



Colorado State Council

Mid-Year Advocate Training Package
January 2014



Agenda

- ▶ Purpose
- ▶ Duties / Responsibilities
- ▶ Resources
- ▶ Officers Desk Reference
- ▶ Member Social Communications Policy
- ▶ EIN Numbers
- ▶ Secretary of State Registration
- ▶ Trademark Protection
- ▶ Home Association Issues



Purpose

- ▶ Provide council advocates with resources and tools to be successful as council's parliamentarian and "legal" representative
- ▶ Highlight Social Communications Policy
- ▶ Advise of registration requirements for not-for-profit organizations
- ▶ Discuss protections of K of C identity and trademarks





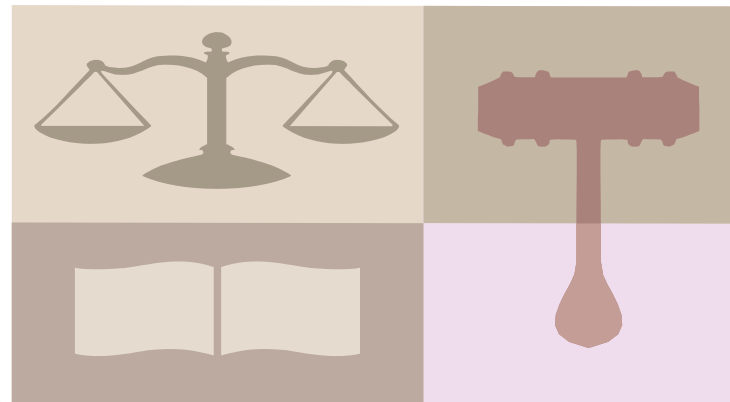
Duties / Responsibilities

- ▶ Council Parliamentarian
 - “Expert” in parliamentary procedure/rules
 - “Thoroughly” familiar with laws of the Order
 - “Thoroughly” familiar with council By-Laws
 - Chair of Revision Committee
 - Facilitate keeping meetings on track
 - Working knowledge of *Roberts Rules of Order*
 - “Methods of Conducting a Council Meeting” (#1937)
 - Trial of council members, if necessary
 - Prosecute the charges on behalf of the council
- ▶ Don’t need to be a lawyer
- ▶ Seek assistance from State Advocate when needed



Available Resources

- ▶ Supreme Charter, Constitution and Laws
- ▶ Roberts Rules of Order
- Supreme Council Flyer, “Methods of Conducting a Council Meeting” (#1937)
- Council By-Laws
- Supreme Council Officers’ Desk Reference
- State Advocate





Officers' Desk Reference



- ▶ Definitive guidance from Supreme Advocate's office
 - Governance of State & local councils/assemblies
 - Various key subjects; top issues
 - Desk reference conforms to Laws & Rules of Order
 - Can use in correspondence



Officers' Desk Reference

- ▶ Aid for those charged with governance
- ▶ Can't be used for any other purpose
- ▶ Can't be disclosed/circulated other than KofC fraternal business
- ▶ Not legal advice to secure rights or remedies under civil law
- ▶ Does not create affirmative rights or causes of action at law or equity
- ▶ Does not impose obligations/liabilities upon Supreme Council or any subordinate council/assembly



Officers' Desk Reference

- ▶ Organized into following major sections:
 - Principles of Fraternalism
 - Fraternal Programs
 - Membership Issues
 - Council & Assembly Issues
 - Fourth Degree (not a part of your duties)
 - Name and Emblem
 - Tax Issues
 - Financial Issues
 - Social Communications
 - Political Issues
 - Home Corporations



Member Social Communications Policy

- ▶ This policy guides members and subordinate units of the Supreme Council of the Knights of Columbus in their use of social communications. This policy applies to subordinate units, members holding office, and members of the Knights of Columbus in their use social communications when a member chooses to identify his association with the Knights of Columbus or to discuss the work of the Knights of Columbus.
- ▶ "Social communications" includes, but is not limited to, mobile communications, including text messaging, the internet, the World Wide Web, and social media. Social media includes social networking sites such as Facebook and Linked-In, video and photo sharing sites such as Flickr and YouTube, micro-blogging sites such as Twitter, weblogs, forums, and discussion boards such as Yahoo! and Google Groups, online encyclopedias such as Wikipedia, as well as all websites and/or platforms that allow users to publish user-generated content.
- ▶ **Remember that the Laws of the Knights of Columbus apply to social communications.**
- ▶ **Be polite and respectful** of others' opinions, especially when you find yourself in disagreement, and even in times of heated discussion and debate.
- ▶ **Think before you post!** The reputation of the Knights of Columbus as well as your own reputation depends upon you conducting yourself as a Catholic Gentleman, both online and offline. **What you post is forever.** Do not share something online that you might later regret or would otherwise not want the entire world to know. Ask yourself: "*Am I pleasing God by posting this?*", "*Would I want my mother to see this?*", or "*Would I want to read about this on the front page of the morning paper?*"



EIN Number Registration

- ▶ <https://irs-ein-number.com>
- ▶ <http://www.irs.gov/Businesses/Small-Businesses-&Self-Employed/How-to-Apply-for-an-EIN>
- ▶ Form Number SS-4
- ▶ Application for Employer Identification **EIN**
- ▶ (Rev. January 2010) (For use by employers, corporations, partnerships, trusts, estates, churches, government agencies, Indian tribal entities, certain individuals, and others.)



Secretary of State Registration

- ▶ Registering a Trade name for a non-reporting Entity
- ▶ 1. Go to Colorado SoS website, www.sos.state.co.us/
- ▶ 2. Click Businesses, Trademarks, Trade Names
- ▶ 3. Click File a Business Document
- ▶ 4. Click File a form to create a new record
- ▶ 5. Click Trade Name (under LLCs, Corporations & Trade Names)
- ▶ 6. Click A Non-Reporting entity (fill out form)
- ▶ 7. Such non-reporting entity is a general partnership? Answer NO
- ▶ 8. Skip entering an individual name
- ▶ 9. Type True Name: should be: KNIGHTS OF COLUMBUS Council#(use your assigned council number; use word assembly and your number if registering as an assembly)
- ▶ 10. Form block: Click the arrow and select Unincorporated non-profit Association
 - ▶ 10(a) Click Colorado for the jurisdiction block
 - ▶ 10(b) Enter the mailing address of the council/assembly
 - ▶ 10(c) Reenter the trade name exactly as you did earlier
 - ▶ 10(d) Enter Brief description of kind of business transacts: USE THIS WORDING: Operates as an unincorporated Association under IRC 501(c)(8)
- ▶ 11. Skip the delayed effective date block
- ▶ 12. This document contains additional information as provided by law; ANSWER NO
- ▶ 13. Enter the email address of the FS or officer causing the application to be filed
- ▶ 14. Under the Notice Section enter name of the individual filing the form
- ▶ 15. Pay the \$20 fee
- ▶ 16. Print the Summary Page; this will be the document used to prove to the bank compliance with the law.



Trademark Protection

- ▶ The emblem of the Knights of Columbus, *Knights of Columbus*, and *K of C* are registered trademarks of the Knights of Columbus



**KNIGHTS
OF COLUMBUS**

K OF C



The Issues

- ▶ Third-party renters of home corporation facilities misuse and abuse the trademarked name and emblem of Knights of Columbus to promote their events
- ▶ Renters sometimes give the home corporations' facility managers misleading or deceptive reasons for renting home corporation facilities



The Issues

THE 5921 CLUB INC. HALL RENTAL AGREEMENT
16663 HIGHWAY 75 N.
WILLIS, TEXAS 77378
936-856-2496

FACILITIES USE CONTRACT

This CONTRACT is entered into by the undersigned (hereinafter "Lessee") and THE 5921 CLUB INC. (hereinafter "Lessor") for the use of the Knights of Columbus, Council 5921's meeting hall (hereinafter "facility").

1. PURPOSE OF FACILITY RENTAL

- A. Date of facility use: 7/19/2013 from 12 ~~PM~~ AM to 12 ~~AM~~ PM
- B. Total hours: 24 Lessee Initials _____ Date 7-11-13
- C. Approximate attendance 150 (maximum capacity is)
- D. Purpose of use, or type of program Party
- E. Per Board of Directors, no political, adult-oriented, and pro-abortion activities may occur on premises.
- F. Lessee Initials _____ Date _____

2. FACILITY USE RATES

The minimum charge for the facility is \$550.00 and includes 24 hours of use, kitchen included. You must furnish your own cooking, service and storage utensils. The kitchen must be left clean at end of the rental or an additional \$50.00 charge will be assessed for clean-up. All fees must be paid thirty (30) days prior to facility rental rate.

The minimum charge for the facility for a small party (under 50 people) is \$25.00/hr. (minimum 3 hours) and kitchen included. The kitchen must be left clean at end of the rental or an additional \$50.00 charge will be assessed for clean-up. All fees must be paid thirty (30) days prior to facility rental rate.

3. CLEAN UP



The Issues

J-DAWG/ YNC/ TROOP PRESENTS:

#HoggzNiteOut

JULY 19TH

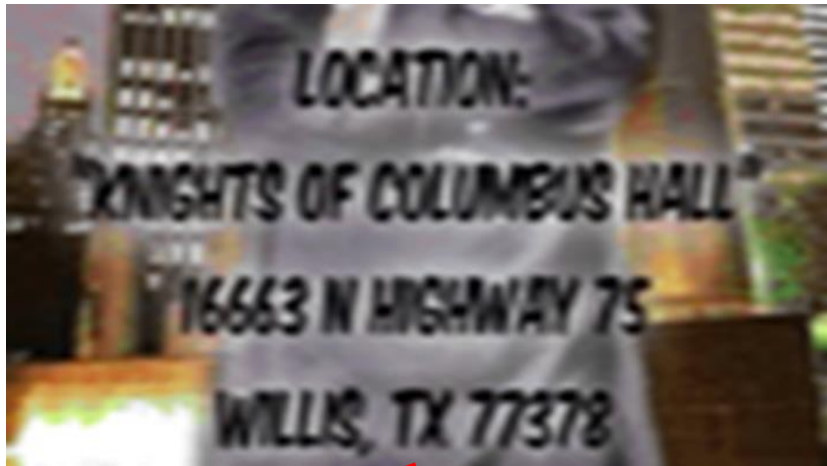
J-DAWG

LIVE IN PERFORMANCE

9PM-2AM

LOCATION:
"KNIGHTS OF COLUMBUS HALL"
16663 N HIGHWAY 75
WILLIS, TX 77378

\$10 B4 11:30
\$15 AFTER





Due Diligence

- ▶ Managers responsible for renting home corporation facilities have the serious responsibility to ensure that prospective renters are carefully vetted.
- ▶ Renter must be **strictly prohibited** from using the trademarked name and/or emblem of the Knights of Columbus in connection with use of home corporation facilities.
- ▶ Brother Knights are responsible for protecting the good name, reputation, mission, identity, and all trademarks of the Knights of Columbus.



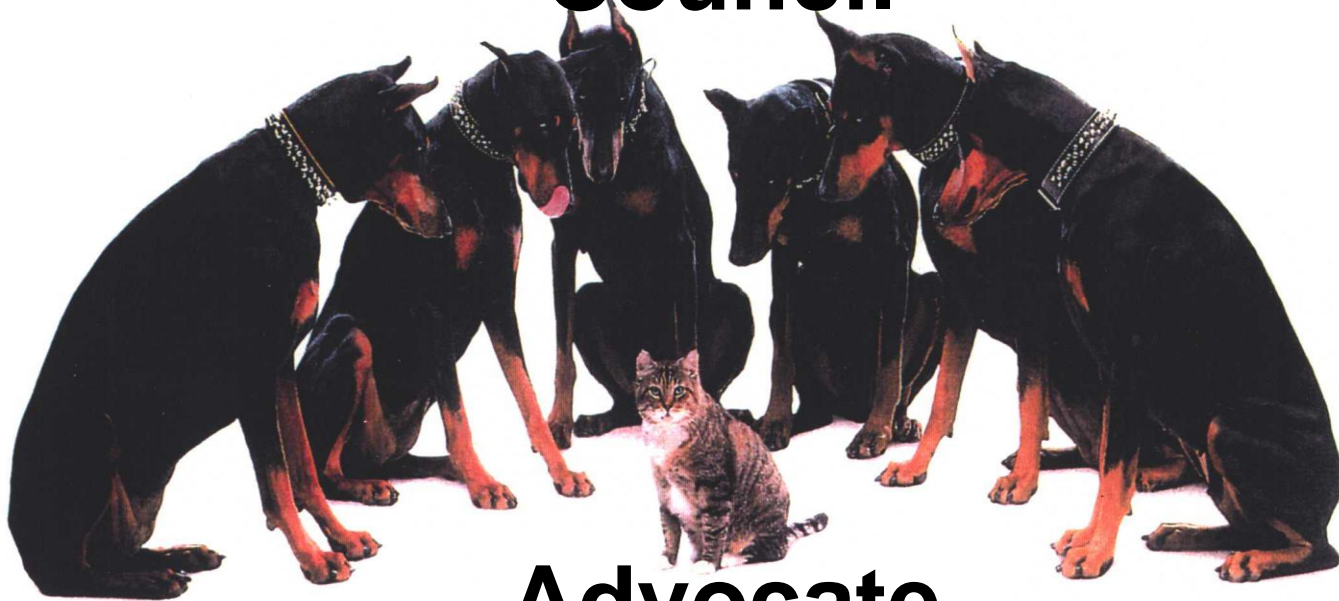
November Checklist

- ▶ Forms 990's. Review the 990 requirements via the www.irs.gov website to ensure you are filing the appropriate 990, 990EZ, 990-N e-postcard based on their gross receipts and circumstances. The legal effect of not having exempt status is that you are no longer exempt from federal income tax and may be required to file Form 1120 US Corporation Income Tax Return and pay associated taxes. To be reinstated as a 501(c)(8) tax exempt organization, the council/assembly must complete a re-instatement package. To request a package, contact the Supreme Advocate's Office, 203-752-4362.
- ▶ The Knights of Columbus is a fraternal benefit society, recognized by the IRS as a tax-exempt organization under Section 501(c)(8) of the Internal Revenue Code (IRC). The IRS recognizes all councils in the United States as "fraternal lodges." To claim an exemption from federal income tax under Section 501(c)(8), each council must (1) obtain its own Employer Identification Number (EIN) from the IRS and submit its own tax return; and (2) provide its EIN and written authorization to the Office of the Supreme Advocate in order for it to be recognized under the Order's group exemption.
- ▶ 501(c)(8) exempt entities, local councils, assemblies and chapters may not, under any circumstances, establish a 501(c)(3) tax-exempt charitable corporation or charitable foundation. Donations to councils, assemblies and chapters for fraternal or social purposes are never deductible and most donations for charitable purposes are not deductible. If a council, assembly or chapter wishes to host an event where they would like individual donations to be tax deductible, they should contact the State Advocate to discuss potential options well in advance of the proposed event/activity.
- ▶ Colorado Secretary of State (SoS) Registration: Councils and assemblies are to register as a Trade Name for a Non-Reporting entity. All new councils and assemblies will need to do so in order to obtain a bank account. Existing councils and assemblies will not need to do so unless your bank requires you to provide a certificate of good standing to do business. There is a \$20 fee associated with this requirement.
- ▶ Liability Insurance. Each diocese in Colorado requires liability insurance for use of their facilities. Each diocese has the same requirements: \$1,000,000 per occurrence/\$2,000,000 aggregate of commercial general liability to include \$1,000,000 host liquor liability and the diocese and the parish must be named as additional insured. The Supreme Council has made arrangement with R.C. Knox & Company for a commercial general liability insurance program that is available to all councils in the United States.



Summary/Thoughts/Questions

Council



Advocate



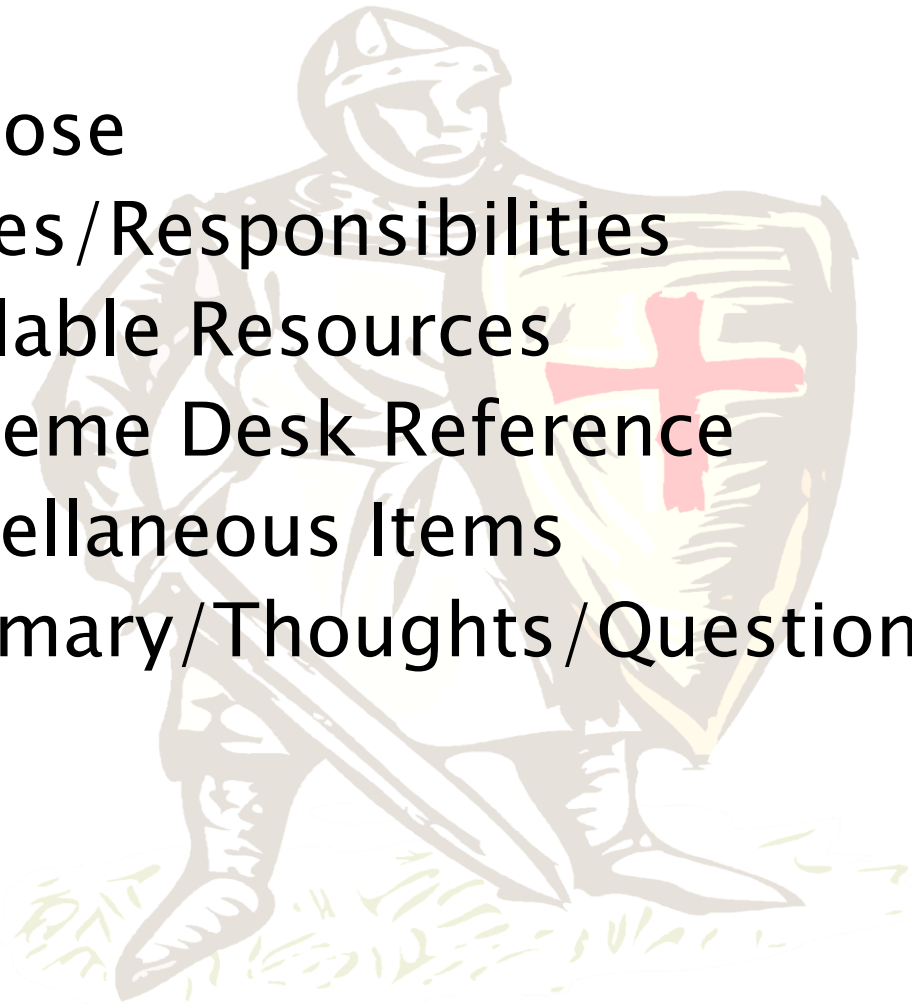
Advocate Training

Chris Foley
State Advocate
Colorado State Council
Knights of Columbus



Overview

- ▶ Purpose
- ▶ Duties / Responsibilities
- ▶ Available Resources
- ▶ Supreme Desk Reference
- ▶ Miscellaneous Items
- ▶ Summary / Thoughts / Questions





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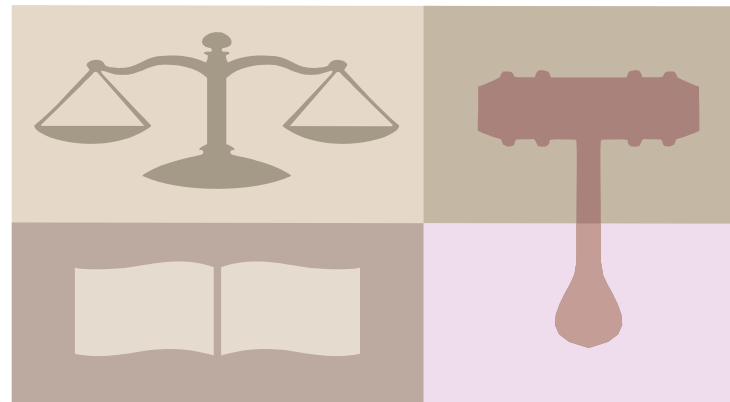
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Officers' Desk Reference



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 - Governance of State & local councils/assemblies
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Officers' Desk Reference

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 - Name and Emblem
 - Tax Issues
 - Financial Issues
 - Social Communications
 - Political Issues
 - Home Corporations
- ▶ Review of some key sections, sub-sections, issues



Officers' Desk Reference: Principles of Fraternalism

▶ Sub-Sections:

- State & Local Leadership
- Subsidiarity
 - Order governed under this principal
 - Cornerstone of Catholic Social Teaching
 - Matters addressed best by those closest to issue/situation
- Charity, Unity & Fraternity
 - Inform the exercise of officers authority
 - Presupposes that Knights as catholic gentlemen follow these principles



Officers' Desk Reference: Principles of Fraternalism

▶ Sub-Sections:

- Speak Charitably
 - Measured/respectful dialouge
 - Caution against imputing bad motives to a speaker
- Fraternal Correction
 - “If your brother sins against you, go and tell him his fault between you and him alone. If he listens to you, you have won over your brother.” (Matt 18:15)
 - Best method of dispute resolution
 - Leverages Charity, Unity, Fraternity



Officers' Desk Reference: Principles of Fraternalism

▶ Sub-Sections:

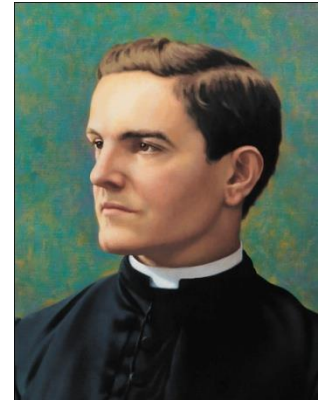
- Due Process
 - Members treated fairly & manner consistent with Order's Laws
 - Notice & opportunity to be heard
 - Fraternal correction first; disciplinary action last resort
- Addressing Fraternal Issues as a Knight of Columbus
 - Reality: may have to deal with issues of misconduct
 - Fraternal correction & subsidiarity FIRST
 - Officer, chaplain, friend—best first approach
 - Local Council next
 - Officers calming influence; avoid rush to & rash judgments



Officers' Desk Reference: Fraternal Programs

▶ Sub-Sections:

- American Wheelchair Mission
- Special Olympics
- Habitat for Humanity
- Ultrasound Initiative
- One Nation Under God Flag Day Program
- Refund Support Vocations Program (RSVP)
- Youth Leader Background Checks





Officers' Desk Reference: Membership Issues

▶ Sub-Sections:

- Membership Requirements / Practical Catholicity
- Honorary Membership
- Deacons
- Procedure for Trial by Local Council
- Appeals Process
- Petition for Reinstatement
- Summary Suspension of a Member
- Conviction of Felony Offense



Officers' Desk Reference: Council & Assembly Issues

▶ Sub-Sections:

- By-Laws on-line
- Insurance
- Prayer at Council Meetings
- Records Retention Policy
- Ladies Auxiliaries
- Membership in more than One Council
- Suspension of a Council
- Alcoholic Beverages
- Resolutions
- Amendments to State Council Bylaws
- Guidelines for Charitable Fundraisers



Officers' Desk Reference: Council & Assembly Issues

- ▶ Sub-Sections:
 - Jewels
 - Local Election Guidelines
 - Office Run in Adjacent State
 - Interstate Solicitations



Officers' Desk Reference:

Name and Emblem

▶ Sub-Sections:

- General Policy
- Requests for Use of Name and Emblem
- Use of Name & emblem on Goods & Services
 - Permission from Supreme Board of Directors through the State Deputy required
- Promotion of Other Insurance & Financial Products
 - PROHIBITED
 - Council publications prohibited from accepting advertisements related to sale of commercial life insurance
- Use to Promote Fundraising
- Use to Promote Associations/Political Candidates



Officers' Desk Reference: Tax Issues

▶ Sub-Sections:

- Section 501(c)(8) vice 501(c)(3)
- Reinstatement of Tax-Exempt Status
- Annual Tax Returns
- Frequently Asked Questions (FAQs)
- Maintaining Tax Files
- Pass Through Charitable Fundraising
- Exempt Corporations/Foundation





Officers' Desk Reference: Tax Issues

▶ Sub-Sections:

- Are we exempt from sales taxes
 - No since we are a 501(c)(8) entity vice 501(c)(3)
- Can donors claim deductions
 - No—donations to councils/assemblies for social purposes never deductible
 - Most donations for charitable purposes are not deductible



Officers' Desk Reference: Financial Issues

▶ Sub-Sections:

- Audit Requirements/Guidelines
- Officer use of Debit & Credit Cards
- Financial Secretary IRS Reporting Requirements
- Guidelines for Charitable Donations
- Financial Officer Bonding Program
- Disbursement of Council/Assembly Funds
- Guidelines for Charitable Fundraisers
- Investments



Officers' Desk Reference: Social Communications

- ▶ Sub-Sections:
 - Media Inquiries
 - Member Social Communications Policy & Guidelines



Officers' Desk Reference: Political Issues

▶ Sub-Sections:

- Catholic Citizenship and Public Policy
- Guidelines for Political Activities
- Prohibition on use of Membership to Promote Candidates



Officers' Desk Reference: Home Corporations

▶ Sub-Sections:

- Home Corporations Overview
 - Purchase or own property
 - Legally distinct from Supreme, state and local councils
 - Membership restricted to council members in good standing
 - Maintain separate records & bank accounts
- Rental of Facilities owned by Home Corporations
- Taxation
 - HC not subordinate units of KofC
 - Not exempt under group ruling
 - Obtain own tax ID number; file own tax returns
 - Must have own Employer Identification Number (EIN)



Miscellaneous Issues/items

- ▶ Colorado Secretary of State Requirements
 - Register a Trade Name
- ▶ Desk Reference---Supreme Council Web Site
 - www.kofc.org Officers On-Line
 - Need user name & password; sent from Supreme
 - If don't receive /or lost call 1-800-380-9995



Summary/Thoughts/Questions

