



Chapter Handbook



A guide for starting a local CAPR chapter including access to an array of powerful tools in place for use in supporting and protecting your private property rights!

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Handbook for Chapters

Introduction

This document is intended as an introduction to Citizens' Alliance for Property Rights (CAPR) chapters and a working guide for the volunteers who are starting or running a chapter.

CAPR chapters are designed to be a geographical subset of the CAPR membership. That geographical subset is often a county but is purposefully not specifically defined. Counties may have multiple chapters or small counties may combine into one chapter. The basic idea is for the chapter to serve an area large enough to draw together an active group of people and small enough that those people can travel easily to meetings and events.

If you understand and agree with Benjamin Franklin when he said ***"We must hang together, gentlemen...else, we shall most assuredly hang separately"*** then you should keep reading this handbook.

Requirements to Start a Chapter

- Three CAPR members willing to serve as a chapter President, Vice President, and Secretary/Treasurer.

It really is that easy!

Active chapters must meet the following minimum goals each year:

1. Provide officers list with contact information each year by the spring Governing Board meeting.
2. Implement at least two of the following items per year within the 12 months prior to the spring Governing board meeting :
 - a. General membership meeting
 - b. Hold at least two public events (e.g., banquet, candidate forum, training, workshop, fundraisers); these can be held in collaboration with other organizations.
 - c. Raise at least \$500 in donations over and above memberships.
 - d. Testify at two or more public hearings (local, county, state or regional councils).
 - e. Check expired member list in week 3 or 4 of each month and do outreach to those expired members.
 - f. Other chapter-related activities reported in the chapter annual report.
3. Provide a chapter report at the spring and fall governing board meetings.

Why start a CAPR chapter instead of your own group?

1. **Instant Recognition:** Not many folks in your area may know of CAPR yet, but our representatives in Olympia and in the counties and cities where our current members and supporters live certainly know about CAPR. The courts know us as an organization willing to fight all the way to the Supreme Court. That recognition has been earned with many hours of volunteer time and many donated dollars.
2. **Simple Startup:** Reread the “Requirements to Start a Chapter” on page 1. Most of the following points will illustrate the massive job it is to bootstrap an effective and productive organization.
3. **PDC requirements handled by CAPR PAC:** All money raised and/or spent to support candidates or issues must be reported to the appropriate regulatory agency. The rules are voluminous and strict. Reports must be on time and start two weeks after you collect or spend the first penny. Reporting in Washington is weekly during election cycles. Your Treasurer is personally responsible. If you really like doing Orca reports, you can start your own political action committee or you can get in line to be treasurer of CAPR PAC when the current treasurer burns out.
4. **CAPR PAC has in place a sophisticated rating system for both political candidates and pending legislation.** As a chapter, you will get to use the system to rate your local incumbents and candidates as well as have input on state-wide candidates and issues. This system is currently only implemented in Washington.
5. **501(c)(3) in place:** Nonprofit organizations that meet a strict set of requirements found in Section 501(c)(3) of the IRS code, successfully complete a long (many pages, many months) application process, and continue to operate according to 501(c)(3) rules are granted special status. Donors to those organizations can deduct their donations from their income for federal tax purposes. CAPR Legal Fund is a fully recognized 501(c)(3) organization and handles educational, legal and advocacy items of CAPR. Many employers match their employees’ donations to 501(c)(3) organizations.
6. **Existing Relationships:** CAPR brings existing working relationships with organizations such as Pacific Legal Foundation, Freedom Foundation, Washington Farm Bureau and other local, state and national groups supportive of property rights. We send representatives to regional and national property rights conferences. We have relationships with local, state, and federal politicians and employ a contract lobbyist in Washington State.
7. **Existing Database:** We have an existing database of over 55,000 members, contributors, supporters and potential supporters. The database is available via the internet. You can enter and retrieve data from any web browser – with the correct password, of course.
8. **Existing Email List Servers:** CAPR uses state-of-the-art email list servers to automate the creation and maintenance of email lists. We currently use three lists. An administrative list is used by the officers and boards of directors to help them communicate amongst themselves on the business issues of the organizations. An email list is available to anyone interested in receiving meeting

announcements, CAPR news, etc. Anyone can sign up via a link on the CAPR website and can then manage their own account. A representative from each chapter and affiliate and the members of the CAPR Board of Directors constitute an official advisory panel called the Governing Board. The members of that board use the third list to exchange ideas, etc.

9. **Existing Web Site:** CAPR maintains a web site reachable from either www.proprights.org or from www.capr.us. (In either case the www is optional.) We currently have sections available for the use of the Chapters to cover the issues specific to your area. Those sections can be created and maintained by a volunteer with very limited knowledge of modern web programming. Why start from scratch? If you have a web guru willing to help, that person can help maintain one site for us all.
10. **Officers and Directors Insurance:** CAPR maintains liability insurance to cover the officers, directors, and volunteers at all levels of all the organizations. The folks who want to do away with your property rights have multitudes of attorneys available to force their will upon us. The more successful you are as an organization the more important it is to protect your volunteers.

If you have already started your group and done all these things, then please consider becoming a CAPR affiliate, instead of a chapter, to support our common goals.

The following excerpts of the Bylaws of CAPR are relevant to both Chapters and Affiliates:

ARTICLE XII — Governing Board

- 12.1 **Purpose.** The Governing Board shall meet to develop the organization's broad goals and policies.
- 12.2 **Members.** The Governing Board shall consist of the Executive Board, Officers and Directors of related organizations and a representative from each recognized chapter or affiliate.
- 12.3 **Officers.** The Officers of the Executive Board shall be the Officers of the Governing Board and shall preside over any meetings.
- 12.4 **Meetings.** The Governing Board shall meet a minimum of two (2) times per year.
- 12.5 **Powers.** Governing Board votes are advisory until confirmed by a vote of the Executive Board
- 12.6 **Quorum.** A majority of the whole Governing Board present shall be necessary and sufficient at all meetings to constitute a quorum.
- 12.7 **Conduct of Meetings.** All meetings shall be conducted in accordance with Robert's Rules of Order most recently published.

ARTICLE XIII — Local Chapters

- 13.1 **Establishment.** A majority vote of the Board of Directors shall be required to establish a local chapter.

- 13.2 Requirements. The Board of Directors shall set minimum requirements to establish a chapter.
- 13.3 Chapter President. The Chapter President shall preside at all chapter meetings and perform such other duties as necessary to support the proper management of the chapter.
- 13.4 Chapter Vice President. During the absence or disability of the Chapter President, the Chapter Vice President shall exercise all functions of the Chapter President.
- 13.5 Chapter Secretary. The Chapter Secretary shall issue notices of all chapter meetings, keep minutes of all meetings, and make such required reports and perform such other duties as are incident to the office, or properly required of the Chapter Secretary by the Board of Directors.
- 13.6 Chapter Treasurer. The Chapter Treasurer shall manage any donations given directly to the Chapter and shall expedite the delivery of such donations and information necessary to fully account for the donations to the CAPR treasurer via procedures established by the CAPR treasurer. The Chapter treasurer shall periodically review the accounts of the Chapter and promptly report any inaccuracies found to the appropriate corporate treasurer (CAPR, CAPR Legal Fund, or CAPR PAC). The offices of the Chapter Secretary and Chapter Treasurer may be held by a single individual.
- 13.7 Meetings. Meeting schedules shall be established by a vote of the local membership.
- 13.8 Elections. Chapter Officers shall be elected at annual chapter meeting by local membership.
- 13.9 Activity. All political activity must be approved by the Board of Directors prior to any action.
- 13.10 Public Releases. Any advertising, public comments or literature released to the general public, other than meeting notices, shall be approved by the Board of Directors prior to release.
- 13.11 Contributions. Unless specifically authorized by Board of Directors, no funds shall be collected by a chapter.
- 13.12
- 13.13 Removal. A Chapter Officer may be removed, with or without cause, by a majority vote of the Board of Directors.
- 13.14 Active Status Determination. Activity status is to be determined annually as “Active” or “Dormant” by a vote of the Executive Board based on chapter reports provided to the CAPR Secretary prior to the spring Board of Governors meeting, and other pertinent information gathered by the CAPR Board of Directors.
- 13.15 Sweeping of Funds from Dormant Chapters. Chapters designated as “Dormant” will have any remaining funds that are allocated to their treasury accounts swept to the corresponding CAPR National treasury and any remaining officers of that chapter shall be notified.
- 13.16 Maintenance of Dormant Chapters in Systems. Dormant chapters will be maintained in the CAPR accounting system (and in the CAPR website listing) for future revival.
- 13.17 Dissolved. A Chapter may be dissolved by a majority vote of the Executive Board of Directors.

Money

In order to understand how money flows through CAPR it is necessary to fully understand the functions and relationships of the three separate but affiliated corporations that are CAPR.

The first corporation started in 2003 was organized as a Washington State political action committee and is now named Citizens' Alliance for Property Rights PAC. It is technically an IRS 501(c)(4) organization but reports as a state political action committee. State political action committees can report only to their state if they must report all or more than they would report to the IRS.

The second corporation was started in 2005 as Citizens' Alliance for Property Rights Legal Fund for the purpose of operating as a 501(c)(3) charity. CAPRLF reports to the IRS via form 990. Donations to CAPRLF are generally tax deductible to the donor.

The third corporation also started in 2005 as Citizens' Alliance for Property Rights and is the membership organization that provides overall control of all the organizations. CAPR reports to the IRS as a 501(c)(4) organization.

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|---|--|
| Citizens' Alliance for Property Rights | |
| Umbrella Organization | |
| Membership Chapters Common Administrative Tasks | |
| <u>Income</u> | <u>Expenses</u> |
| Dues | Membership drives Insurance CAPR Elections Accounting services Office supplies Contract lobbyist Website Misc. minor items |

| | |
|---|------------------------|
| Citizens' Alliance for Property Rights PAC | |
| All Political Activity | |
| <u>Income</u> | <u>Expenses</u> |
| Donations | All political spending |

| | |
|--|------------------------|
| Citizens' Alliance for Property Rights Legal Fund | |
| Advocacy – Legal – Educational | |
| <u>Income</u> | <u>Expenses</u> |
| Donations | Legal Educational |

Chapters are provided for in the bylaws of CAPR. As such, they are part of the controlling, membership organization. The money directly controlled by CAPR comes from dues that members pay. Most of the activities of the organization are paid for by the other two corporations which rely on donations.

Any political activity (including on issues, not just candidates) must be paid for through CAPR PAC. Chapters wishing to make such expenditures must present their requests to the CAPR PAC Board of Directors for approval prior to making the expenditures. The Board of Directors meets the second Friday of each month which would be the preferred time for deciding on expenditure requests. Emergency items can be approved via the administrative email list. Invoices for the expenditures are then sent to the main CAPR address, currently in Enumclaw, WA. and will be paid directly by the CAPR PAC Treasurer. Any donations to or expenditures from CAPR PAC must be reported timely so chapters have the responsibility of notifying the PAC Treasurer promptly, Chapter members or officers who personally pay for items submit an expense form with receipts and are reimbursed by the Treasurer. The Treasurer will not pay any items without a copy of the original receipt.

Items to be paid through the CAPR Legal Fund work the same as those paid via CAPR PAC. Because of the IRS scrutiny of 501(c)(3) organizations it is imperative that the Legal Fund board preapprove expenditures to insure that they fit within the acceptable expenditures. It is very important not to commingle funds between CAPR PAC and CAPR LF. The two corporations have separate officers and directors, separate bank accounts, etc.

Accounting

CAPR uses a web-based fund accounting system developed specifically for CAPR. Because the system is actually part of the CAPR web site, it is accessible by anyone with internet access and an appropriate user id and password. All chapter officers can, and should, obtain a user id and password from the CAPR Secretary (currently Jeff Wright – darcors@comcast.net).

The accounting system is sophisticated enough to be able to provide full financials by Chapter. You can see all income and expenses of your Chapter for each of the three CAPR corporations.

Donations

Donations that come in are handled as recommended by the Governing Board from time to time. The actual corporate boards of directors actually have the final say but, to date, they have always gone with the Governing Board recommendations. The Governing Board meets twice per year and has representatives from each chapter and affiliate. In general, donations are split into a portion controlled by the chapter and a portion controlled by the board of directors of the applicable corporation (usually referred to as “national”).

Currently, there are eight membership levels in CAPR. The lowest four, student, individual, family, and sustaining go only to national. The upper four, small business, corporate, patron, and presidential are split 50:50 between the chapter and national. Beginning chapters sometimes question that split until they figure out that almost all money they will spend at the chapter level will come from their CAPRPAC or CAPRLF

accounts due to the state and federal regulations that we must follow. Donations to CAPR that are not for membership are split 20:80 with the larger portion going to the chapter.

Currently, donations to CAPRPAC are split 50:50 except California chapters split 10:90. In each case the chapter gets the larger portion.

Currently, donations to CAPRLF are split 50:50 except California chapters split 10:90. In each case the chapter gets the larger portion.

If National runs fund-raising campaigns, the donations all go to National.

Donations can reach CAPR through several routes. Most come to 718 Griffin Ave #7, Enumclaw, WA, 98022, via mail in pre-addressed envelopes that are sent with all mailings or handed out at events. The easiest to use for events are pre-addressed and printed with a form on the inside of the flap that is used to capture all the data necessary to accomplish the required reporting. Mailings typically use a donations sheet that has room for more data and an explanation of what the donations to the three corporations are used for along with a simple pre-addressed return envelope. Remittance envelopes can be obtained by emailing CAPR Secretary (Jeff Wright at darcors@comcast.net.) Jeff maintains the unofficial CAPR warehouse in his basement as well as filling two national officer positions. Donation sheets and simple remittance envelopes can be printed from the ADMIN section of the web site

Donors can also print the donation sheet from our website at capr.us.

Donors can donate via the website and can use MasterCard, Visa, American Express, and Discover. When donating via the web, donors have the option to set up recurring donations.

Donors will often hand chapter officers donations at events. The CAPR bylaws prohibit chapters from collecting funds directly without specific authorization by the CAPR Board of Directors but it sometimes happens anyway. The appropriate way to handle the situation is to have the donor fill out a remittance envelope or donation sheet (or fill it out for them) and put their donation into the envelope and drop it in the mail to the CAPR address. Some chapter officers are tempted to collect such donations and give them to one of the national treasurers the next time they see them. This means that depositing and reporting requirements may not be met since this is not the normal flow. You will work with the national treasurers when you need something paid for, but incoming donations are to be sent to the CAPR mailing address with the proper accompanying information.

It is possible that you may get cash donations at an event. One chapter in particular handles a lot of cash and was concerned with sending it through the mail. The easy solution is for the treasurer to take the cash and write a check to CAPR, which can be

mailed to Enumclaw mailing along with the appropriate remittance envelopes or donation sheets with the donors' information.

Expenses paid for events and donations made at events are handled based on what type of event is held. Any event that is political in nature in that specific politicians or pending legislation is discussed must be treated as a CAPRPAC event and all donors, costs and donations must be reported to the appropriate state agency. Depending on the state it may be possible to have a "small fund raiser" where it is not necessary to track individual donors as long as their donation is under a certain amount - often \$50 but it varies by state.

Legal Fund events that follow the rules of IRS section 501(c)(3) as well as the application submitted by CAPR LF to gain that status allow the donations made to be tax deductible to the donor for any amount over the cost of any goods or services received at the event. For example, the annual banquet is usually put on by the CAPR Legal Fund but the cost to attend is not deductible since the amount charged just covers the cost of the meal. Every donor at a Legal Fund event must be tracked since we are required to provide them with an itemized receipt.

Meetings and events can also be straight CAPR events and paid for from membership funds. You have to make sure that no one turns the conversation political thus changing the event into a CAPR PAC event. If you do not have strict control of the microphone at the event, it is safest to treat it as a CAPR PAC event right from the beginning.

CAPR has developed a special event/meeting planner to assist you as you plan meetings and events. You can find it on the Admin menu of the web site under How to Docs.

Why We Need to Do It Correctly

Property rights advocates tend to be an independent lot. The strictness of the procedures to handle the money side of the organizations often is frustrating. When CAPR first organized, the conscious decision was made to follow all the rules. We didn't want to spend the many hours of sweat and toil it takes to build a contender in this fight only to lose because an opponent found some small thing we did incorrectly. We are competing on a very contentious battlefield filled with well-funded opponents often run by attorneys who could use any error we make to try to destroy CAPR. It all boils down to three points: no approval, no money; no receipt, no reimbursement. If you pay for political items yourselves without approval, you will lose your chapter.

Web Site

CAPR maintains a web site (capr.us or proprights.org) that covers all three corporations and has a section for each chapter that wishes to use it. Some chapters have built their own sites. While that approach can be taken, it is not encouraged. The time a volunteer

or paid webmaster spends building a chapter web site from scratch could more productively be used helping add to the main web site which would benefit the entire organization. Having a separate site loses the advantage of the CAPR branding that has been built up since 2003; the chapter ends up looking like an affiliate not an integral part of the larger organization. The chapter sections of the site are designed to be easily built and maintained by anyone. They do not require a web guru. A ten-minute web conference for an interested volunteer will get your portion of the site up and running. If you can't recruit a volunteer, the volunteers that do the main site can help get your site set up. For web site training or help, contact Rodney McFarland at rod@sage1.com or Cindy Alia, Operations Director at cindy@capr.us.

The web site has an ADMIN menu as well as an ACCOUNTING menu. The id that was described in the first paragraph under **Accounting** above will allow you access to those areas. The ADMIN menu leads to a number of screens that allow entry and/or update of demographic and other types of data contained in the CAPR database. The ACCOUNTING menu will let you run financial and other reports pertaining to your chapter. Your secretary/treasurer should contact Rodney McFarland at rod@sage1.com or Cindy Alia, Operations Director at cindy@capr.us for training on using these areas. It is not necessary to be a database expert or an accountant; the site is designed to be used by volunteers.

The CAPR Blog is integral to the web site. Each chapter can have their own section to discuss the issues relevant to their chapter. To prevent being buried in spam the Blog requires a user id and password to initiate a post. Encourage a volunteer from your chapter who writes coherently to become a contributor to the Blog. The more content we have the more new recruits we will attract. Contact Rodney McFarland at rod@sage1.com or Cindy Alia, Operations Director at cindy@capr.us to get your user id and password set up and start educating the masses today!

Email and Email Lists

CAPR makes use of a number of email lists. They include capr-gov, capr-admin, capr-web, a number of issue-based committee lists and an iContact list. The lists are designed so that members can maintain their own setup including changing email address when that happens. Once you have your user id and password to ADMIN you should review the Email Policy document that gives extensive information about these lists. Your chapter officers should become members of capr-gov and you should encourage all members to join the iContact list, which can be done from the main CAPR web page. Joining capr-gov is done by contacting the CAPR Secretary (Jeff Wright at darcors@comcast.net.)

You should set up at least a chaptername-info@capr.us email account for your chapter and have someone assigned to regularly check the account. Any of your officers can have an email account on the CAPR server (e.g., theirname@capr.us.) Email your request to Rodney McFarland at rod@sage1.com.

Contacts

Cindy Alia, CAPR Operations Director 425-351-2779 cindy@capr.us
Scott Shock, CAPR President 206-650-3421 ssshock@comcast.net

CAPR chapters as well as this document are a work in progress. Suggestions for improvements to either are always welcome. Send suggestions to CAPR Secretary Jeff Wright at darcors@comcast.net , or CAPR President at ssshock@comcast.net .

Chapter Startup Checklist

- Recruit three volunteers to fill the positions of President, Vice President, and Secretary/Treasurer.
- The three volunteers join CAPR as members.
- Submit a request to be a chapter to the CAPR Board of Directors and include the names of the initial officers.
- Once the chapter has been approved by the CAPR Board of Directors, submit the names and email addresses of the officers for inclusion in the email list capr-gov.
- The officers should familiarize themselves with the functions of the three corporations and the various legal and reporting requirements of each as well as the mission, policies, and bylaws of the organization.
- Apply for ADMIN user ids and passwords for the officers.
- Obtain a supply of remittance envelopes and familiarize yourself with the required fields.
- Publicize and hold an initial meeting or meetings to gain members.
- Establish proposed rules that will govern election of and duties of chapter officers and/or directors and any other issues applicable to the running of the chapter.
- Hold an election for permanent officers and/or directors.
- The secretary should send a copy of the minutes of all meetings to the CAPR secretary, currently Jeff Wright at darcors@comcast.net.
- Train the secretary and treasurer to use the accounting system and admin functions of the web site.
- Any donations received at the chapter level should be handled as set forth in this handbook.
- Identify and train a person to create or oversee the creation of the chapter's web site.
- Identify and encourage potential contributors to the CAPR blog.