



Catholic Research Resources Alliance

<http://www.catholicresearch.net>

CRRA Board of Directors Agenda

Tuesday May 15, 2012

3:30 – 5:00 pm Eastern

2:30 – 4:00 Central and 12:30 - 2:00 Pacific

Audio call-in: 1-866-469-3239 Attendee access code: 216 605 75

Host access code (Jennifer): 216 794 44

1. **Welcome and agenda review** – Janice Welburn, chair
 - **Confirmation of March 7th Board minutes** (attached)
 - **Chair’s report**
 - Board members, officers and terms, and setting up next year’s Board
 - Anticipate June meeting (conference call) for budget review
2. **Financial update** – Artemis Kirk, Janice Welburn, Budget and Personnel Committee – 20 minutes
 - FY12 2nd quarter review of financial position
 - FY13 revenue projection
 - Outline of FY13 budget (revenue and expenses) and timeline
 - Possible future allocation for high priority initiatives in [strategic plan](#) from available CRRA funds
 - Time line for review and approval of FY13 budget

Desired outcomes: Awareness of current fiscal position, anticipated FY13 revenue and expenses, consensus on how we can approach identifying high priority initiatives and timeline for FY13 budget

3. **Identification of questions in regard to possible incorporation and obtaining tax-exempt status as a 501c3 organization** (See background at end of agenda) - Steve Connaghan, Jennifer Younger – 15 minutes
Desired outcome: Board direction on continuing to explore (or not) incorporation and tax-exempt status
Board awareness of questions to be addressed and by whom, for further Board discussion and review.

4. **Executive Director’s report** – 10 minutes
 1. CRRA membership meeting June 25-26, Anaheim, CA
 2. CRRA site visits, June 26 - 28: Loyola Marymount, Santa Clara University and Jesuit Provincial Archives of California housed at Santa Clara University, University of San Francisco
 3. Report to Board for March – April highlighted committee activities, including the Catholic Newspapers TF, Collections Committee, Digital Access Committee

5. **Update from [Membership Committee](#)** – Evelyn Minick, chair – 10 minutes
Desired outcome: Awareness of outreach activities and possible recommendations to Board for new members

6. **Activities of [Catholic Newspaper TF](#)** – Susan Ohmer, Board member serving on TF – 10 minutes
Desired outcome: Awareness of TF demonstration project and individual member activities

7. **Meeting assessment and discussion of need for June Board meeting** – 10 minutes

Desired outcome: Identify what worked or didn't, and awareness of questions needing near term Board consideration

Background information on Identification of questions in regard to possible incorporation and obtaining tax-exempt status as a 501c3 organization.

1. **Why incorporate and/or seek tax-exempt status?** (Steve)
2. **What is the process?** (Jennifer)
3. **What questions might arise from incorporating and/or seeking tax-exempt status? How will we determine the answers?** (Jennifer)

Why incorporate and/or seek tax-exempt status? (Steve)

The Board has discussed reasons to consider incorporating and/or seeking tax-exempt status in prior meetings. These reasons include:

1. Position CRRA for fundraising (grants and gifts) with recognized status as an incorporated and/or tax-exempt entity
2. Absolve members of liability or damages in legal situations
3. Gain benefits of guidance provided by requirements of incorporation and/or tax-exemption, as in requirements for officers, provision for distribution of assets in case of dissolution, etc.

What is the process? (Jennifer)

We submit 3 forms: 1) Articles of Incorporation for incorporation as a nonprofit corporation in the District of Columbia, Indiana or Wisconsin; 2) IRS Form SS-4 application for obtaining an EIN (Employer Identification Number), and 3) IRS Form 1023 for tax-exempt status under Section 501(c)(3). The forms are usually submitted in the order given above. If CRRA chooses not to incorporate, then the first step of filing the Articles of Incorporation becomes moot. Obtaining the EIN becomes the first step. An EIN is required to seek tax-exempt status. It doesn't matter if there are employees or not. Once the EIN is returned, then CRRA could apply for tax-exempt status under Section 501(c)(3) using IRS Form 1023. Neither obtaining an EIN or tax-exempt status requires incorporation.

- The Articles of Incorporation are the application to the DC, IN, or WI governments. Once file, this "application" become the entity's Articles of Incorporation. DC, IN and WI Articles of Incorporation ask for the legal name, which must include "Inc" or other designation in anticipation of incorporation. None ask for EIN. None require bylaws to be submitted. All require a yes/no answer to the question: will the corporation have members. The DC form requires information from the Bylaws, specifically membership classes as applicable; member voting rights; manner in which directors are elected or appointed; the way in which the regulation of internal affairs of the corporation will be conducted; and how assets will be distributed in the case of dissolution. While the Articles of Incorporation set up a non-profit corporation, this does not automatically confer federal tax-exempt status.

- The IRS Form SS-4 (EIN) asks for the type of entity (corporation or other) and the legal name. The EIN is a government tracking number for all incorporated and unincorporated entities.
- IRS Form 1023 for tax exempt status asks for the EIN and type of entity. Even if not incorporated, CRRA must have an EIN in order to apply for tax-exempt status. The designation for type of entity will reflect CRRA's decision to incorporate or not.

What questions are there in regard to incorporating and/or seeking tax-exempt status? How will we determine the answers? (Jennifer, 1 & 4) For tax-exempt status, we have to describe the organization, business practices, as well as past, current and future activities on IRS Form 1023. Most of the questions can be answered based on our procedures and documents including the newly adopted strategic plan. Some questions for tax-exempt status ask if the entity is a public charity or private foundation, and if the latter, a private operating foundation. These require outside professional legal and financial advice, which Jennifer will get for Board review. Those listed below need Board discussion and decision.

1. Member voting rights, manner in which directors are elected or appointed, officers and executive committee, and distribution of assets. The answers must be in the bylaws and also on the forms for nonprofit incorporation and tax-exempt status. **Steve & Jennifer will draft revised bylaws for Board review. According to our current *Bylaws*, the Board can revise and adopt the amended *Bylaws* at its meeting with the amendments valid until submitted to the membership for action.**
2. Having a conflict of interest policy is recommended but not required. (Form 1023 Part V, Q5) **Jennifer can draft a policy for review (by the Budget and Personnel Committee for the Board?) using policies from 2 or 3 CRRA members and the sample policy in Form 1023.**
3. Will any activities or benefits (provision of goods, services or funds) be limited to any specific individual or group of specific individuals? (Form 1023 Part VI) The new strategic plan includes one initiative (3.2) that the Board might choose to limit to CRRA members: "Facilitate collaborative grant opportunities to digitize, describe and add resources to the Portal." The plan also includes one initiative (2.2.3): "Promote the use of the Portal through research fellowships for scholars and students." Would the candidate pool be limited in some way? **Board discussion**
4. Fundraising activities. However, if we anticipate fundraising, then we need to develop an approach and general plans for future fundraising to include applying for government grants, soliciting foundation grants and/or soliciting institutions or organizations other than those existing primarily for purposes of awarding grants or gifts. – **Jennifer, Tyrone will draft for Board review.**
5. Specific activities relating to business, revenue gained and/or distribution of money to organizations or individuals.
 - a. Is CRRA likely to have any leases, contracts, loans or other agreements with any organization (other than a 501c3 organization) in which any CRRA officers, directors or trustees are also officers, directors or trustees, or with any organization in which any individual officer, director or trustee owns more than a 35% interest? CRRA has no such leases. Answer is likely no. (Form 1023 VIII Q9a) **Board**
 - b. Might CRRA in future enter into joint ventures, including partnerships or limited liability companies treated as partnerships, in which we would share profits and losses with partners other than section 501(c)(3) organizations, that are with for-profit companies. Providing enhanced services through CRRA-paid subscription fees to a for-profit company does not qualify as a joint venture. Form 1023 Part VIII Q8) **Board**
 - c. Might CRRA publish, own or have rights in music, literature, tapes, artworks, choreography, scientific discoveries or other intellectual property? Print and resources in all other formats in the portal belong to holding institutions. Would CRRA ever copyright the portal as a whole? Suggest answer is no. If yes,

Describe who owns or will own any copyrights, patents or trademarks, any fees and how determined, and how any items are or will be produced, distributed and marketed. (Form 1023 Part VIII Q10) **Board**

- d. Do you or will you make grants, loans or other distributions to organizations? Board has discussed providing limited funds to members for digitizing activities. What about contracting to a member for development of CRRA program? To foreign organizations? (Form 1023 Part VIII Q13) **Board**