payable to “BHS”, to your District Secretary.**
 - Copy your Chapter Secretary for the chapter record to be kept for at least seven years.

SCHEDULED THROUGHOUT THE CALENDAR YEAR JANUARY

• **PRESIDENT**

- **Appoint a Nominating Committee** to develop a proposed slate of officers for the annual chapter election held 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** and **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 done by the Treasurer.
 - Example Annual Financial Review formats available on BHS Website: www.barbershop.org/resources/document-center (Business and Finance)
 - When review is completed, your chapter secretary or treasurer should update your Chapter Profile in eBiz under the “Financial Filings” section.

• **SECRETARY**

- **Appointment of “Financial Handlers”**
 - During the first meeting of the board (for a calendar year), individuals appointed by the board who are expected to handle money in any capacity for the chapter throughout the year should be annotated in the minutes as an official record for your chapter. BHS carries a fidelity bond protecting your chapter from malfeasance by noted members.
 - For questions related to Insurance or Fidelity Bonds, please contact the BHS Chief Financial Officer/CFO.

• **TREASURER**

- 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 any required forms the CRA requires.
- When asked, submit financial records to the Annual Financial Review Committee.

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FEBRUARY

- **PRESIDENT**

- Unless another individual is elected by your chapter, you are the presumptive chapter delegate to the **Spring 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 Spring Convention information.

- **SECRETARY**

- If your chapter selects an Alternate Delegate to the **Spring District House of Delegates Meeting**:
 - Record the name of the alternate in the minutes of a Chapter Board Meeting.
 - Report the alternate to your District Secretary

- **TREASURER**

- For United States Chapters, IRS 1096 Forms (report of 1099's) are due to the IRS by February 28th 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 Financial Filings section of eBiz 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-N E-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 Secretary through your Chapter Profile in eBiz by May 15th.

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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 acknowledgement 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 eBiz: Financial Filings section
 - File in chapter's official record and keep for a minimum of seven years.
- Receive a copy of the acknowledgement of filing IRS or CRA forms, and file with chapter records.
 - Post to your Chapter Profile in eBiz: Financial Filings section
 - File in chapter's official record and keep for a minimum of seven years.

- **TREASURER**

- File your IRS or CRA required forms by May 15th.
- Provide a copy of the acknowledgement of the filing to your President and Secretary.
- Review with the President the Annual Financial Review.

JUNE

- **PRESIDENT**

- Verify with Secretary that financial filings (IRS or CRA) information was reported in eBiz.
- Verify with Secretary that the annual financial review was reported in eBiz.
- Verify with Secretary that incorporation information was reported on eBiz.
- 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.

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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 at the Annual Chapter Meeting as required by Standard Chapter Bylaws.
- Record minutes of the **Annual Chapter Meeting**.
- Report in your Chapter Profile in eBiz, (Chapter 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 eBiz because your authority to edit that information expires when the computer thinks you are out of office, usually 12/31/20XX. At a minimum, report the new secretary, even if it is you.

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- File any changes in the makeup of your Chapter Board with your State/Province, Incorporations Section (or equivalent agency).

NOVEMBER

- **PRESIDENT**

- 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.

OTHER THINGS YOU NEED TO KNOW

- **Chapter Insurance**

- **General Liability Insurance**

- Chapters will receive a bill (generally in the 1st quarter 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.

- **Chapter-Owned Property Insurance**

- The Society offers *OPTIONAL* insurance coverage for chapter-owned property
- Coverage is available at various levels and is meant to cover the normal paraphernalia needed to operate the chapter (risers, uniforms, etc.)
- An enrollment form for this coverage can be obtained from the BHS Finance Department

- **Tax Exemption**

- U.S. Chapters are under the umbrella of the group tax exemption 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.

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- 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 nonprofits 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.

RESOURCES

If you allow yourself to think of the enormity of the scope of things you need to know, you will just throw up your hands and quit. Remember, the great thing is that you don't have to learn all this stuff at once in order to do your job! What you really need to know is: **WHERE TO GO** to find the information you need to do your job.

Different things come up at different times of the year. If you forget, remember that your District Secretary or the BHS Society Office is here to help!

Things you can do in eBiz: <https://ebiz.barbershop.org>

- Download a chapter roster
 - Be aware that the download feature of eBiz will give you more than current membership records. You will need to manipulate the information received. One option used by chapter secretary is to copy the display of current members and paste it into an MS Excel spreadsheet for local use.
 - Track membership dues lapses and remind members and board.
 - Update member information if out-of-date.
- Change your chapter dues structure in Chapter Profile.
- Report the filing of your appropriate financial IRS or CRA Forms
- Report the submission of your Annual Financial Review
- Report the submission of your Incorporation status
- Enter your chapter in a contest – the official BHS CJ-20 Contest Entry System
- Change your chapter's reported meeting time/date

BHS SOCIETY CONTACTS:

Antonio Lombardi

Manager of Chapter Leadership & Education
alombardi@barbershop.org | 1-800-876-SING

BHS Customer Service Department

Member and Customer Services
customerservice@barbershop.org | 1-800-876-SING

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 man-made (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 are 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.

<p><i>Year-to-Year</i></p> <ul style="list-style-type: none">● Liability Insurance Certificates● Bonding Insurance information● Society Rules & Regulations● Society Policy Manual● Society Aims/Goals● District Bylaws and Operating Code● Chapter Rules & Regulations● Harmony Marketplace Orders● Chapter Property Insurance	<p><i>Three-Years</i></p> <ul style="list-style-type: none">● Approved ASCAP, BMI/SESAC and/or SOCAN Show Licensing applications and records● Chapter Standing Ovation Program (SOP) evaluations● Completed/Submitted Membership Applications
<p><i>Seven Years</i></p> <ul style="list-style-type: none">● Copies of completed IRS Forms (US) or CRA Forms (Canada)● A record of community service and free/benefit performances.● Annual Financial Reviews● Director & other Employee Contracts● Contracts for Show Venues● Youth Protection Forms● Receipts for chapter property purchases● Invoices & Statements● Warranties and/or Guarantees for Chapter Property● Insurance Claim Documents● Chapter Rosters	<p><i>Forever</i></p> <ul style="list-style-type: none">● Chapter Charter● Annual End-of-Year Financial Statements● Articles of Incorporation● Statements of Continued Existence● Minutes of Annual Meeting● Minutes of Chapter Board Meetings● Chapter Bylaws and Policies● Contest Photos/Memorabilia