



## **HOW TO FORM AN ANIMAL PROTECTION ORGANIZATION IN YOUR COMMUNITY**

### **I. INTRODUCTION**

*Humane Society International receives many calls from concerned individuals around the world wishing to establish an animal protection organization in their community. This paper is written to help those who seek to embark on such a worthwhile and important project.*

If you have ever watched a house being built, you know that any building erected on a solid foundation is stronger, safer, and more likely to withstand the elements than one put up quickly without a proper plan or much groundwork. The same is true for the establishment of an animal protection organization. The more careful the preparation, the more likely it is that the organization will succeed in its goals.

The following step-by-step guidelines will help you identify the questions you need to ask yourself, and your community, before forming the organization and applying for incorporation. They will make you better prepared to serve your community and more ready to complete the legal documents required in your country. Please keep in mind that not every section will apply to you, since the laws are different in every nation, and there is always room for creativity in forming your own organization. If you need a helping hand or have any questions, feel free to contact us via email. Your success is our goal!

### **II. ISSUES TO EXPLORE BEFORE INCORPORATING**

#### **A. Why do you want to form an animal protection organization?**

You probably want to start an animal protection organization because you want to help animals. Think carefully about the most effective way to help animals in your area. Identify the real animal protection needs by talking to your neighbors, local government officials, other animal protection organizations (if they exist), pet owners, farmers, veterinarians, and others to determine what *they* see as the most pressing animal protection problems in the community.

#### **B. Who makes up your community?**

Step back for a moment and take a good look at your community. It's important to consider not only the animals, but also the people, because you will work through the people to make a difference for the animals. What type of individuals will your organization serve? Do they live in a rural or an urban setting — in farms, single-family homes, or apartments? What is the general educational and financial level? Answering these demographic questions will help determine the type of animal protection organization for your community and how to have a positive impact on animals and animal welfare.

#### **C. What services do people and animals in your community need?**

Ask yourself what services might best address the underlying cause of the problems you have identified. Perhaps the most pressing need is to lobby your politicians for better laws or better enforcement of existing laws. It may be that improving inadequate animal control facilities and services is crucial. The establishment of subsidized (low cost) spay/neuter programs to decrease pet

overpopulation is frequently an important first step. Often educating the public and providing humane education for school children is the most important factor.

**D. If there are existing animal protection organizations, what do they provide?**

Are there animal-friendly initiatives already in place in your community? Are there any existing animal protection organizations in the area or even in the country? If so, where are they located? What programs do they offer? You can learn much from their experience, and they may be able to help you establish your own organization — or perhaps you can join forces and resources by working together.

**E. Who will help you run your organization?**

You want effective leaders, people with ties to the community, who are respected and have credibility and integrity, to help you run the organization. You will need individuals with public relations, fund-raising, legal, accounting, and general organizational skills. Talk to government representatives, law enforcers, educators, and other professionals in the community. Talk to your neighbors as well and find out their interest in helping with local animal problems. Find people to help that share a common philosophy, purpose, and mutual respect in order to establish your organization's mission, goals, and programs. The people you assemble will become your planning committee to help lay the foundation upon which to build the organization. Avoid people who have commercial interests in animals and those with narrow pursuits.

Look towards the media (television, radio, and newspapers) and social media (Facebook, Twitter) to help you. Are there any animal-friendly television shows or newspapers? Perhaps they would run a public service ad (PSA) (contact us if you would like examples of PSAs on which to model yours) or write a feature article to advertise your interest in establishing an animal protection organization and help recruit members of the public to help you.

**III. GETTING STARTED**

**A. Document the Problems**

As you uncover the animal problems in your community and your goals start to take shape, begin to determine and articulate in writing:

- The organization's purpose and goals,
- The needs you will try to meet,
- The activities you will perform to accomplish your goals,
- The unique contribution your organization will make,
- How the organization will fund its programs, and
- Who might serve as board members, staff, and volunteers.

Form a planning committee of no more than a dozen people. Get together to think about the issues your organization may want to tackle. Continue to clarify your community's needs and animal-related problems. Educate yourselves about specific issues and problem areas. The following points are suggestions that may help you form a mission statement for your organization and articulate its goals. Work on those that are applicable in your country and to your situation.

- List the types of animals known to be living in your community — companion animals such as dogs and cats, working equines, livestock, exotic (non-native) pets, etc..

- Look into conditions at local pet shops, animal breeders, zoos, game parks, rodeos, horse, and dog racing tracks, etc.
- List all animal problems you know or suspect are occurring — from pet overpopulation, to abuse or neglect, to cock or dog fighting, to poaching and smuggling of wildlife, and so forth.
- List all the known ways animals are used for profit in your community and the abuses to which they are or may be subjected.
- If animal control and protection agencies exist, find out what problems they are experiencing in your town and in neighboring communities.
- If possible, obtain statistics and records on the types and numbers of animal-related complaints government agencies receive from the public. You may want to conduct a survey of the general public to get an idea of their perceived animal problems (contact us for an example of a door-to-door attitudinal study on which you can model yours).
- Find out which, if any, animal ordinances, regulations and laws exist and how they are being enforced. If appropriate, obtain copies of both national and municipal animal-related laws.
- Find out if, or how, other animal protection organizations are handling the problems you've discovered in your community.
- Involve everyone in forward planning. Brainstorm your images of a humane future — what, ideally, would you like to see occurring in the field of animal welfare (i.e., reduced pet overpopulation, expanded education programs, increased animal adoptions, reduced habitat destruction, better laws, etc.).

After having examined the answers to your research on the above points, begin to draft a plan of how you would like to proceed. Identify only one or two initial projects. They may not address the most important issues, but these pilot programs should be ones which you know will be successful. You are building credibility for your organization. Determine these pilot programs on the basis of the support you will get from the media, government, neighbors, and animal welfare supporters. Look at the need for these pilot programs and any potential obstacles. Make your first project a relatively simple one that can be accomplished within a limited time frame. Your reputation will be on the line, so it is important to set a good track record.

In addition, you should determine the physical area to be served by the proposed organization. You may want to consider serving neighboring areas, either now or at some future time, which do not have their own animal protection organization.

Research your country's requirements for an organization to obtain nonprofit status which will confer or enable you to apply for certain important tax and other advantages. If, for example, your country only gives tax-exemptions for organizations with educational programs, then be sure to center your programs around humane education. If the government tends to look especially favorably on organizations that address the needs of children or the poor, design your programs to serve these segments of the population. In Peru, for example, tax-exemption is granted only to cultural centers that provide public education. Asociación Amigos de los Animales in Lima was founded with the objective of recovering abandoned animals. When they learned of the strict limits for tax-exemption, however, they broadened their purpose to include public education to improve the quality of life for animals. By establishing this objective as one of their highest priorities, the group was able to obtain registry with the Ministry of Education as a private cultural center with tax-exempt status.

## B. Developing a Mission Statement

Once you have the facts and an idea of what your pilot programs might be, you should begin to develop a mission statement. This statement sets forth the fundamental purposes for which your organization is being formed. It is very important to the organization's formation and evolution. The mission statement will guide the organization.

Your mission statement should cover:

- Purpose: Why your organization exists. State your objectives and goals.
- Program: How the organization will accomplish its purpose.
- Principle: What the organization's values are.

Your mission statement should also be:

- *understandable* to the general public
- *brief* (short paragraph - it should neither be long nor complicated)
- *realistic* (in terms of your organization's financial and human resources)
- *specific* (to provide a framework for developing objectives and programs)
- *broad* enough to stand the test of time so that it will not need to be revised frequently
- *accurate* reflection of the governing board's intent and understanding of the organization
- *operational* (state the expected outcome)

The following examples may be helpful. In addition, you may wish to get ideas for mission statements from other animal protection organizations that you admire and/or support.

*La proteccion y la defensa de los derechos de la fauna domestica y silvestrepor medio de la asistencia veterinaria y de la concientizacion. [To protect and defend the rights of domestic and wild animals through veterinary assistance and consciousness raising.]* APROA, Venezuela

*Animals Asia is devoted to ending the barbaric practice of bear bile farming and improving the welfare of animals in China and Vietnam. We promote compassion and respect for all animals and work to bring about long-term change. Animals Asia.*

Although one or two people may draft your mission statement, the planning committee should contribute their ideas and approve the final product. Mission statements are crucial because they tell the public what it is you do. Your mission statement will be used in public statements and in your publications. It will be used when applying for grants. It will guide your organization's programs and help you evaluate your success. It will educate new members, staff, and volunteers about your organization's purpose and serve as a reminder to those who already work for the organization.

## IV. OBTAINING LEGAL STATUS: INCORPORATION

Incorporation is the process your group will go through to turn itself from a loosely knit association into a corporation. A corporation is a legal entity that enables a group of people to pool energy, time, and money for profit and nonprofit activities. While laws governing incorporation vary from country to country and we strongly encourage you to consult with a lawyer on this issue, the following sections

endeavor to give information which may be helpful. Generally, the law treats a corporation as a separate "person," distinct from the people who own, manage, and operate it, thus allowing the corporation, or its agent, to set up a bank account, enter into contracts, receive and maintain funds, earn benefits, and manage a business while protecting the individuals involved from certain personal liabilities. There are many advantages to incorporation, but you should make sure you are well prepared before filing for legal status.

Is your organization ready for incorporation? Ask yourself these questions:

- Are there no other similarly established animal protection organizations with which we could join forces instead of venturing out on our own?
- Will we be able to pay the accounting and legal fees associated with preparing and filing applications?
- Are we ready to manage an organization, balance the books and bank accounts, establish a board of directors, hold and record regular meetings, and comply with local and national requirements?

#### **A. Benefits of Incorporation - Legal Status**

The following are a few examples of the benefits which may accrue to your organization from incorporation.

1. **Legitimacy:** Incorporation confers legitimacy and the perception of permanence in the public's eye. It provides range and scope by centralizing resources and efforts. Depending on national law, it likely allows your organization to enter into contracts, incur debts, receive and maintain funds, and operate a bank account.
2. **Staying Power:** Incorporation shows that your organization intends to be permanent and this, of course, is important to your donors.
3. **Tax-Exemption:** The steps you take to incorporate will steer you in the right direction to apply for and secure tax-exempt status, if this is possible in your country. Generally nonprofit corporations are eligible for exemptions from payment of corporate income taxes, as well as other tax-exemptions and benefits. (See section VI Tax-exempt Status for more information.)
4. **Limited Liability:** While your new corporation can be held responsible for corporate debts or lawsuit judgments, your board of directors, officers, employees, and members *generally* cannot be held personally liable.
5. **Formality and Structure:** Incorporation requires some structure building which will help you further define your organization's purpose, goals, and management procedures. The Articles of Incorporation, bylaws, minutes of meetings, board resolutions, etc. provide the framework and procedures for decision making. These forms are reviewed in greater detail in sections E. (Articles of Incorporation) and F. (Bylaws).
6. **Donations - Receiving Public and Private Funds:** Nonprofit corporations generally are eligible to receive both public and private grants. Depending on the laws of your country, you may also receive complete national income tax-exemption for bequests. Your nonprofit status may offer important tax benefits to potential donors as well.
7. **The Extras:** The media and Internet service providers will often provide free or discounted advertising space to nonprofit organizations. Businesses may team up with animal protection organizations and contribute a percentage of their sales towards your programs. As a nonprofit you may even be eligible for special postal rates on bulk mailings. Stores may offer lower

membership rates to nonprofit employees. Nonprofit employees may be eligible to participate in job-training, student-intern, work study, and other national and local employment incentive programs.

## **B. Getting the Information You Need**

Contact the appropriate government agency in your country to request the forms you will need to fill out to apply for legal status. You will need a lawyer to oversee the filing of your application for incorporation. However, first familiarize yourself with the steps needed to incorporate. Visit your local public library for resources covering the issue of incorporation in your country. Secondly, you may be able to fill out the paperwork yourself and have it reviewed by a lawyer. This will save you money. When you look for a lawyer, try to find one who is sympathetic to your cause and might be willing to assist you without charge or at a discounted rate. Your local bar association or other nearby nonprofit corporations may be able to share names of civic-minded lawyers. Finally, you will want to be sure your lawyer has experience setting up nonprofit organizations.

## **C. Establishing a Board of Directors**

An effective governing board is essential to your organization's well-being. Moreover, a board of directors may be a requirement of incorporation in your country. A board of directors is a group of people elected to govern the organization. Their primary task is to direct the organization toward the achievement of its goals in the best possible manner. Board responsibilities include development of policies and goals, budgeting, fund-raising, and oversight of the operation. Directors are responsible to the community which supports the organization either through memberships, service fees, or donations and to the animals being helped. Being a director is a serious commitment that carries with it legal, financial, and ethical responsibilities for the operation and direction of the animal protection organization.

Your board of directors should be large enough to represent the community, include a variety of relevant expertise, and ensure a wide basis of support while remaining small enough to be efficient. The board should contain a diverse group of people who are capable of making sound business decisions and who have a variety of skills, preferably in areas such as fund-raising, public relations, accounting, law, strategic-planning, and animal-health. Look for people with contacts and real-world knowledge in the specific area of your nonprofit's interest. You want people who have ties to the community and who are perceived as credible and competent. Board members with ties to the community can help bring resources, develop relationships with other key organizations, further legitimize your organization, and broaden your appeal and effectiveness. Their status and integrity are crucial to encouraging and protecting public trust in your organization. Their connections are vital to attracting recognition, members, donations, and other support. Consider community members who have a proven commitment to the goals of your organization and with whom you wish to be identified.

More importantly make sure there are no conflicts of interest between individuals on your board and your organization's mission and planned activities. Also, it is important for board members to get along and for each to contribute equally to the work load. After all, the board of directors is expected by law and by tradition to function as a group rather than as individuals. The entire board will have authority for the organization, not just a single individual. Be wary of getting bogged down by figure heads (prominent people in society) who will only lend their names and not their help. Instead, these types can be made "honorary" or "advisory" board members. There are some people who should never sit on your board; for example, people who derive income or otherwise benefit from the use, sale, or treatment of animals. Beware of a prospective board member's agenda or motives for

joining. You want to ensure that the board members are committed to the organization's philosophy and mission. Their motivation for serving on the board must be in the highest traditions of volunteer charitable service.

Make sure prospective board members know exactly what is expected of them in terms of time and money commitments, required duties, and legal responsibilities. Prepare a job description and an orientation session for board members, including the scope of the nonprofit's proposed activities and programs, directors' responsibilities and time commitments, and the rewards of serving on your board.

Generally, a board of directors has the following officers: president, vice president, secretary, and treasurer. See *Officers* under section F. *Bylaws* for more information.

Do not be intimidated by the following technicalities of board functions. Some of the suggested functions may not be applicable to your organization. However, they are areas of responsibility you may want to apply later as your organization grows. This section is not meant to overwhelm you, only to alert you to all of the possibilities.

Several functions of the board consist of:

- *Creating organizational structure* in the form of bylaws and regulations.
- *Discharging legal responsibilities.* Making sure the organization's legal structure complies with local and national laws, is an important board function. The board is legally bound to carry out the organization's stated purposes, that is the mission statement and goals, in accordance with the Articles of Incorporation (see section E - Articles of Incorporation).
- *Providing the necessary facilities,* if applicable for your organization. It is the responsibility of the board to secure and maintain facilities and equipment needed for the organization to carry out its activities. The board is responsible for the health, safety, and well-being of any staff and animals at these facilities.
- *Deciding operational policy.* The formulation of policy is the joint role of the board and the executive staff, but the board is responsible for the final determination and adoption of the organization's policy. Policy specifies what is to be done, what procedures are to be followed and what governing principles are to be applied. Policies should be reviewed periodically to meet the challenges of changing times and circumstances.
- *Employing the executive.* When the time comes to hire someone to run the organization, it is the board which selects, hires, and oversees a qualified executive.
- *Reviewing employee benefits.* Small organizations rarely give much thought to employee benefits. However, some type of benefits package will help to attract and retain good employees. A very basic package could include vacation and some type of insurance plan. The board is responsible for continuously evaluating its personnel policies and working conditions in order to continue to attract the best type of employee.
- *Meeting financial responsibility.* It is the board's responsibility to approve a realistic annual budget based on the needs of the organization and its ability to raise funds. The board will monitor and protect the organization's assets by reviewing regular financial reports. Board members should also contribute and participate in fund-raising efforts. The board must set up the necessary policies for adequate financial control and accounting fidelity. A policy should be adopted with regard to staff authorization of expenditures or purchases.

- *Interpreting the community to the organization and vice versa.* It is incumbent upon the board to study the needs of the community, consult with the executive, if there is one, and guide the organization in its response to community needs for service. It is also the board's function to represent the community when discussing policy matters with the staff. It is essential that the board be informed concerning community reaction to the organization's activities. In addition, the board is responsible for setting policies for organized public relations efforts and to participate in these efforts. These may include annual reports, newsletters, and other publications, speeches, formal meetings, open house visits, and press releases. It is the board's responsibility to utilize contacts with other agencies in the community, such as social planning bodies, civic groups, service clubs, and other such groups to represent the animal protection organization in the various community activities.
- *Appraising performance.* Through observation, contacts with the executive director, reports, and by listening to comments from the community, the board should keep informed as to the organization's performance and progress.

The board performs the following activities:

- **Counsels:** The board advises when planning or administrative decisions are in initial stages.
- **Reviews:** The board reviews financial statements, operations reports, minutes of meetings, and executive and committee actions. The board also reviews the overall operation of the organization to see that policies adopted by the board are being followed.
- **Decides:** The board considers, debates, and decides. It determines the course of action, settles or adjudicates conflicts, and makes decisions.
- **Confirms:** The board confirms, modifies, or rejects executive and committee proposals.
- **Negotiates:** The board, directly or by appointed representation, negotiates on behalf of the organization with such bodies as municipal agencies, public groups, or legislators.

#### **D. Choosing an Appropriate Name**

Your group's name gives people the first impression of your organization; therefore, it is important that it accurately reflect your organization's purpose. People should know from your name what it is you do. If your name is too bureaucratic or official sounding, you may be mistaken for a government-funded municipal agency. If the name is too "cute," you may not be taken seriously. If your organization serves only a specific geographic location, you may want to include that in your name. It is beneficial if your organization's name says to your community that you are a nonprofit group that needs support.

Choosing a name takes time and patience. Try a few names before making a final choice. Ask others both inside and outside the organization for feedback. Make sure your choice wins approval from several different people not directly involved with your organization. Additionally, to avoid confusion, make sure no other organization already has your name or one that is very similar. Find out if your choice for a name is legally available by contacting the appropriate authorities. If you do not intend to file your Articles of Incorporation (See section E - Articles of Incorporation) immediately, then look into reserving your corporate name. Once you have filed your name with the appropriate authorities, you may want to take steps to protect it against other users.

#### **E. Articles of Incorporation**

The Articles of Incorporation are your organization's "charter." The corporation comes into existence when you file these Articles with the appropriate authority in your country. The Articles will include

your organization's name, location, purpose, and other important details. Although every country may have different specific requirements for the Articles of Incorporation, what follows will give you an idea of what may be expected.

You will probably be required to state the reason for your organization's formation, to list your board of directors (be sure that the number of directors conforms to country requirements), and to provide information on membership (see more about membership under section G - Voting or Non-voting Membership and under Bylaws - Membership). It may be wise to state in the Articles that the organization will not allow its directors, officers, members, or employees to benefit privately or personally from this new corporation. If the Articles are not prepared by a lawyer, have one review the documents before submitting them.

## **F. Bylaws**

The bylaws are your corporation's internal affairs manual. They set forth the rules and procedures for holding meetings, admitting members, electing directors and officers and taking care of other essential corporate formalities. To prepare bylaws requires a committee to do the necessary research, writing, discussing, and evaluating. Reviewing the bylaws of other animal protection organizations before writing your own may be helpful. Also, there are a number of good resources on the subject of bylaws. In addition to using the outline which follows, you should check your local library for further information.

Bylaws help create a framework within which an organization can run smoothly and efficiently. You will want to make sure your bylaws are detailed enough to provide the necessary structure and remove any ambiguities, yet flexible enough to allow your organization to change with the times. It is advisable to have a lawyer on your bylaws committee or to have one review your bylaws after they have been drafted.

See the Appendix for an example of how the bylaws of a nonprofit organization in the United States might be organized.

## **G. Voting or Non-voting Membership**

Your organization must decide the type of membership structure it should have. A voting membership structure can create an organization that is truly representative of the community. It can prevent stagnation within the board. Voting membership can help citizens view the organization as "their" animal protection organization, making them more supportive and involved in your work. On the other hand, few donors will care enough to become involved in the organization's programs or management, and therefore participation will likely be minimal. Voting memberships can cause problems if a number of members should decide to work together to overturn the organization's management.

A non-membership corporation is simpler to establish and operate and does not result in the loss of any significant advantages. In addition, it requires less paperwork and expense. Before you decide your membership structure, research the laws of your country. Voting members may be a requirement. In Chile "the managing board of directors is to be elected annually by the general assembly, in a single vote in which each member is entitled to cast one vote." (*International Charitable Giving: Laws and Taxation* by Carole Shelbourn George).

- Protect your organization by including certain safeguards. For example, consider staggering board terms so that a certain number of directors are elected each year rather than allowing for a complete turnover of directors each year. If you have nine board members, elect three each year for a three-year term. Asking that voting members volunteer a certain number of hours and

attend a certain number of meetings before they can vote will more likely guarantee voters that are knowledgeable and concerned with the organization.

- If you choose a non-voting membership structure, take steps to make supporters feel involved. Sending them a newsletter with the opportunity to voice their opinions is a great way to allow for community involvement.

## **V. HOLDING YOUR FIRST OFFICIAL PUBLIC MEETING**

What follows are only suggestions. Decide what your organization's and community's needs are and structure your first official meeting to fulfilling these needs. After you have determined a suitable date and location for a meeting, make sure it does not conflict with other major meetings or events. You may want to consider inviting the public to your first formal meeting. You can use the occasion to introduce your organization, educate the public about your mission and goals, and discuss the current conditions of animals in the community. This event will help you recruit members and volunteers.

Contact the editors of your newspapers and the program directors of your radio and TV stations. Give them information as to who, what, where, when, and why you are conducting the meeting. Tell them briefly why the community needs an animal protection organization and how your organization proposes to meet the needs. In addition, have your planning committee call people they feel would be interested in the new organization and personally invite them. Letters of invitation should be sent as well. Allow for ample advance notice so people can make plans.

At the meeting, a person from your organization should give a brief background summary and the reasons the public has been invited. Furthermore, urge them to join your organization as an active member by paying their dues. If people from the audience have questions, tell them there will be a question and answer period following the meeting with refreshments provided. Your goal is to keep people after the meeting so that you can meet with them personally and recruit them as volunteers or donors. Make sure you bring a receipt book to give receipts to people who make donations.

Before conducting your first official public meeting you may want to conduct an organizational meeting to decide and elect the following:

- Elect a temporary secretary to take minutes at your first meeting and a temporary president to run the meeting.
- Adopt rules of conduct at your meeting to help expedite procedures and keep things on track and on time.
- Have a motion that all present at the meeting be asked for contributions to pay the costs of incorporation.
- Have a motion to elect certain individuals as board directors (incorporators) of the organization.
- Have a motion to elect officers. The board will nominate and elect the organization's officers. After the election, the new president will take over chairing the meeting, and the new secretary will take over recording the meeting minutes.
- The bylaws should be formally presented, discussed, amended (if necessary), and adopted by all directors. Bylaws should be adopted by a simple majority vote. The board should review the organization's mission statement making sure it accurately reflects the organization's purpose now and into the future.

- If your organization has not already filed for tax-exempt status, now is the time to assign the responsibility to do so. If the organization has tax-exempt status, it should be duly noted in the meeting minutes, and the papers should be filed away safely.
- All financial details, such as authorizing the treasurer to establish a bank account and deciding who can make deposits, withdrawals, and sign checks should be addressed.
- Approve and provide financial support for the long-range plans.
- Decide when to conduct annual reviews of the long-range plans. (Long-range plans and action plans are reviewed in greater detail in the Strategic Planning section.)
- Decide on dates for your board of directors meeting and first annual membership meeting.
- Add any important business your organization must cover that has not been mentioned here.
- Have a motion to adjourn the meeting.

The following agenda is suggested for your first official public meeting:

- Introduce your organization, board of directors, officers, and staff.
- State your organization's mission statement, purpose, and goals.
- Review your organization's long-range plans explaining what you hope to accomplish.
- Have a motion that all present at the meeting be asked for contributions to pay the costs of incorporation and that they become members.
- Decide on dates for your annual membership meeting.
- Add any important business your organization may want to cover.
- Have a motion to adjourn the meeting.

You should have the secretary record the minutes of the meeting and follow some type of parliamentary rules of conduct in order to expedite your meeting and keep it on track. Keeping detailed records of the transactions and business that go on is important for answering any internal revenue service or similar agency's questions if they audit you or ask for annual or informational reports on your organization.

## **VI. TAX-EXEMPT STATUS**

It is highly recommended to seek tax-exempt status for your organization to save yourselves from losing valuable donor dollars contributed towards your programs. You will have to research your country's requirements for tax-exemption. Once you have done your research, gear your organization to fit one of the categories for tax-exemption. In Peru, tax-exemption is only accorded to cultural centers that serve an educational purpose. Colombia, on the other hand, sets no limitation on the purposes for which nonprofit entities may be created. The only legal requirement is that no profits are distributed to private individuals and that the nonprofit be established in one of the legal forms for private nonprofit entities, which include the nonprofit civil corporation, association, and foundation.

You should research the various provisions in your country's tax law for nonprofit organizations. Doing so is very important since each country has specific regulations on obtaining tax-exemption.

One of your first steps in establishing your animal protection organization is to make sure you cater your organization's purpose to your country's requirements for a nonprofit entity.

## **RESOURCES:**

World Animal Net's Animal Protection Society Management Resources, an online 190-page book on establishing and running an animal protection society

<http://worldanimal.net/resources/animal-protection-society-management-resources>

Foundation Center,

<http://foundationcenter.org/>

The Center maintains a database of U.S. and global grantmakers and their grants and provides a variety of free search tools, tutorials, downloadable reports, and other information useful for the nonprofit sector. Includes IssueLab,

<http://www.issuelab.org>, a searchable online collection of more than 12,000 documents of social sector knowledge

Humane Research Council,

<http://www.humanereseach.org/>

Provides articles and research studies to assist with strategy and content for animal advocacy campaigns

Animal Impact, a guide to effective advocacy. Purchase and download the book and read the Introduction and first chapter for free:

<http://priorityventures.com/animal-impact-for-animal-protection/>

## **ADDENDUM**

*In response to an inquiry from individuals who wanted to start an animal protection organization in her native Greece, Effie Dodoura of Argos Animal Welfare Society in Thessaloniki offered the following advice. We are pleased to have her permission to share it with you. Here's what she wrote:*

I've been asked lately to give advice to people who want to start a new animal welfare organization here in Greece. As many countries have similar problems to ours (overpopulation of strays, poor laws, uneducated people, and irresponsible pet owners), here is the basic advice I sent them.

- a) NEVER start a shelter unless you have a stable income to cover expenses. YES, you can do a lot without a shelter. We use our volunteers' houses until the animals we pick up recover and then we take them back to their neighborhoods.
- b) Work to get public officials and the media (radio, tv, newspapers) on your side. Give them the whole picture for everything you want them to get involved with. Be polite and "professional" when you meet them. It will help you a lot.
- d) Find a good lawyer and an accountant to support you in a volunteer capacity. You must keep your organization's books as tidy as possible. Ask the lawyer to give you all the details about laws concerning the animals and follow them.
- e) Your first aim should be NEUTERING the strays and educating people. Always keep in mind that saving a wounded stray will only help ONE animal; neutering a female stray will save HUNDREDS (her puppies, her puppies' puppies, etc.)
- f) Find veterinarians willing to help you. Ask them to give you reduced prices for the strays. Explain that this will be a good advertisement for them because you will give their names and addresses to the new owners of any adopted dog/cat.

- g) Volunteers are the soul of an organization. Make them feel important, find out who is good at what. Supervise them but give them responsibility. If possible, make clear who is responsible for what. You alone will not be able to handle all the work alone. There is always more work than we expect.
- h) NEVER GIVE UP. If you save only one animal, it will be better than saving none.

## **APPENDIX**

The following is an example of how the bylaws of a nonprofit organization in the United States might be organized. Please do not be discouraged by the seemingly immense task. You may decide that many of the sections below do not apply to your organization. Extract the information you need.

### *ARTICLE 1 - Corporate Title*

State the name of the organization and the geographic location of your office.

### *ARTICLE 2 - Corporate Seal*

Consider creating a seal or symbol for your organization. This may not be required but it is a formal way of indicating that a given document is the duly authorized act of the corporation. A seal is commonly used on formal documents such as leases, membership certificates, deeds of trust, certifications of board resolutions, and the like.

### *ARTICLE 3 - Statement of Purpose*

Briefly state your organization's specific objectives and purposes.

### *ARTICLE 4 - Board of Directors*

#### *Section A - Number*

State the number of directors.

#### *Section B - Term of Office*

State the length of a board term. (Directors are generally elected for one-, two- or three- year terms. Most bylaws provide for directors to be re-elected for more than one term, but it is wise to set some limit to the number of years of consecutive service on the board.)

#### *Section C - Nomination of Directors to be Elected at Annual Meeting*

State who can serve and how they will be elected.

#### *Section D - Authority of the Board of Directors*

The board directs all activities and exercises the power of your organization.

#### *Section E - Duties*

List the directors' duties.

#### *Section F - Benefits*

State any benefits of service. Generally directors serve without compensation; however, you can mention that they will be reimbursed for out-of-pocket expenses associated with performing their duties.

#### *Section G - Regular Meetings*

Specify how often and at what times the board will meet.

*Section H - Special Meetings*

Explain who can call special meetings and how these will be conducted.

*Section I - Notice of Meetings*

Specify when and how directors are notified of meetings.

*Section J - Quorum*

State how many directors must be present to create a quorum for the transaction of business.

*Section K - Rules of Order*

State who will preside over meetings, who is responsible for the minutes, and what rules will govern the conduct of meetings.

*Section L - Filling a Vacancy*

Set forth how a vacancy created by a director's death, resignation, dismissal or incapacity to act will be filled.

*Section M - Limited Liability*

State that directors will not be held personally liable for any debts, liabilities, or other obligations of the animal protection organization.

ARTICLE 5 - Officers

*Section A - Number and Titles*

List the various offices and their appropriate titles, such as those which follow:

*(1) President*

Briefly describe the duties of the president. Generally, the president presides at board, membership and executive committee meetings; serves as liaison between the organization's members and the board, and between the executive and the board; supervises the executive director (if there is one); and ensures that board policies are implemented. The president calls meetings and arranges with the secretary to give proper notice to members and/or directors. The president may summarize the year's activities with an annual report. The president is usually the official representative of the organization at public events.

*(2) Vice President*

Briefly describe the duties of the vice president. In general, the vice president fulfills the responsibilities of the president when the latter is absent or otherwise unable to perform. The president consults with the vice president on matters of policy and public relations.

*(3) Secretary*

Briefly describe the duties of the secretary. The secretary gives notice of the time and place of all meetings, keeps the records of both membership and board of directors meetings, and has custody of the corporate seal, bylaws, records, and general archives of the organization.

*(4) Treasurer*

Briefly describe the duties of the treasurer. The treasurer manages the organization's finances, deposits money, signs checks, and keeps the board updated on the organization's financial situation through regular reports.

### *Section B - Election*

State how officers are elected. In some cases, directors elect their own officers; in others, directors are nominated for a specific office and elected by the membership. This section may also state how vacancies will be filled.

### *Section C - Term of Office*

If officers are elected by the directors themselves, you will need to state the term length. If they are elected to the position as part of their election as directors, the term will coincide with their term as a director.

### *Section D - Eligibility*

Specify the qualifications for serving as an officer. (Perhaps the only qualification you want to list is membership in the organization).

### *Section E - Dismissal*

State the reason(s) for which an officer can be removed and provide for a way in which officers can be removed. It is important to state that they can be removed with or without cause.

### *Section F - Limited Liability*

State that the officers and staff will not be held personally liable for any debts, liabilities, or other obligations of the animal protection organization.

## ARTICLE 6 - Committees

Much of the work of the organization will be done by committees. While the board can appoint a new committee or committees at any time, you may wish to provide for certain important standing committees in the bylaws.

### *Section A - Number and Titles of Standing Committees*

List the standing committees and briefly list each committee's duties. Perhaps the most common standing committees are:

- (1) Executive Committee — Generally consisting of the president, vice president, treasurer, and one or two directors, the executive committee simplifies the transaction of business by acting in the interim of the board meetings. The committee possesses all the powers of the board to conduct the routine business of the organization. Its actions are subject to confirmation by the board. It may also act as a steering committee.
- (2) Finance Committee — Including the president, treasurer, and at least one other director, the finance committee analyzes the financial situation of the organization and advises the board regarding fiscal policy and related matters.
- (3) Nominating Committee — The nominating committee researches and makes recommendations to the board for filling vacancies on the board of directors and/or in the various board offices.

### *Section B - Selection*

The board of directors shall appoint members of the standing committees and of all other board committees.

### *Section C - Other Committees*

The board may create other committees as necessary for the transaction of business or to carry out specific projects.

#### ARTICLE 7 - Powers of Authority

State who is authorized to enter into a contract on behalf of the organization, who writes and deposits the organization's checks, and who can accept donations on the organization's behalf.

#### ARTICLE 8 - Membership

The question of membership can be as simple or complicated as you choose to make it. You may decide to set up different classes of membership, some of which are voting and others non-voting. A voting membership generally consists of donors who, in exchange for paying set annual membership dues, are given the opportunity to elect the board of directors. In a non-voting membership structure, the board is self-perpetuating.

##### *Section A - Qualifications of Members*

State the qualifications for membership (generally annual membership dues).

##### *Section B - Admission of Members*

State how members are admitted. The board should retain the right to refuse a membership and to prohibit the transfer of membership as well as the right to terminate any membership for cause at any time (see *Section L* below).

##### *Section C - Classes of Membership*

Although only one class of membership is necessary, you may wish to have voting, non-voting, honorary, and/or advisory members. (See **G.** below for a discussion of the advantages and disadvantages of various membership categories.)

##### *Section D - Payment of Membership Fees and Dues*

State when fees and dues are expected and set a minimum contribution for each level of membership.

##### *Section E - Regular Meetings of Members*

Set forth when and where annual membership meetings for the presentation of reports and election of directors will take place.

##### *Section F - Special Meetings of Members*

Describe how and when a special meeting can be called.

##### *Section G - Notice of Members' Meetings*

Detail when and how members will be notified of upcoming meetings.

##### *Section H - Quorum for Members' Meetings*

To ensure adequate representation, you may want to set the members' quorum requirement at a majority of the voting membership or even lower.

##### *Section I - Voting*

Define how members will vote (voice, raised hand, mailed ballot, etc.).

##### *Section J - Conduct of Members' Meetings*

Establish a parliamentary authority, such as Robert's Rules of Order to be adhered to during meetings.

*Section K - Privileges of Membership*

Discuss the privileges of membership and when they go into effect.

*Section L - Termination of Membership*

Clearly specify how and why a membership can be terminated and that memberships cannot be transferred.

*Section M - Limited Liability*

State that members are not personally liable for your organization's debts, liabilities, or other obligations.

**ARTICLE 9 - Provision for Dissolving the Organization.**

Include in your bylaws the means by which the corporation can be voluntarily dissolved. You will need to research your country's laws regarding dissolution. In Chile, for example, "a corporation or foundation can be dissolved only with approval of two-thirds of the members present at a special meeting of the general assembly called for this purpose. A 'notario' must be present. Additionally, the President of the Republic may revoke a Chilean organization's legal personality if the organization is found to be carrying on illegal activities, those contrary to public policy or morality, or those not in compliance with the objectives for which it was formed." (*International Charitable Giving: Laws and Taxation* by Carole Shelbourn George).

**ARTICLE 10 - Construction and Terms**

If there are any conflicts between your bylaws and Articles of Incorporation, the provisions in your Articles of Incorporation take precedence.

**ARTICLE 11 - Amendment of Bylaws**

Set forth the manner in which bylaws may be adopted, amended, or repealed. Generally this can be done at any annual or special meeting of the organization called for the purpose; provided any proposed addition or change shall first have been reviewed by the board of directors and submitted in writing to the membership. State how many members' signatures are required on any proposed amendment and how many days (months) prior to the annual meeting these must be submitted to the secretary.

**ARTICLE 12 - Adoption of Bylaws**

State when and how these bylaws will be adopted. The bylaws, effective upon their adoption, supersede all former bylaws of the organization.

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