I. Call to Order

The regular meeting of the SCRA Board was held at the noticed time in the SCRA Meeting Room, and was called to order at 7:05 by Jan Rossi, who presided. Board members who were present: Jan Rossi, Catherine Wilson, Justin Annes, Scott Fendorf, Janet Gibson and Julie Wilcox. Obul Kambham was absent. Ray Purpur and Steve Robe also were present.

II. No meeting minutes were approved.

III. SCRA as a Social Club: 501c7 Compliance Issues (7:05)

Discussion Summary:
The Stanford Campus Recreation Association (SCRA) is a nonprofit 501c7 social club. According to tax code, a maximum of 15% of SCRA’s gross income may be derived from non-member activity. Currently, the SCRA is out of compliance with this stipulation and must take immediate action to remedy the situation. The primary contributor to noncompliance is non-member swim/tennis-related income. Presently, 75% of the participants in the SCRA swim program are non-members (3 non-members:1 member). Over the past several months two potential solutions have been vigorously considered and discussed by the board members:

1. A reduction in the non-member to member ratio from 3:1 to 1:1 in SCRA programs.

2. The establishment of a “junior membership” which converts nonmember swim-related income to member income. The “junior membership” would not expand club-use privileges.

After discussion and consultation with a Stanford-affiliated tax specialist, the SCRA Board has unanimously agreed to enact a resolution that (a) is intended to reduce the swim program and (b) create a limited number of “junior memberships.” This compromise (a) achieves income compliance; (b) Reduces the footprint of the SCRA swim program (a concern represented by most board members to varying degrees); (c) Is intended to preserve the integrity of the highly valued SCRA-associated junior recreational programs.

D. Motion: Rossi moves to grant 50 Special Swim and 50 Special Tennis Memberships for the Fall Season only. The Board will review the award of 50 Special Swim and Tennis Memberships every quarter and reassess the impact that the special memberships have on the Club. Motion unanimously approved.

III. Executive Session

III. Adjourn Meeting 9:00pm

Meeting was adjourned at 9:15pm.
Respectfully submitted by Julie Wilcox