

CORPORATE ORGANIZATION

Where should you incorporate? Since Parent Clubs have membership throughout the USA, shop around for the state that best fits your needs.

Choose a state with the most flexibility for Not-for-profit corporations

- Virtual meetings
- Remote voting
- E-balloting
- Flexibility of notice
- Minimum corporate reporting
- Registered Agent – a trusted club member or a professional

Choosing a name

- Check with AKC for name approval
- Check usage of the name throughout the USA

Professionals to aid your corporation

- Lawyer who specializes in Non-profit corporate law in the state of incorporation.
- Accountant who specializes/has a deep familiarity with Non-profit corporations.
- Registered agents. For a nominal fee, this service will accept legal notices and documents on behalf of the club. This provides a dependable means of contacting the corporation. In addition, it limits access to the private information of club members. This service allows to choose any state in the USA.
- Parliamentarian or someone familiar with Roberts Rules of Order.

Once you have incorporated, you need to obtain an appropriate tax status

- Obtain an EIN number
- File for a tax status with the IRS. Consult a professional whether 501(c)4 or 501(c)7 is best for your parent club. 501(c)4 is for Civic leagues, social welfare organizations, and local associations of employees. 501(c)7 is for Social and Recreational clubs. Some items to consider:
 - Reporting requirements
 - Activities you can and cannot do
 - Limitations to income sources

Charitable organizations which may obtain a 501(c)3 status include:

- The Parent Club's charitable trust
- Rescue
- Health Foundation
- Heritage Reproduction Bank
 - Annual Filings with the state
 - IRS filings
- Review

Bylaws

- AKC Club Relations can provide assistance.
- The State of incorporation may have organizations that assist non-profit organizations navigate the state laws. Many of these provide draft bylaws.
- Contact a local attorney specializing in non-profit law to determine if the state law has any restrictions or mandates. Have the attorney review your bylaws.
- The Bylaws determine how your club is operated.

For example, who can become a members must be defined in your bylaws. Examples include:

- Regular
 - Household
 - Foreign
 - Associate or Newsletter
 - Junior
 - Honorary
 - Life
 - Honorary/Life Hybrid
- Will your membership be open, closed or partially closed?
 - What are the requirements to join? Are sponsorships required?
 - How do you handle denial of membership?
 - For a more complete discussion of bylaws, see the Governance section

Retention of records

- Check with your attorney about what records must be retained and how long.
- Establish a policy and committees in accomplishing records retention

Develop a calendar of important deadlines

- What kinds of issues?
 - Insurance renewal
 - Corporate and tax returns
- Who has the authority?
 - If the authority for each is not in your bylaws, establish by board policy
- Review compliance at least quarterly

Insurance – See discussion by Jon Green

- General Liability
 - Make a list of what activities you do. Does the insurance cover all?
 - Is Hired and Non-Owned Auto coverage needed?
- Property Coverage
- Crime coverage or Fidelity bond
- Director and Officer
- Event cancellation