



Puttin' on the Dance Session Notes

“Dance Money Mechanics”

With: Rob Lindauer

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Rob is the treasurer for Hartford Community Dance, HCD (and also for the Fairport Community Symphony). HCD is a 501(c)3 corporation that encompasses 5 clubs (zydeco, contra, waltz, swing, and a swing dance jam). The parent handles various shared resources (the web site, insurance, tax reporting, an 800 #, etc). HCD is a CDSS affiliate, but gets its insurance separately from CDSS. The parent levies a “tax” on each club for the shared expenses, pro rated by club profitability.

Each club is otherwise autonomous, having its own bank account. However, the parent treasurer also has signing privileges on the club bank accounts. Each series must report to the parent by the 15th of the month, using a standard spreadsheet template (will be shared). These are collated into a summary spreadsheet for reporting to the board. Rob is both parent treasurer and contra club treasurer.

Each club has a representative on the board, and the board also has the parent officers. It has happened that HCD has subsidized one club from another, through a consensus process at the board. Officially, HCD is a membership organization. In practice, membership is achieved by the “frequent dancer” method: if you attend 8 dances (in some time period?), then you're a member. Club committee members are volunteers. Board members are by invitation, based on observation of who has demonstrated the interest and capability at the club level.

Hurdles

- It's been a bit of work to get cooperation from all the club treasurers. Some club treasurers have had to be replaced for non-compliance.
- If there are problems, Rob follows up with the club treasurer, and escalates if necessary to the club chair, and finally the board.
- It is a continuing issue to help people understand what it means to operate on a cash accounting basis. Income and expenses must be reported as incurred. (e.g., if you paid the rent for 6 months in February, then it all gets charged to February.)

Benefits

- Monthly reporting helps to keep finances accurate and up to date.
- It allows intelligent discussion of the results of each dance. Tracking admissions and attendance for each dance helps them understand which bands draw and

which don't. Every monthly HCD board meeting includes a review of the prior month's dances.

HCD charges \$12 per dance, \$5 for students. For students, transportation is the limiting factor, not the ticket price.

Budgets

The HCD Contra budget is retrospective based on the “going rate”. It documents where the moneys are going and allows a straight line projection to see what will happen if nothing changes. This allows the board or the club to choose to take action to drive changes. Things don't change by magic. There must be some action.

The Amherst dance series is just getting started, so they have no history to use for budgeting. Also, as a nascent dance, attendance varies widely (by up to 2.5x between dances). In these cases, surveys help.

Controlling Cash

Well, you could do the basket at the door . . .

HCD has an admissions desk staffed with 2 volunteers. One collects the cash and the other tallies the dancers. They get in free for 30 minutes work at the desk. (Rob didn't say how many shifts are needed.) The treasurer counts and disburses the cash at the break, and checks for a rough match between the cash and the tally. A precise match is not expected. If the treasurer is not at the dance, there is a simplified instruction sheet to pay the performers, and the balance is transferred to the treasurer as soon as possible.

Someone said Sharedweight.net has a spreadsheet of cash division strategies used by different organizations, but I couldn't find it. It's probably just a table in one of the posts found in the archives.

HCD pays performers in cash with a receipt book. There is a \$100 petty cash fund that seeds the cash box and which is used to cover any shortfall between the gate and the minimum guaranteed to the performers. HCD guarantees a minimum to each performer. The booker sends out a confirmation letter for each booking that confirms the guarantee. Any sharing of event profits (if any) is at the personal discretion of the club treasurer.

The day after the dance, the treasurer does detailed accounting (in Quicken!). The results are transcribed to the standard spreadsheet to report to the parent.

Rob recommends using a package for the detailed accounting. Automation helps. He uses Quicken because it gives both category and class. He uses the category to report on the type of expense and the class to report by event. There are both dance and non-dance

categories. However, Quicken is Windows only, so it's challenging if your computer runs Linux or MacOS. (There is a version of Quicken for MacOS, but it is based on a completely different code base than Quicken for Windows.) Another attendee suggested SEE/Finance for MacOS.

If Rob were starting up, he would set up the categories to align with the IRS Form 990 categories. As it is, he has to do some mapping of his categories to the IRS Form 990 at tax reporting time.

Rob also has a pseudo account set up for head count at the dances. It's important to remember to hide that account at tax reporting time! It represents people, not dollars.

Reporting

Regular reporting shows discipline, establishes trust, keeps key stakeholders informed and aware of the health of the dance. It avoids unpleasant surprises.

Each month, Rob reports cash flow by month and by event. The “by event” reporting excludes non-dance expenses.

For the IRS, Rob provides a 1099 to the IRS and to individuals / bands (some swing bands are incorporated) to whom they've paid over \$600 in the calendar year.

There should be some example reports in the Conference archives when they become available.