



USA Dance Neutrality Policy

Purpose:

The purpose of this neutrality policy is to protect USA Dance's tax-exempt interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of USA Dance or might result in a possible excess benefit transaction. As stewards of a nonprofit organization chapter officers and board members have a responsibility to make decisions that will protect the nonprofit status of USA Dance. This policy is intended to supplement but not replace any applicable state and federal laws governing business practices applicable to nonprofit and charitable organizations and provide guidance for local chapter interactions with professionals and others who derive their income, in whole or in part, from the dance community and/or chapter.

Policy Statements:

It is the policy of USA Dance that USA Dance Chapters:

- Operate in a neutral manner independently of professional dance studios, professional dance instructors, and other dance-related businesses including dance venue leasing.
- Conduct business in a manner that neither provides nor suggests that the chapter is providing "economic advantage" or favoritism to any one business entity or instructor.
- Neither appear to be nor should be, the sales or marketing arm of any studio, individual, or business.

Processes and Procedures

1. USA Dance Chapter Development and Operation:

- A forming chapter must represent a community of dancers, independent of any studio.
- The new chapter must operate pursuant to the USA Dance National By-Laws and policies.
- A studio, professional, or others who derive an income or make money in the dance industry may not independently establish or manage a USA Dance chapter. This does not preclude a dance professional from assisting with the formation of a chapter or serving on the board.

2. Venue Selection:

- USA Dance chapter dances will occur in neutral and affordable locations that provide a dance floor in a safe and pleasant environment. Dance studios or member owned venues may be selected when other options within the locale have been considered and this is the best option.
- When a chapter is limited to using a dance studios and/or member owned venues, the board will rotate its events among all viable venues which meet the above criteria. This ensures that the public or members of a studio do not perceive a chapter as supporting a particular member's business, dance studio or other dance industry professional.

3. Good Business Practices:

- Boards are encouraged to obtain three bids for service providers and venues to ensure informed business decisions are made and to reduce the appearance of "conflict of interest" and favoritism. Reference Conflict of Interest Policy (COI)
- Remuneration for services to the chapter must be consistently applied. This includes services provided by professionals such as studio owners, instructors, DJs and venue owners. This is intended to avoid conflicts of interest and the public perception of ownership of the USA Dance chapter event by a professional.
- Dance instructor schedules must be neutral and balanced. This can be accomplished by rotating the "sources of instruction" listed on the Instructor List. For rotational purposes consider a "source" to be a studio or an independent instructor. In other words, each independent instructor will be invited to participate in the rotation as many times as a studio with multiple instructors.
- Each professional invited to participate in the chapter's instructor schedule must agree to the board's requirements, scheduling request, and accept the chapter's standard remuneration. Chapters who provide the venue, audience and promotions are not obligated to pay the instructor's or studio's usual lesson rates.
- It is the expectation that chapters charge admission to support the cost of operations. This includes rent for the venue, remuneration to the professional instructor, other direct costs and provides a modest surplus to cover expenses during lean periods.
- All actions by the chapter board must be appropriately documented in the board minutes for all interested parties to view.

4. Solicitation:

- USA Dance must offer a welcoming neutral environment; therefore no solicitation is permitted without prior permission from a chapter officer.
- To provide equitable support to the dance community, boards should actively encourage the display of dance related business cards and event flyers on the chapter handout table.
- It is expected that announcements at chapter events will focus on USA Dance events and business. The guest instructor or performer at a chapter event may be invited to make a brief announcement.

5. Event Management Requirements:

- All chapter events must be visibly identified as being a USA Dance event with the name "USA Dance," and chapter name and number reflected on all documents, banners and promotions.
- A USA Dance chapter must be responsible, control (accept the risk), and organize the event.
- Income and expenses must flow through the chapter checking account.
- A USA Dance Chapter board member must be present during chapter events.