ORGANIZING YOUR CLUB AS AN IJA CHAPTER

MISSION.

The International Jugglers' Association's Mission is:

- To educate and render assistance to fellow jugglers.
- To provide an accessible source of information pertaining to juggling to jugglers and the public.
- To record and maintain the history of juggling.

It is important that your group's activities and goals closely emulate those of the IJA. The IRS does not exempt "social clubs". Anything that you do that could be termed of purely social benefit should be able to be deemed an "insubstantial" part of your activities, and when conducting your activities, try to find a way to center them around the IJA's educational or charitable goals.

Here are some examples of things that you can do, which are within the scope of the LIA's mission statement:

- Fundraisers (whether for the IJA, your group, or some other charitable organization)
- Public Education (informational booths at community events, presentations at schools, demonstrations, festivals, etc.)
- Regular meetings (you may schedule skill-building activities and games, informational guest speakers, etc.)
- Group Outings (these can be included if you are performing some beneficial function in conjunction with the activity)
- Community Service (performing or teaching juggling to enhance community events and fundraisers, particularly in the context of offering support, guidance and encouragement to individuals wishing to learn or enhance juggling and related skills and activities).

Occasionally, you may find yourself wanting to schedule a field trip or outing that is purely for the enjoyment of the members. As long as this occurrence is insubstantial, the IRS doesn't have a problem with it. However, you can make almost everything you do come under one of the categories of our mission statement if you can provide some beneficial educational aspect.

As long as you keep these things in mind, you should be fine. Remember when you are creating member recruitment materials or advertising for your events, try to keep the word "fun" to a minimum. Emphasize the learning opportunities and the development of a closer relationship with other jugglers and your community.

ORGANIZATIONAL STRUCTURE:

The Chapters of the IJA may be organized and managed as an integral part of the national sponsoring organization or may be established as separate legal entities that have a contractual relationship with the IJA. From a legal point of view, there are advantages and disadvantages to both methods of organization.

If Chapter's are an integral part of a national group, the national group must maintain financial control and is accountable for the actions of the chapters. Maintaining control of multitudinous semi-autonomous chapters is very difficult, especially if the chapters are operated by part-time volunteers rather than full-time staff. The financial reporting that is required for the national to meet its accounting and tax reporting needs can become very complex. For these reasons, most national and chapter relationships are contractual, with the chapters operating as autonomous or semi-autonomous independent entities.

Legal Forms

Because the IJA has decided to incorporate its Chapters as separate entities, your local group has basically two choices for creating a legal form to become and IJA Chapter:

Chapters may be separately incorporated; or They may operate as unincorporated associations.

<u>Incorporation</u>

Incorporation of chapters requires a level of formality that is sometimes not consistent with the informality of a volunteer chapter, and involves filing documents and paying a fee to your state/commonwealth. If the chapter is operated entirely by volunteers, the convenience of operating on an informal basis often outweighs the substantial legal advantages of incorporation. These advantages include the general rule that members and directors acting in good faith are, in general, not personally liable for the debts and obligations of a chapter that is separately incorporated.

If the chapter is not incorporated, its members or organizing individuals may be held personally liable for torts and contractual obligations of the organization. Another advantage of incorporation is that it generally leads to a designated line of authority and fixed organizational structure. If the corporation is organized within a well-thought-out system of state law, it is subject to a much greater degree of legal certainty than is an unincorporated association. Finally, incorporation allows perpetual life of the organization.

Procedure to incorporate

Incorporation is a matter of state law. Corporations are creatures of the state and may not exist without its blessing. Each state requires the filing of a certificate or articles of incorporation with some officially designated body--usually the Secretary of State. The statutes impose varying requirements for the number of directors, the appointment of officers, meeting notices, and so forth. All such requirements must be met. Articles of incorporation become the basic governing document the corporation and are subordinate only to state law.

The organizing documents of a corporation also include bylaws, which should be more specific than the articles of incorporation and which should contain the specific rules relating to the Election of Officers and the holding of meetings.

A corporation must have a registered agent in the state of incorporation, though its principal office may be elsewhere. It must obtain a certificate of authority to do business in any state in which it is conducting business and must maintain a registered office in each such state. Annual reports are generally required in the state of incorporation and in all states in which certificates of authority have been granted.

You can read and review the IJA's certificate of incorporation and bylaws from http://juggle.org/business/. A sample of Articles of Incorporation and Bylaws which comports with the laws of the State of Texas is included in this packet, for your reference.

<u>Unincorporated Associations</u>

The vast majority of IJA Chapters will likely pursue their Chapter affiliation with the IJA as an unincorporated association. As with incorporation, state laws vary in terms of the requirements for becoming an unincorporated association, and your group will want to have your proposed Articles of Association reviewed by an attorney licensed in your state before submitting the completed Chapter packet to the IJA. To assist you in drafting your Articles of Association, a template is included in this packet.

Please note that to become a Chapter of the IJA your group needs to have either Articles of Incorporation and Bylaws or Articles of Association, not both. Which form you choose depends on your local group's needs and the requirements of the laws in your state.