

## How To Form A Club

### 1. Select four people to fill the following Officer roles:

- **President-** typically oversees the operation of the club. Acts as the leader for the group but can and should delegate tasks as needed.
- **Vice President-** provides a support system for the President.
- **Secretary-** manages the paperwork and membership aspect of the club. Performs the same role as a secretary for a business.
- **Treasurer-** manages and oversees the finances of the club. Should be someone who is very trustworthy and who has at least a basic knowledge of accounting. Often times the President and Treasurer manage and authorize expenses together.

These four offices are typically required in most states for a club to become incorporated and are usually identified as your Board of Directors. Whether it is a requirement or not, it is good to have at least these four in place to preserve order within your club. In addition, you are not limited to just these four offices. You can add others as you see fit such as Event Coordinator, Trail or Land Manager, Master At Arms, etc. It is up to your club how many additional "Officers" you wish to have.

### 2. Develop a plan for your club.

The best thing you can do is make sure that at least the four officers are on the same page as far as goals and guidelines for your club. What types of vehicles will you allow? What will be your requirements for members and their vehicles? How active will your schedules allow you to be with your club as far as planning events? How often will your club have meetings and where will they be held? How will your club communicate?

These are just some of the questions to get you started. Most clubs have special meetings where just the Officers get together on a periodic basis to discuss current issues and projects. It is important that Officers are in agreement because if they don't present a united front it can really affect your membership and your club's success.

### 3. Compose a set of By-Laws

Once you have established Officers and developed a basic plan, you can start working on composing a set of By-Laws. *"A bylaw is a rule governing the internal management of an organization, such as a business corporation. In a business situation, bylaws are drafted by a corporation's founders or director. Bylaws widely vary from organization to organization, but generally cover topics such as how directors are elected, how meetings of directors are conducted, and what officers the organization will have and a description of their duties. Bylaws generally can be amended by an organization's Board of Directors. In parliamentary procedure, particularly Robert's Rules of Order, the bylaws are generally the supreme governing document of an organization. The bylaws contain the most fundamental principles and rules regarding the nature of the organization. Unless otherwise provided by law, the organization does not formally exist until bylaws have been adopted."*<sup>1</sup>

Some states require that you have a set of By-Laws in order to incorporate but whether your state requires them or not, it is a good idea to have them. By-Laws offer a written set of guidelines for your club and you will use them quite frequently as a reference. It is a good idea to make sure all of your members have either a copy or access to a copy of the By-Laws so they can know what they are expected to adhere to. Some clubs even have their members sign off on their Membership Application that they have read and agree to uphold the By-Laws.

It is important to remember that sometimes due to changes within your leadership and/or daily operations you may need to change your By-Laws, depending on what type of guidelines you include. Changes to By-Laws are identified as Amendments. You should never alter the original draft of your By-Laws. If you need to make changes you can do so by either typing up a separate document that just outlines the sections and changes you are

---

<sup>1</sup> Wikipedia

making or Save your original document As a new copy and number each copy based on the number of times you have amended it. There may be specific rules on amending the By-Laws based on the state you are registered in.

If you are totally lost, you can always contact the Association and we can assist you with the composition of your By-Laws and possible provide you with some examples.

#### **4. File for Incorporation**

Once you have done all of the above, you are ready to file for incorporation with your state and the federal government, or IRS. The reason I have put this as #4 is because many states require that you have a Board of Directors (you may have to list their names on the application), they may require that you already have By-Laws (you may have to submit a copy with your application), and you are going to have to record basic information such as a club address, phone number, contact person, etc. So it is best to have prepared all of this prior to filing for incorporation. The reason for incorporating is simple, it provides you with a layer of protection of your personal assets. It also shows that you are serious about being an official organization. There really is no template for becoming incorporated, it depends on the guidelines of the state you wish to register in. You will also need to contact the IRS to obtain a Tax Identification Number or EIN. Most clubs incorporate as Nonprofit Organization." *A nonprofit organization (abbreviated "NPO", also "non-profit" or "not-for-profit") is a legally constituted organization whose primary objective is to support or to actively engage in activities of public or private interest without any commercial or monetary profit purposes. NPOs are active in a wide range of areas, including the environment, humanitarian aid, animal protection, education, the arts, social issues, charities, early childhood education, health care, politics, religion, research, sports or other endeavors.*<sup>2</sup> There are different types of nonprofit organizations so your Board of Directors will need to decide what type of organization you want your club to be. This can be done when you meet to define your goals! The following site is probably the best place to obtain information on Nonprofits because it is straight from the IRS: <http://www.irs.gov/charities/index.html>

You can also contact a certified tax advisor as well as the Association for information on incorporation. We have posted a brief overview of incorporating in the states that the Association covers but it is best to contact the office in your state responsible for incorporation and business registrations.

This can be an involved and slow process so be patient, it will happen and it is worth it in the long run.

Congratulations! Following the receipt of your incorporation papers, you have formed a club. The next steps are up to your Board of Directors and your members. If you ever have any questions you can always approach the Association and other Member Clubs for assistance. We have all gone through the process and can give you some advice. The most important thing to remember is that it is your club and every club is unique.

---

<sup>2</sup> Wikipedia