

**A Comprehensive Guide to the
WVSC/STEP Sail Training Program
For Youth and Adults**

TABLE OF CONTENTS

HISTORY	4
THE STEP SAILING PROGRAM	5
THE STEP APPROACH	6
THE PROGRAM	6
Board of Directors	6
Financial Status	6
<i>Fund Raising</i>	8
Participants-Students and Adults	8
<i>Requirements</i>	8
<i>Recruiting</i>	8
Operations	8
<i>Finances</i>	8
STEP Treasurers Responsibilities	8
<i>Record Keeping</i>	9
<i>Administration</i>	9
Staffing	10
<i>Sailing Instructors</i>	10
<i>Assistant Instructors</i>	10
<i>Volunteers</i>	10
Physical Requirements	11
CAMP ADMINISTRATION	11

CALENDAR 11

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HISTORY

In the articles of Incorporation of the Walnut Valley Sailing Club/Sail, Training and Education Program it states that the purpose of the Corporation is:

The Corporation is organized NOT FOR PROFIT and the purposes of this Corporation are:

- (a) To organize and teach the science of seamanship, both for power and sail boating.**
- (b) To instruct in the safety of boating.**
- (c) To be open to all persons who would desire to be instructed in boating operation and safety.**
- (d) To build, maintain facilities and equipment used in the furtherance of such objectives.**
- (e) To engage in any act or activity as may be permitted by Section (501(c)(3) which is in the furtherance of the above activities.**

The STEP program began in 1997/98 when the WVSC Board adopted a Long Range Plan for the youth sailing program. The plan called for the excavation of the cove, the construction of a concrete pad and the purchase of floatable docks. This project was completed for the 2000 season when the program began.

That first year four volunteer instructors taught 16 youth and 5 adults using borrowed club member boats.

In 2001 the STEP program took over the City of Wichita Riverkids program with the agreement to/for transfer of all the boats.

This gave the STEP program a very good inventory of boats. Unfortunately, the City of Wichita allowed these boats to deteriorate and a large amount of work was required to refurbish and put into service 5 Sabots, 6 JY trainers, 3 Sunfish and a Boston Whaler. The small boat storage building was constructed and in place for the 2001 season. Also in 2001 the 501 (c)(3) non-profit Corporation was established, 5 Capri 14.2 boats were purchased and one full time instructor was hired and worked with two volunteer instructors. 17 youth and 10 adults participated.

In 2002 a second full time instructor was hired to work with two volunteer instructors. There were 27 youth and 15 adults participating.

2003 saw two instructors and two assistants teaching 30 youth and 18 adults in the program.

In 2004 the program had two instructors and two assistants teaching 40 youth and 20 adults, with a waiting list for all classes.

In 2004 the program purchased 10 new boats, 5 Sabots, 3 Vanguard Prams and 2 Optimists to replace some of the aging boats.

2005 had 29 youth and 18 adults. The program began offering Basic Keelboat instruction to the adult sessions. A race camp was also held for the youth with 10 students.

2006 had 22 youth and 27 adults attend. The fall off in attendance was attributed to the high cost of gas.

In 2007 the program had 23 youth and 24 adults participate. There were four certified instructors to teach.

2008 had 19 youth and 20 adults participate. There were four certified and two assistant instructors.

Since 2001 the program has brought to the club 22 new permanent family memberships. Well over 100 young sailors and 50 adults have taken the classes.

THE STEP SAIL TRAINING PROGRAM

The STEP Corporation is a non-profit 501 (c)(3) organization created to provide positive and confidence building experiences gained by learning how to sail. It is for all youth ages 8-17 and adult ages 18 up.

The program was created to fill a void in the sailing community by offering an organized learning environment that teaches sailing. It would provide a learn-to-sail opportunity that included the use of STEP owned boats to continue their sailing development after classes ended. They would have use of the boats without the expense of needing to purchase a boat to discover if sailing is for them.

It is important to note that the STEP program is primarily a volunteer organization. As such, the organization is able to allocate the majority of program funds to direct costs, without having to pay high administrative overhead.

In addition to the fund-raising activities, WVSC generously contributes the funds needed for boats, equipment and facilities. The club members actively volunteer in all aspects of the program, including organizational support, sailing instruction and fund raising.

THE STEP APPROACH

The STEP Sail Training program is designed to deliver sail training in a non-competitive environment utilizing instructional techniques that are taught by and available from United States Sailing Association (USSA). The book that is used by the instructors is the "Small Boat Sailing Instructors Manual". The book that is used for instruction is "Start Sailing Right" also available from USSA.

THE PROGRAM

BOARD OF DIRECTORS

The STEP Corporation Board of Directors is the main management body of the organization. The number of Directors can be a minimum of 5 and a maximum of 11. The board consists of a President, Treasurer, Secretary and officers. Some of the members of the all-volunteer board are active participants in the program. Members of the board are chosen so that each brings a unique perspective and valuable experience to the organization. The complete text of the By-Laws can be found in the back of this document.

FINANCIAL STATUS

Purpose and operation of STEP 501 (c)(3) corporation.

STEP is an initiative established by the members of the Walnut Valley Sailing Club (WVSC) to instruct both youth and adults in boat handling and safety as well as the art of sailing and sailboat racing. STEP is an integral part of the WVSC activity and is considered to be a committee similar to other committees established to carry out the purpose of the Club and provide the necessary support for successful Club operations. In 2000, STEP determined that its operations were consistent with other similar charitable functions and was qualified to operate as a 501 (c) (3) corporation by meeting all requirements of this IRS code section. This status provides that all donations for its operation become tax deductible to the donating party. The advantage to becoming a 501 (c) (3) stems from the ability to attract donations to the program-allowing STEP to provide training at a cost that is affordable to everyone. The limitation created by the 501 (c) (3) status relates to the use of the equipment and training activities, which must be for the sole purpose of STEP i.e. training, and education.

The STEP Corporation was created to act as the charitable operation and is a wholly owned subsidiary of WVSC. STEP is a separate legal identity with its own board and maintains completely separate books and records for that purpose.

WVSC carries the investment in STEP as an investment in subsidiary and an inter-company receivable in the amounts advanced to STEP for the purpose of acquiring the needed equipment for its operation. An equal amount appears on the books and records of STEP as an inter-company liability. If one were to look at a consolidated financial report for WVSC, the books of both WVSC and STEP would be combined with the inter-company balances eliminated and the assets on STEP's books would be reported as assets of WVSC

Certain transactions between WVSC and STEP are required in order to comply with 501 (c) (3) requirements. These transactions, commonly known as "inter company", are eliminated in the consolidation of the two entities as described in the previous paragraph.

The following describes the rationale for the agreements and transactions between the individual (including WVSC) in excess of 33%.

The boats and equipment necessary to conduct the program must be legally owned by the STEP entity. WVSC, therefore must loan STEP the monies necessary to make these acquisitions. If these funds were not considered a loan, they would be considered a donation and STEP would fail the test as a public charity.

WVSC carries the loan as a receivable equal to the residual value of the equipment.

If STEP were to liquidate, the equipment would be sold and the loan paid. The receivable on WVSC's books should, at no time exceed the value of STEP's assets.

If WVSC donated the funds, and STEP had no liability for its equipment, upon liquidation of STEP and sale of equipment, all proceeds would then be given to another 501 (c) (3) organization and WVSC would lose the value of its assets.

The WVSC program encourages its members to continue their education and development of the sport of sailing by making the equipment of STEP available to members who have either 1) completed the training or 2) wish to learn on their own by using the equipment upon completing a required orientation program.

In consideration, STEP is compensated through a rental program for which payments by WVSC to STEP are netted against the STEP liability.

In January 2003, STEP was granted a property tax exemption by the Kansas Board of Tax Appeals (BOTA) for all boats and equipment used in the training program. As additional acquisitions are made, STEP is required to file exemption requests annually.

Fund Raising

As with all non-profit organizations, fund-raising is an important part of STEP's activities. Parents, club members and businesses play a big role in the fund-raising program. The program tries to hold fund raising parties throughout the year.

PARTICIPANTS-STUDENTS AND ADULTS

The program is specifically designed for youth between 8-17 years of age and adults 18 and up.

Requirements

Prospective students must demonstrate an ability to swim and must wear life jackets during all on-the-water activities. Each student must supply his/her own life jacket.

Recruiting

As an established program, the STEP program has been able to maintain a manageable level of participation through word of mouth. Other success has been achieved through the Wichita Park Department tabloid, Wichita Eagle tabloid, the El Dorado newspaper, the El Dorado public TV channel, and the Wichita and El Dorado schools. The most effective way to reach the desired audience is to form and continue an alliance with such agencies in the community.

OPERATIONS

Administering a program the size of the STEP program can be daunting. All administration of the program is done on a volunteer basis. Although many of the tasks are divided among volunteer members, the President, Treasurer and Secretary handle the majority of the administrative tasks. All records are kept either by the President, Treasurer or Secretary.

Finances

STEP TREASURER'S RESPONSIBILITIES

- Maintain books and records for the STEP entity
- Maintain all asset records
- Report personal property to Butler County
- File annual report with Kansas

- Provide financial reports and analysis
- Develop financial and cash flow forecasts
- Maintain corporate resolutions for bank account
- Coordinate with WVSC Treasurer on inter-company activity
- Provide support for President as needed
- File required report to IRS annually
- Ensure strict adherence to Section 501 (c) (3) rules and regulations pertaining to the proper operation of the charitable corporation
- Maintain bank account and reconcile monthly
- Work closely with Butler County to maintain our personal property tax exemption
- Ensure adherence with the rules and regulations relating to the property tax exemption
- Meet all filing deadline requirements
- Manage cash flow position for STEP

Filing deadlines

Fiscal year end October 31 all receipts and disbursements completed by this date

Annual Financial Report ten days following fiscal year-end to President
Butler County personal property assessment form filing deadline March 31

Kansas State Annual Report Filing deadline April 15 (six months from fiscal year end)

Federal Income Tax Return Form 990 Filing deadline April 15. E filing is required for organizations with revenues generally under \$25,000. Filing is online only.

As a non-profit organization, the STEP program tries to keep the cost of tuition as low as possible to enable all children to participate regardless of economic circumstances. Fees, which are set for each youth and adult 3-week session, is dependent on operating expenses and have a member/non-member fee. The classes are limited to 20 youth per session to ensure the desired student/instructor ratio. The adult sessions are limited to 10 per session. There is an extra charge to non-members, which covers their club membership fees for one year and brings them in under the club insurance coverage of the program, which is required.

Record Keeping

The STEP program keeps detailed records regarding finances and program administration. The IRS 501 (c) (3) guidebook outlines which records are required for federal reporting purposes.

Administration

Depending on the level of participation in the program, general administrative tasks can be divided between volunteers and instructors.

Staffing

The development of “home grown” USSA certified instructors is the goal of the administrative staff. With local instructors, the organization saves on the extra expense of room and board, which can be considerable.

Sailing Instructors

The STEP program approach requires instructors to be USSA certified, which requires a minimum age of 18, to be organized in preparation and remain calm in trying situations. Instructors also must be patient and understanding. A relaxed, encouraging, self-confident staff produces self-confident sailors. The desired instructor/student ratio is 1 instructor, 1 assistant per 10 students.

Assistant Instructors

Students who participate in the STEP program for three years and are 15 years old are eligible to be considered for an assistant instructor position. They provide instructional support and act as role models for younger students, and enable the head instructor to put an instructor in the training boats when needed. These individuals must be able to handle the responsibility that comes with the position. USSA certification course is desirable. These assistant instructors can qualify for the certified instructor positions when they reach the age of 18.

Volunteers

Volunteer adult help plays an invaluable role in the student management aspects of the STEP program. Some of the tasks completed by volunteers are:

They have provided fill-in instructional help

Provided assistance at special events

Offered professional services such as boat and equipment maintenance, provide financial record keeping

As part of the organizations on going fund raising efforts, volunteers:

Conduct fund raising events

Solicit both cash and in-kind contributions from individuals and businesses.

In addition to individual volunteers and monetary donations, the local business community has supported the STEP program as well. Some of the donations have included:

T-shirts, water bottles, whistles, key chains Frisbees.

PHYSICAL REQUIREMENTS

The physical requirements are some of the most important elements to a successful program. They are required by both the student and the program instructor to be able to move and handle the equipment.

The program has Sabots, Vanguard prams and Optimists for the beginner sailor

Sabot and Optimists are used for the beginner and the intermediate sailors

Sunfish, Lasers Capri 14.2 and a Sonar are for the advanced sailor

Students are required to bring their own PFD, sun screen, shoes, clothes and lunch.

CAMP ADMINISTRATION

There are administrative tasks that need to be handled on an ongoing basis. The following section covers essential elements of running the STEP program.

Tasks that are required to get the camp prepared are divided among administrative staff, instructors and volunteers. The STEP program conducts several Directors meetings, instructors and volunteer meetings early in the year to set program dates and curriculum. Ideally, planning for each session begins approximately 4-5 months in advance to provide time for:

- Student recruitment
- Required paper work
- Registration and tuition collection
- Equipment repair
- Location Management
- Volunteer Management
- Instructor Recruitment/training

The following calendar is a general time line that is required to “get all the ducks in a row” before the program begins.

JANUARY

- Review the expense/revenue of last years operation
- Develop the summer program i.e., set dates, costs, review equipment status
- Begin Instructor search
- Contract with Instructors ASAP
- Set up USSA instructor training dates if needed

Set up Red Cross 1st aide and CPR instructor training – if needed
Present Annual Report to the WVSC Board and review new program
Develop an operating budget and set course fees
Check on Jr. Regatta schedule and dates

FEBRUARY

Contact the Wichita Eagle to see if they are going run a “Summer Activities Guide”
Develop fund raising program
Begin running program in the newsletter for March publication

MARCH

Contact Park Department for copy in their “Summer of Discovery” publication in the Wichita Eagle
Inventory boats and equipment for repair
Line up volunteers for repair work in April
Prepare flyers with registration form to mail out to all last years participants
File Butler County personal property assessment form-filing deadline March31

APRIL

File Kansas State Annual Report. Filing deadline April 15 (six months from fiscal year end)
File Federal Income Tax Return Form 990-filing deadline April15. Filing of the tax return is not required if revenues are generally less than \$25,000 annually.
Mail out flyers and registration forms to last years participants
Repair equipment
Put class info on the club web site
Check to see if whistles are available from the Corps of Engineers

MAY

Fine tune curriculum with instructors
Order class manuals from USSA if needed
Make copies of all forms to be used:
 Registration
 Medical release
 Provisional membership-youth and adult
 Vender pass
 Lake map
 Greetings letter
Establish instructor orientation date, if needed

JUNE

Send out class info as needed
Classes begin
Purchase Gator-Aide and fuel
Order T-shirts/certificates

Check on writing pads, markers, easels

JULY/AUGUST

Classes

Order T-shirts/certificates

SEPTEMBER

Prepare Report for WVSC Annual Meeting

OCTOBER

Step Board Meeting (for the end of year report)

Fiscal year ends October 31-all receipts and disbursements completed by this date

NOVEMBER

Annual Financial Report-10 days following fiscal year end-to President

STEP Annual Meeting-elect new officers and set agenda for next year

DECEMBER

No meeting or agenda

Revised:

January 31, 2005

November 1, 2005

February 8, 2008

January 17, 2009