



Michigan State Youth Soccer Association

MSYSA Club Merger & Dissolution Policy

Purpose:

This document provides guidelines and policies by which the Michigan State Youth Soccer Association will evaluate club mergers for determining player eligibility and/or club compliance with MSYSA Rules, Regulations and Polices as well as eligibility and compliance with MSYSA programming, including but not limited to the US Youth Soccer National Leagues, Director's Academy, etc.

Club Merger Requirements:

A club merger is the formal unification of two or more clubs into one entity and structure. In order to constitute a formal merger between two or more clubs, the following items must be satisfied:

- An executed written agreement between the clubs that outlines in detail:
 - The legal entity, leadership and governance structure;
 - The financial contribution or responsibility of each club; and
 - Exit or termination provisions (if any).
- The same name, logo and uniforms must be used on all teams in the entity.
- All staff and teams must ultimately report to one Executive Director or Director of Coaching.
- If a direct member organization with MSYSA, a new league affiliation form must be completed and submitted to reflect any changes as a result of the merger.
- MSYSA's definition of 'club' must be satisfied:
 - (a) A "club" is defined as an organization providing soccer to youth players that is either a direct member of MSYSA or that registers MSYSA players through an affiliated member.
 - (b) At no time shall an affiliated member who functions as a "scheduling" league also be considered a club.
 - (c) In the case where a club sets up one or more satellite clubs in the state, those satellite clubs may only be considered part of the main club for the purposes of club passcarding in the National Championship Series, National League (all levels), Director's Academy and Junior State Cup if the teams and players from the satellite club are registered in the same GotSoccer Account as the main club.
 - (d) The only exception to the 'C' above is if all of the following criteria is met:
 - The main club and satellite club have the same Board of Directors
 - The main club and satellite club have the same Tax ID Number
 - The main club and satellite club are in the same MSYSA District as determined by the MSYSA Board of Directors
 - (e) All teams from within a "club" must have similarly designed uniforms with identical colors, logos, and other acceptable identifying marks.

Upon receipt of the above information, MSYSA will make a determination to accept or reject the merger with respect to the National Leagues/DA/etc. participation and rostering.



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Club Dissolution Requirements:

Club dissolution is the termination of its existence as a legal entity ending operations, transferring all assets or merging with another organization. In order to constitute a formal dissolution, the following items must be satisfied:

- If the club is a registered **non-profit** entity with the IRS
 - IRS Form 990-N (e-Postcard): Answer *yes* to question asking whether organization has terminated or has gone out of business
 - IRS Form 990 or 990-EZ: Check **Terminated** box in header of return
 - Form 990-PF: Check **Final return** box in header of return.
 - All criteria must be satisfied pursuant to the IRS website: <https://www.irs.gov/Charities-&-Non-Profits/Termination-of-an-Exempt-Organization>

- If the club is a **for-profit** entity with the IRS:
 - Make final federal tax deposits
 - File final quarterly or annual employment tax form
 - Issue final wage and withholding information to employees
 - Report information from W-2s issued
 - File final tip income and allocated tips information return
 - Report capital gains or losses
 - Report partner's/shareholder's shares
 - File final employee pension/benefit plan
 - Issue payment information to sub-contractors
 - Report information from 1099s issued
 - Report corporate dissolution or liquidation
 - Consider allowing S corporation election to terminate
 - Report business asset sales
 - Report the sale or exchange of property used in your trade or business
 - All criteria must be satisfied pursuant to the IRS website: <https://www.irs.gov/Businesses/Small-Businesses-&Self-Employed/Closing-a-Business-Checklist>

Misc.

- All documents mentioned above must be completed in their entirety and submitted to MSYSA. These documents will be reviewed in detail.
- All documents mentioned in this policy must be provided at time of application.
- An application can be rejected if information is missing or incomplete.
- All applications must be submitted timely for an adequate review process to be achieved.
- The MSYSA Executive Director will make the final determination on all matters relating to this policy. No record of deliberations will be made. The final determination presented is not appealable to a higher authority.
- All requests, documents, applications, must be submitted in a legible format.
- Players are permitted to dual-roster as long as all other MSYSA Bylaws, Rules, Regulations and Policies are followed accordingly.
- All materials can be provided to MSYSA Executive Director, Tom Faro at tfaro@michiganyouthsoccer.org.