
gifts Let's buy them gifts? Constitution issue?

Posted by Matthew Kleinosky - 2009/07/17 07:44

I attended a club meeting as a guest yesterday and enjoyed the meeting. Well run, on time, crisp, polite. (of course, I made some recommendations to the club at the end ;-) They have a nice community and are appreciative of officer work and member contributions. One of their members had purchased a bottle of wine for each outgoing club officer. Yesterday, a member raised a motion to reimburse the cost from club funds and it passed unanimously. I raised my hand and told them I applauded their sentiment. I also told them what they were doing might be in violation of their club constitution. I suggested they check and amend their club constitution if they like I told them I was sorry! :-). Is such an act in violation of: Article XI Legal Status and Dissolution: Sec. 1. This Club is an unincorporated association formed solely for the purpose of privately educating its individual members. This Club is not legally affiliated with any company, agency, or special interest group from which this Club may draw its individual members. The use of the funds of this Club shall be limited to educational purposes. They may not be used for social or political purposes, or for the benefit of any individual. If so, can clubs modify theirs to allow such gifts? Would that be a good idea? regards, Matthew

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Posted by Mike Raffety - 2009/07/17 07:44

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Posted by Abel - 2009/07/17 07:44

I see and understand the rule about using club funds for personal gain, but I also don't fully agree with it. I think the club should be able to determine how to spend the money. The members put the money in, they should have the ability to spend it. Too, I don't see a problem with the gift of alcohol. There didn't seem to be any expectation of consumption on site. If they DID imbibe immediately, there might be an issue, but otherwise it's probably fine. I'm no lawyer, though. Finally, in regard to cost (to me, the least issue): there are plenty of wines that don't cost an arm and a leg. I don't drink wine at all, but have seen bottles in the store, and the majority weren't overly expensive. We have no idea how much the ones purchased were, but if the members decided that they had the money and were willing to spend it, it doesn't matter how much was spent. I can't see how having a pattern should matter, but can see the benefit of having planned it, at least a week or two in advance, to notify the members that a budget item was being voted on at a specific meeting. That goes back to letting the (whole) club decide what to do. Sorry, Mike, we once again seem to be on the opposite sides of an issue. Nothing personal, though! :-). Hope I haven't offended. Abel - Hide quoted text -- Show quoted text -

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Posted by Rich Hopkins - 2009/07/17 07:44

The big concern is that as a non-profit organization under U.S. law, there are some very heavy restrictions on how money can be spent, while maintaining that tax-favored status. And even if the club is outside the U.S., it's still subject to U.S. and California law, as a member of Toastmasters International; see the club constitution, article XI, sec. 3. See also: <http://www.toastmasters.org/Members/OfficerResources/PoliciesandProce...> The use of club funds is limited to the organization's purpose, which is educational. They may not be used for social or political purposes, or for the benefit of any individual. Some authorized uses are: purchase of educational/administrative materials for club/member use; payment of meeting place rental, if applicable; and refreshments for club meetings (when approved by the club). Some unauthorized uses are: parties and social gatherings; donation of money to causes or individuals; and scholarships or payment of dues for individuals. Abel wrote, On 7/3/2009 6:25 PM: I see and understand the rule about using club funds for personal gain, but I also don't fully agree with it. I think the club should be able to determine how to spend the money. The members put the money in, they should have the ability to spend it. Too, I don't see a problem with the gift of alcohol. There didn't seem to be any expectation of consumption on site. If they DID imbibe immediately, there might be an issue, but otherwise it's probably fine. I'm no lawyer, though. Finally, in regard to cost (to me, the least issue): there are plenty of wines that don't cost an arm and a leg. I don't drink wine at all, but have seen bottles in the store, and the majority weren't overly expensive. We have no idea how much the ones purchased were, but if the members decided that they had the money and were willing to spend it, it doesn't matter how much was spent. I can't see how having a pattern should matter, but can see the benefit of having planned it, at least a week or two in advance, to notify the members that a budget item was being voted on at a specific meeting. That goes back to letting the (whole) club decide what to do. Sorry, Mike, we once again seem to be on the opposite sides of an issue. Nothing personal, though! :-) Hope I haven't offended. Abel

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Posted by Abel Goddard - 2009/07/17 07:44

Region I host gave his team wine at the end of the proceedings - with Pat, Gary, Mike and Dan Rex all in attendance..... On Fri, Jul 3, 2009 at 4:36 PM, Mike Raffety <MikeRaff...@earthlink.net> wrote: No offense at all, I'm glad we can discuss things in a friendly way. The big concern is that as a non-profit organization under U.S. law, there are some very heavy restrictions on how money can be spent, while maintaining that tax-favored status. And even if the club is outside the U.S., it's still subject to U.S. and California law, as a member of Toastmasters International; see the club constitution, article XI, sec. 3. See also: <http://www.toastmasters.org/Members/OfficerResources/PoliciesandProce...> The use of club funds is limited to the organization's purpose, which is educational. They may not be used for social or political purposes, or for the benefit of any individual. Some authorized uses are: purchase of educational/administrative materials for club/member use; payment of meeting place rental, if applicable; and refreshments for club meetings (when approved by the club). Some unauthorized uses are: parties and social gatherings; donation of money to causes or individuals; and scholarships or payment of dues for individuals. Abel wrote, On 7/3/2009 6:25 PM: I see and understand the rule about using club funds for personal gain, but I also don't fully agree with it. I think the club should be able to determine how to spend the money. The members put the money in, they should have the ability to spend it. Too, I don't see a problem with the gift of alcohol. There didn't seem to be any expectation of consumption on site. If they DID imbibe immediately, there might be an issue, but otherwise it's probably fine. I'm no lawyer, though. Finally, in regard to cost (to me, the least issue): there are plenty of wines that don't cost an arm and a leg. I don't drink wine at all, but have seen bottles in the store, and the majority weren't overly expensive. We have no idea how much the ones purchased were, but if the members decided that they had the money and were willing to spend it, it doesn't matter how much was spent. I can't see how having a pattern should matter, but can see the benefit of having planned it, at least a week or two in advance, to notify the members that a budget item was being voted on at a specific meeting. That goes back to letting the (whole) club decide what to do. Sorry, Mike, we once again seem to be on the opposite sides of an issue. Nothing personal, though! :-) Hope I haven't offended. Abel

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a club, which I'd seen before. But they also had an open bar, which surprised the heck out of me. Thanks, Abel 214-587-9234 A...@AbelGoddard.com http://www.AbelGoddard.com <http://www.abelgoddard.com/ Sent from my iPhone On Jul 3, 2009, at 6:46 PM, Rich Hopkins <rich.hopk...@gmail.com wrote: A legal issue with alcohol...yeah wondered about that when the Region I host gave his team wine at the end of the proceedings - with Pat, Gary, Mike and Dan Rex all in attendance..... On Fri, Jul 3, 2009 at 4:36 PM, Mike Raffety <MikeRaff...@earthlink.netwrote: No offense at all, I'm glad we can discuss things in a friendly way. The big concern is that as a non-profit organization under U.S. law, there are some very heavy restrictions on how money can be spent, while maintaining that tax-favored status. And even if the club is outside the U.S., it's still subject to U.S. and California law, as a member of Toastmasters International; see the club constitution, article XI, sec. 3. See also: http://www.toastmasters.org/Members/OfficerResources/PoliciesandProce... The use of club funds is limited to the organization's purpose, which is educational. They may not be used for social or political purposes, or for the benefit of any individual. Some authorized uses are: purchase of educational/administrative materials for club/member use; payment of meeting place rental, if applicable; and refreshments for club meetings (when approved by the club). Some unauthorized uses are: parties and social gatherings; donation of money to causes or individuals; and scholarships or payment of dues for individuals. Abel wrote, On 7/3/2009 6:25 PM: I see and understand the rule about using club funds for personal gain, but I also don't fully agree with it. I think the club should be able to determine how to spend the money. The members put the money in, they should have the ability to spend it. Too, I don't see a problem with the gift of alcohol. There didn't seem to be any expectation of consumption on site. If they DID imbibe immediately, there might be an issue, but otherwise it's probably fine. I'm no lawyer, though. Finally, in regard to cost (to me, the least issue): there are plenty of wines that don't cost an arm and a leg. I don't drink wine at all, but have seen bottles in the store, and the majority weren't overly expensive. We have no idea how much the ones purchased were, but if the members decided that they had the money and were willing to spend it, it doesn't matter how much was spent. I can't see how having a pattern should matter, but can see the benefit of having planned it, at least a week or two in advance, to notify the members that a budget item was being voted on at a specific meeting. That goes back to letting the (whole) club decide what to do. Sorry, Mike, we once again seem to be on the opposite sides of an issue. Nothing personal, though! :-) Hope I haven't offended. Abel

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Posted by Darren Gilchrist - 2009/07/17 07:44

Yet TI pays PDGs for a trip to the International Convention if they get Distinguished District? Sounds a little more than a bottle of wine's worth to me! At the end of the day, what is the fundamental difference between the two? I think we all have to be careful about being too critical of the club (again, we may not know as Mike points out if this is a club tradition or not), nor taking the TI or club constitution too literally - else it's an awefully bumpy road to the bottom! :) NB: Just on a side note re: TI items. For US/Canada I suspect the TI catalogue is a great idea for gifts. We'd love to do that. However, if you take a look at shipping time *and* more importantly cost, based on weight to Districts outside, particularly Oceania/Asia

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Posted by Matthewra - 2009/07/17 07:44

Another interesting discussion that has gone in directions I never imagined. Thanks! About Taking the TI or club constitution too literally - That is really what I wanted to get to. I've seen some clubs vote to pay for / subsidize food for a members party (not talking about an open house meeting here). That too is not educational purposes and definitely seems to me to be something to avoid. That statement made me wonder, is it possible to take the constitution too literally on this? For example, is any spending which does not provide a benefit *potentially available* to all members something even in the spirit of the constitution. Myself, I'd be happy to buy a round, alcoholic or otherwise for the club officers as a thank you. I don't think club funds should be used for that. The situation was not about criticizing the club but about doing something from a position of being informed On on! Matthew

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Posted by Mark - 2009/07/17 07:44

member contributions. One of their members had purchased a bottle of wine for each outgoing club officer. Yesterday, a member raised a motion to reimburse the cost from club funds and it passed unanimously.

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Posted by Abel - 2009/07/17 07:44

I don't know if it's a rule, but I thought the business meeting was free to attend. Therefore, the club funds should not be used to pay for conference attendance. That is, according to the rules. I still think the club should do whatever they like with the money. Abel - Hide quoted text -- Show quoted text -

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Posted by Mike Raffety - 2009/07/17 07:44

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representative of the district, and to be recognized at the Golden Gavel luncheon. Similarly, TI pays for district contest winners to travel to regional, and those winners (and DNAR winners) to travel to international. There's an official Toastmasters role and function for each of these. Abel wrote, On 7/4/2009 12:04 PM: Yet TI pays PDGs for a trip to the International Convention if they get Distinguished District? Sounds a little more than a bottle of wine's worth to me! Good point. Sounds like a personal gain to me. Abel

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Posted by Mike Raffety - 2009/07/17 07:44

educational path. Ironically though, District can't pay for their accommodation, and so the hat has to go around. The PDGs as far as I can see really, are not - based on your explanation. If I was to be super-critical/reading the 'personal gain' part of the constitution to the same extent as interpreting club benefits, TI should be simply sending the award (tokenary, because it's a plaque if I recall) to the PDG via post. BTW - I'm really not advocating this! Just highlighting

the discrepancies in approach between club level POTs and District :) On Jul 5, 3:09 am, Mike Raffety <MikeRaff...@earthlink.net wrote: They're there to receive the district awards as an official representative of the district, and to be recognized at the Golden Gavel luncheon. Similarly, TI pays for district contest winners to travel to regional, and those winners (and DNAR winners) to travel to international. There's an official Toastmasters role and function for each of these. Abel wrote, On 7/4/2009 12:04 PM: Yet TI pays PDGs for a trip to the International Convention if they get Distinguished District? Sounds a little more than a bottle of wine's worth to me! Good point. Sounds like a personal gain to me. Abel

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Posted by Rick - 2009/07/17 07:44

About a decade ago, I belonged to a club that met in a restaurant. Since everyone had to buy breakfast, we bought breakfast for first time visitors. It was clearly a recruitment investment, but it was buying a meal for an individual. However, the individual to benefit wasn't known when the club policy was passed. Rick Clements

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