

Executive Committee Meeting  
with Dennis Albright, Attorney At Law  
February 10, 2009 at 1:00PM

Present:

Executive Committee: Colleen Sheehan, Sushie Rose, Chris Pritchard, Tina Bacon

Advisory: Ruth Deike, Don Gerber, Nan Renish

Attorney Dennis Albright agreed to meet with the Executive Committee and their Advisory Committee to discuss the incorporation of Tehama Together and obtaining a 501c3 for the organization.

He started out by asking the group where they saw themselves a year from now. Chris saw the Center being the hub of the community with people coming in and out for information, buying produce, having good coffee and conversation in the coffee house, attending workshops and kids playing in the childcare room.

Dennis then asked how would the organization be formed. Who would be in charge? Would the areas be separate or under one roof? Where was the accountability and who was responsible to the IRS? A discussion followed as to the idea of the entities being separate, with their own responsibility for their operation, but under the umbrella of Tehama Together. Dennis questioned that and asked, "Did they want each entity to have its own 501c3"? Dennis said there needed to be one responsible agent and the by-laws would be able to describe the way it would be set up.

Dennis asked if the name Tehama Together had been researched. Ruth said she had done a search on the Internet and came up with nothing that used the name Tehama Together. Dennis said that the first thing the group has to do is to make sure the name is not in use. A fictitious name request can be done later. The second thing is to incorporate. This will

cost \$800 and \$250 filing costs. The \$800 dollar fee would be refunded if the 501c3 were granted. If the organization already had a 501c3, this \$800 fee would be waved. Ruth wanted to know why we could not get the 501c3 first. She said she had no problems getting her 501c3 and did not have to pay a cent. Dennis asked her where she had obtained her 501c3 status. She said in Maine. Dennis said the laws in California are very different and they want their money for these kinds of things.

Dennis asked if we are to be a membership or non-membership organization. The group said they were leaning toward non-membership. Dennis asked if we are non-membership how do we decide things. Who makes the decisions? He posed a question: "If the general meetings are open and the whole group gets to make the decisions, what is to stop a group of persons from coming to the meeting and taking control of the meeting and the organization"? Don had thought we decided to be a membership organization, but it was explained to him membership was only for the Food Buying Club associated with the Natural Food Market.

Federal Tax exemption versus State Tax exemption was discussed. I was not clear on this. Need clarification from group.

Dennis said we could take donations and contributions but they would not be tax deductible for the person giving the donation. He also said that the landlord would not be able to take a tax deduction for renting us the space at a lower rental rate.

Dennis asked who the agent of record would be. An agent is needed for official notification. Colleen Sheehan, Secretary/Treasurer of Tehama Together said she would be the agent.

Dennis suggested a book “How to Form a Nonprofit Corporation in California” for the Executive Committee to read so that we can have a clearer picture of what to expect. He will order the book and leave it at the front desk with his receptionist, Twila. He said call and let Twila know you want to come in to use the book. He said we are welcome to use his library as long as we need it this week. He will be out of town for the whole week and would like us to call next week (or when we have a clearer picture of our next steps) to make another appointment.

Dennis graciously has given his time to us pro bono. Therefore it becomes very important that at the next meeting with him we are very clear on what we are doing and bring to him answers to the following items:

Tie down name

Decide on membership or non-membership

Decide on one budget – this means encompassing all of the entities under one budget

Draft Articles of Incorporation

By-laws

Business plans from each entity

Do we want to wait until we have 501c3 to file for corporation? This may take 3 to 6 months

If not, where will over \$1,000 come from?

How do we keep the momentum going if we have to wait?

Written by Colleen Sheehan