

Chapter Dissolution - Minnesota Chapters

When your chapter has made the decision to dissolve you should contact the District President to ensure the procedures are completed correctly. (president@loldistrict.org)

Because of the Society's non-profit status there are IRS rules that apply to the Society and all Chapters, therefore, the President will assign a **Facilitator** who will work with you and help guide you through the process. Key elements of the process include:

1. A meeting of the chapter members must be called for the purpose of acting on the proposal to cease operations and dissolve the chapter.
2. At the meeting, provided that a quorum is present, two thirds of the members present must adopt a resolution to dissolve the chapter and surrender the Chapter Charter. Minutes of such meeting must be recorded for later use. (suggested minutes):

“A duly called meeting of the (_City_) Minnesota Chapter of S.P.E.B.S.Q.S.A. Inc., was held on (_date_). The President called the (zoom) meeting to order with all current members participating. The purpose of the meeting was to make a final decision to cease chapter activities and dissolve the chapter.

Following discussion a motion by (_member_) to cease operations and dissolve. Motion second, brief discussion, motion carried, unanimous. The President is to proceed with procedures required to dissolve the chapter and corporation.

Meeting adjourned.

Signed _____ date _____

3. The next step is to gather the following information:
 - a. Legal name of the Chapter as Incorporated and IES number.
 - b. Make an inventory of tangible assets. All music/uniforms/risers and other tangible assets must be disposed of. A suggestion is to offer things to other chapters or non-profit music or theater groups.
 - c. Outstanding debts, liabilities or obligations of the chapter taken care of.
 - d. Bank checking and savings accounts information and balances..
NOTE: Remaining bank funds should be reduced to near zero at this time.. Funds may be donated to another Non-Profit group such as another Chapter or sent to LO'L District Treasurer. (See item #7)

4. Notice of **Intent to Dissolve** to be filed with the **Charities Division of the Minnesota State Attorney General's office.**

NOTE: A blank form is available on the Attorney General Web site under Non-Profits - Notice of Intent to Dissolve. (The Facilitator can send you this form)

- a. Fill out all sections of the form.
- b. Make it clear you are a Barbershop Chorus, 501-C-3 Non-profit.
- c. Include a copy of the Minutes of the meeting to dissolve.
- d. Include information about the chapters remaining assets. (if any).

NOTE: Before filing with the Attorney General all tangible assets should have been disposed of including: music, uniforms, risers, and the Bank accounts should be near zero.

The Attorney General may take up to 30 days for a reply as he is most interested in any remaining assets, their value, and who they go to.

5. Next is to file a letter **Articles of Dissolution** with the **MN Secretary of State:**
 - a. Legal name of Chapter and IES Incorporation #
 - b. Copy of the Minutes of the meeting held to dissolve.
 - c. There are no remaining assets or funds.
 - d. There are no pending legal or administrative proceedings against the chapter.
 - e. That notice of same has been sent to the Minnesota Attorney General.Mail to: Minnesota Sec of State - Business Services
First National Bank Building
332 Minnesota Street - Suite N201
Saint Paul, MN 55101
6. Any current members may be transferred to another Chapter, or their membership allowed to expire, or transferred to the LO'L Frank Thorne chapter (Chapter # H000).
7. After satisfying all debts and obligations of the chapter notify the Bank to close the account(s). Any funds remaining are to be sent to the LO'L District Treasurer - Jack Edgerton, 1804 Conant Street, Stevens Point, WI 54481-5819
8. File a final Corporate Tax IRS form 990 or IRS Form 990-EZ. You must include a completed Schedule N (Liquidation, Termination, or Significant Disposition of Assets)
If using the 990 form check the Terminated box in the header on page 1 of the return.
9. The District will notify BHS Society who will remove the Chapter from its rolls.