

August 18, 2016



Dear League Members,

We have good news and we need to ask you how to proceed. The state League would like to include LWV Umpqua Valley with seven other local Leagues in Oregon to become 501(c)(3) organizations. This would allow us to accept tax-deductible donations, and even our membership payments per person would be tax-deductible.

Your Board of Directors recommends that we take this opportunity to vote on this as soon as possible. Therefore, we are contacting you now to allow for a period of discussion, to be able to ask questions regarding such a change, and then to vote on this at our first membership meeting of the year on Tuesday, September 27, 2016 at the Douglas County Library at 6 PM.

We have been in contact with state League board member, state action chair and parliamentarian Alice Bartelt. She has stated that Robert's Rules of Order allow us to vote to suspend the rules to vote on such a proposal before our next annual meeting which is usually held in April or May. The state League is in the process of submitting paperwork for seven other local Leagues now, and they want to include us. We need your approval.

At our September meeting, we will vote on the following separately:

- 1) To suspend the rules to wait until the next annual meeting to vote on converting the organization to a §501(c)(3),
- 2) To convert our current federal status as a political organization §501(c)(4) to a tax-deductible organization of a §501(c)(3),
- 3) To approve new bylaws, and
- 4) To approve new Articles of Incorporation.

Each of those votes must pass with a 2/3 vote. We have 57 members, and a quorum of one third or 19 members must be present at the meeting.

Reasons To Convert:

All donations to a §501(c)(3) organization are tax-deductible, and all dues payments would also be tax-deductible.

As a §501(c)(3) we can only expense up to 20% of our annual expenses on lobbying. But we never do that. As president I can say, we never have expenses related to lobbying. Rarely do we lobby. Mostly we do education and advocacy.

Lobbying and advocacy are two different things. We can advocate as a §501(c)(3) as much as we like. To advocate is to speak out about issues, not about specific legislation. But to “lobby” or to encourage a specific vote on a specific measure is limited by law to no more than 20% of annual expenses averaged over a period of four years.

If we ever want to “lobby” for something we can use the state’s §501(c)(4), the LWVOR Advocacy Fund.

Costs and Benefits to Our League:

If membership approves conversion, we will then register with the Department of Justice and send in a check for \$50.

The cost to convert as estimated by LWVOR will be about \$6 per member. That would be about \$342 for our whole League of 57 members. If we do it ourselves it would cost a lot more.

Our Local League Education Fund will then be sent back to us by LWVOR who now holds these funds for us, so we can manage the amount ourselves. There’s about \$2,500 in there now for education projects.

And don’t forget! You would be able to “write-off” your membership payment as you would a donation to any other tax-exempt organization.

**Please come to the meeting on Tuesday, September 27, 2016 at 6 PM and vote!
And bring another member or interested person with you!**

Questions? Please email one of us or call.

Thank you!



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