



President / Master's Handbook

Community and Pomona Granges

Revised 3/2022

Worthy President or Master,

Having been elected the President/Master of your Grange I want to offer you my congratulations and best wishes for a successful term of office.

This President/Master's handbook has been designed to help you fulfill the duties of your office, and to make you aware of the tools and information at your disposal.

While we have endeavored to provide you with much of the information you will need, please remember that there are many individuals within our organization who are also there to assist you, to answer questions and to act as a sounding board. Your State or County Deputies, Pomona President/Master, State Grange officers and of course myself as the Oregon State Grange President. The Oregon State Grange and National websites also offer information and help to you.

While you have help available, this will only make your job easier if you choose to take advantage of it. Read through this handbook familiarizing yourself with the contents and certainly spend some time familiarizing yourself with the State Grange By-Laws and the National Digest, remembering that these documents may change on an annual basis. The By-Laws of our organization will help to guide you in many decisions.

According to the traditional Installation of Officers, the President/Master should "be foremost in advocating the principles and carrying out the objects of our Order"; this is restated in the Alternative Installation Ceremony as "You should also find new ways to serve your community, promote agriculture and attract new members." So no matter which installation you use, it is up to you as the President/Master to lead your Grange and to provide assistance to your members.

But remember your Grange has also elected a talented group of officers and that they assume some of the burden of the leadership, yourself setting the example in all things. Each office comes with specific duties outlined in our By-Laws. Make sure your new officers are thoroughly acquainted with their job duties. Of course, part of your own job description includes appointing Chairpersons and committees for the various standing and special committees in your Grange. When making appointments take into consideration the special knowledge and talents of all your members and place them in positions where they can be of the most benefit to the Grange and to the community. Having an officer and committee meeting at the beginning of each year is imperative so that all involved understand their duties and the expectations of the Grange.

Finally, do not forget that one of your duties is to make sure that you are passing along the leadership skills you are learning. Our organization has been perpetual for over 140 years by making sure that someone is always ready to step up to leadership.

Fraternally,
Susan Noah, President
Oregon State Grange

Contents

Order of Business	1
Floor Work and Ritual.....	4
Pledge of Allegiance	4
Balloting.....	4
Demits	4
Contacts.....	5
Parliamentary Procedure	6
Election of Officers	9
Resolutions	11
Sample Resolution.....	11
Leader’s Tools and Tasks.....	12
Tools	12
Building the Community Grange Program	12
Public Relations	12
Promoting a Growing Membership.....	13
President/Master’s Creed	15
Legal Matters.....	16
Section I - Defining the Grange.....	16
Who We Are	16
IRS Tax Status	16
Tax ID Number.....	16
Articles of Incorporation	16
Authority of Each Level and the President/Master.....	16
Digest, OSG By-Laws, By-Laws and Rulings	17
President/Master, Vice-President/Overseer, Secretary, Treasurer, Executive Committee Responsibilities.....	17
Section III - Hall and Property.....	18
Property Tax Status	18
Use of Hall	18
Hall Use Policy	18
Rental Income.....	19
Insurance and Value	19
Acquiring or Upgrading Property	19

Matching Grant Program	19
Selling, Encumbering (Mortgaging, Leasing), or Disposing of Grange Property	19
Reversion Clauses	20
Section IV - Finances	20
Reporting	20
Cash, Checking and Savings Accounts.....	20
Investments.....	20
State Grange	21
Income Taxability	21
Tax Filing	21
Budgeting	21
Section V - Protection	21
Incorporation	21
Insurance - Liability	21
Insurance - Property	22
Insurance - Fidelity Bonding.....	22

Order of Business

The complete order of business is suggested to be used at every Grange meeting, but the order of items in the order of business may be changed by the Grange. As a result of the new provisions provided in the National Digest, Granges may modify the Order of Business to accommodate their needs.

1. Opening of the Grange
Following the opening is Presentation of Guests or Introduction of Guests if they are not formally presented.
2. Roll Call of Officers
3. Reading the Records of Last Meeting
 - A. Minutes adopted at the end of the previous meeting are read for reference only.
 - B. Minutes that are not adopted at the end of the previous meeting are corrected and adopted following their reading. If motions were read at the conclusion of the previous meeting they were read for reference only and were not adopted.

Draping of the Charter if any member has died since the last meeting.

4. Proposals for Membership
5. Balloting for Candidates
State Officer Election (See Oregon State Grange By-Laws, Article 1 for complete details.)
6. Conferring Of Degrees
 - A. Only two degrees may be conferred at any single regular meeting. The conferral should be accomplished as soon after the acceptance of the candidates as possible. However our State Grange has authorized special Degree Days where all four degrees may be administered.
 - B. Official Obligation Ceremony
 - C. Official Welcoming Ceremony
7. Reports of Standing Committees
 - * The standing committees of a Community Grange specified in *OSG By-Laws (Article 4, Section 15)*.
 - A. Agriculture*
 - B. Community Service/Involvement*
 - C. Deaf Activities/Family Health
 - D. Education
 - E. Finance*
 - F. Grange Workers' Activities (GWA)
 - G. Junior
 - H. Lecturer's

- I. Legislative *
- J. Membership *
- K. Relief
- L. Youth*
- M. Veterans
- N. Other

All committees are appointed by the President/Master with the advice of the Vice-President/Overseer. *Refer to National Digest Article XIII, 4.15.2*

8. Report of Special Committees
9. Report of Grange Services: benefits and insurance (this order of business may not be appropriate in your Grange)
10. Communications
All communications are the property of the Grange and should be brought to the attention of the members. The Secretary should not determine which communications to read to the membership.
11. Have the Reports to the Pomona and State Been Duly and Promptly Made?
Quarterly Report should be read and adopted, by motion of the Grange, the first meeting following the end of the quarter (April, July, October, and January) and then mailed promptly to the State office. The President/Master and Secretary must sign the report and are responsible for assuring that it is accurate.
12. Bills and Accounts
All bills should be read and approved by a motion of the Grange and majority of those present and voting. A report of all accounts of the Grange should be presented at each meeting.
13. Unfinished Business (any business previously discussed by the Grange)
14. New Business
 - A. The election of officers shall be annually at the first regular meeting in November provided that the individual Granges may amend their By-Laws to elect officers any time after August 1 and provide for biennial election.
 - B. Nominations of State Officers in odd years. (*See OSG By-Laws Article 1, Section 8.*)
15. Is Any Member Sick or in Distress?
16. Literary Program
 - A. The Lecturer should always be flexible in the length of the program and conform to the task at the meeting.
 - B. The President/Master should be notified if guests will be attending the program.
 - C. The program may be scheduled before the regular meeting to accommodate outside speakers.

17. Suggestions for the Good of the Order
 - A. Guests should be asked to speak at this time, if they haven't had the opportunity.
 - B. Announcements (Pomona Dates, Degree Conferrals, Special Events, etc.)

18. Reading and Adopting of the Minutes

Granges may choose to not read and adopt the minutes at the close of the meeting, but should at a minimum always read the motions while the events of the meeting are fresh in everyone's mind.

19. Closing the Grange

Floor Work and Ritual

One of the reasons your Grange qualifies for tax exempt status is as a fraternal organization that has "a ritualistic form of work." The *Community Grange Manual* specifies how to setup the hall for a meeting. You may use the *Community Grange Manual* (2013 version has both traditional and alternative language) for the language for opening and closing a meeting. Requirements for any Grange include the Bible on the altar and the American Flag displayed in the meeting room.

It is important that all of your members have the ability to look at a Manual, and the officers with speaking parts certainly need to have one. Considering that our first four degrees are included in the Community Manual, it would also be an excellent idea to make them available for new members so that they may experience the beautiful lessons found in the degree work.

Although the Oregon Floor Work Handbook is not used as much as in the past, it is still available and is a good source for answers regarding any of the ceremonies, including the opening and closing, presenting guests, draping the Charter, presentation of the flag and balloting for candidates.

There are three ways to initiate new members: exemplify the first four Degrees, the Obligation Ceremony or the Welcoming Ceremony. All three of these methods are found in the 2013 version of the Manual.

Pledge of Allegiance

The Pledge of Allegiance may be used in place of singing "The Star Spangled Banner." When it is used, the President/Master will not announce the pledge; he/she will just place their hand over their heart and begin in a loud voice with the pledge.

Balloting

Candidates for Grange membership are voted upon:

- A. New candidates wishing to become members must be balloted on by either paper ballots ("Yes" for acceptance – "No" for rejection) or the conventional ballot box using balls and cubes. (See *Floor Work Handbook or Community Manual* for instructions.)
- B. Current Grange members or former Grange members wishing to be **reinstated** may be balloted on by use of a paper ballot. This balloting is done during New Business.

Demits

Granting a demit:

- A. Granting a demit to a member of your Grange, who is in good standing (their dues are current), is done by motion under new business. No member may object without preferring charges against the applicant.

Accepting a demit:

- A. A member holding a demit may apply for membership in any Community Grange.

- B. A demit is in force for six months from the date of issue.
- C. The vote to accept a demit is done by paper ballot under New Business.

Contacts

When you have a question or need to order supplies, contact the staff at the Oregon State Grange office located at 643 Union Street NE, Salem OR 97301. The phone number is 503-316-0106, Fax 503-316-0109. The e-mail address is master@orgrange.org.

You may also order supplies from the National Grange, 1616 H Street NW, Washington DC 20006-4999. The phone number is 1-888-447-2643 ext. 109 (toll free). The email address is sjohnson@nationalgrange.org or you may order directly off the Grange Store website, www.grangestore.org . You may find additional information on the National Grange website www.nationalgrange.org.

Parliamentary Procedure

The purpose of parliamentary procedure is to allow the Grange to conduct its business in an efficient manner, to allow the majority to rule while protecting the rights of the minority and to allow only one subject to be before the Grange at a time.

1. In calling a meeting to order a President/Master should: stand, give one rap of the gavel and use the language of the Manual.
2. The proper language the President/Master uses in disposing of the minutes is:
 - A. After the reading of the minutes by the Secretary, the President/Master would say, "Are there any additions or corrections to the minutes?"
 - B. If there are no corrections to the minutes the President/Master would say, "If not, the minutes stand approved as read."
 - C. If there are corrections to the minutes, after all corrections have been presented, the President/Master would say, "If there are no further corrections, the minutes will stand approved as corrected."
 - D. It is not necessary to have a formal motion to adopt the minutes.
 - E. If the minutes were adopted at the end of the previous meeting, the President/Master says, following the reading of the minutes, "The minutes were read for reference only."
 - F. If there is a disagreement in the Grange concerning a certain correction of the minutes, a motion must be made and voted on to correct and approve.
3. In presenting a topic in the form of a motion which calls for action by the Grange, a member must rise and say "Worthy President/Master" and wait to be recognized by the President/Master.
4. In presenting a proposal, the correct form is "I move that..." or "I move to..."
5. After a motion is made by a member, the motion must be seconded by another member and restated by the President/Master before it is open for debate.
6. In stating a motion, the President/Master uses the following language, "It has been
7. **The President/Master is not permitted to make a motion or to participate in discussion while in the chair.** If the President/Master feels strongly about the motion, he/she should call on another member to assume the chair and seek recognition in the same manner as any other member. When the motion has been completed he/she may return to the chair.
8. A motion may be withdrawn by the maker with the consent of the member who seconded it, before the President/Master restated it and called for discussion. A motion may be withdrawn after it has been stated by the President/Master only by vote of a majority of the Grange.

9. Ways to dispose of a motion:
 - A. Yes or No Vote
 - B. Amend: To change the motion in some way.
 - C. Refer to a committee: Allows a small group to research or restate the subject for a following meeting.
 - D. Postpone to a definite time: Allows the Grange to think about the subject until a set time to reopen discussion and vote.
 - E. Postpone indefinitely: Allows the Grange members to postpone the subject without taking a direct vote on it.

10. The rules for debate are:
 - A. No member may speak more than once on a motion, unless by consent of the Grange, except the member who made the motion, who may speak twice.
 - B. All debate must be civil with no offensive language, personal allusions, and refer to others in the meeting as Brother or Sister if they are members. The President/Master must stop the speaker at once if these rules of proper decorum are not observed.
 - C. No member shall interrupt another while speaking.
 - D. When two or more members rise at the same time, the President/Master will recognize the one farthest from the Chair.

11. The President/Master must restate the motion before calling for a vote. Suggested language is "Is the Grange ready for the question? We will proceed to vote. All those in favor of (state the motion)... will signify by the voting sign of the Order." After the President/Master determines the votes (does not need to actually count, see #18 for more information) he/she says, "Hands down, all those opposed will signify by the voting sign of the Order."

12. The President/Master must be definite in announcing the result of the vote. "The motion passes" or "fails."

13. Motions may be amended by:
 - A. Adding or inserting a word, phrase, sentence, or section.
 - B. Striking out a particular word, phrase, sentence, or section.
 - C. Substituting a word, phrase, sentence, or section.Amendments can be hostile (change the intent of the motion) but they must be germane to the main motion.

14. The order of voting on proposed amendments to a motion is:
 1. Vote on an amendment to an amendment;
 2. Vote on the amendment (as amended or not);
 3. Vote on the main motion (as amended or not). There can never be more than one amendment to the motion and one amendment to the amendment on the floor at one time.

15. A motion to reconsider must be made by one who voted on the prevailing side and is debatable only if the question to be reconsidered is debatable. A motion to reconsider is out of order if the subject has been released to the public or action called for in the motion has already begun to be carried out.

16. A majority vote is required to pass any motion; therefore, a motion receiving a tie vote fails. The President/Master may only vote to make or break a tie.
17. If the President/Master makes a ruling on parliamentary procedure the President/Master refers to himself/herself as "The Chair."
18. Any member may call for a division of the house if they believe that the result of the voting sign was too close to call. If the President/Master is not sure of the result of a vote he/she may ask that the vote be taken again. The President/President/Master will ask those in favor to stand and the Assistants will count them. Then those opposed will stand and be counted. The Assistants report to the Vice-President/Overseer, and he/she reports to the President/Master who declares the result.
19. The minutes of a meeting become a legal record of the Grange when they have been adopted by the Grange.

The Code of Parliamentary Law in the Digest contains a helpful parliamentary guide and instructions. Roberts Rules of Order (Newly Revised) is the authority on points not covered in the Digest.

Election of Officers

Subordinate/Community Grange typically elect officers at the first regular meeting in November. However, they can amend their By-Laws to elect officers any time after August 1 and may decide to elect officers for a two year term in odd or even years.

1. The President/Master calls for nominations for an office.

The President/Master announces, "Nominations are now open for name the office ."

The order of electing officers is by their rank: President/Master, Vice-President/Overseer, Lecturer, Steward, Assistant Steward, Lady Assistant Steward, Chaplain, Treasurer, Secretary, Gate Keeper, Ceres, Pomona, Flora, and Executive Committee. However, the order can be changed if a Grange amended its By-Laws or a motion is made, seconded, and passed to elect in a different order. Seconding a nomination is not required, and in the Grange this practice is not done. Nominations are never closed, which allows members to vote for whomever they want.

Nominating speeches are not allowed. This includes any form of campaigning for office by the candidate or his supporters. Members should not be allowed to explain their nomination or urge other members to vote for a particular candidate. They also should not be allowed to make any disparaging statement about any candidate.

Any member may decline nomination for an office without giving a reason. The President/Master should call for nominations three times to make sure that everyone has a chance to nominate the person they want.

2. The President/Master lists the names of those nominated.

Make sure that all members are aware of who has been nominated by repeating their names, "Jeremy and Hannah have been nominated for President/Master."

3. The Assistant Stewards distribute paper ballots and members mark them.

Use of paper ballots preserves the member's right to a secret ballot. Since the vote is by ballot, the President/Master can vote.

4. The Assistants Stewards pick up the ballots and the Secretary tallies the votes. One Assistant opens and silently reads each ballot before handing it to the other, who reads it aloud.

The Secretary records each vote and indicates the tally. The dialog should go like this. The Assistant Steward read "Jeremy," and the Secretary says "Jeremy one." The Assistant Steward read "Hannah," and the Secretary says "Hannah one." If the next vote is for Hannah, the Secretary would say, "Hannah two." This continues until either one has five votes. By tradition, the Secretary says, "Hannah tally" and then Hannah's count starts over with "one."

5. **The Secretary reports the vote count to the President/Master.**

When all votes have been recorded, the Secretary says, "Worthy President/Master, Jeremy received 8 votes and Hannah 10."

6. **The President/Master declares whether there is an election and if so, identifies the winner.** An officer is elected if he/she receives 50% plus one or more of the total votes cast. If this is the case, the President/Master says, "By your vote you have elected Hannah President/Master of this Grange for the ensuing term."

If Charlie was also nominated and got 3 votes, Hannah would not have received a majority of the votes cast (10 of 21). The vote needs to be retaken. While it would be tempting to advise members to vote for the top two vote getters, in the Grange this is not done. If the members who voted for Charlie want to continue to vote for him, hoping that others will join them, they have that right.

All three Executive Committee positions may be nominated and voted on at one time (three names on one ballot), but to be elected each must receive a majority of the votes cast.

New elected officers do not assume their duties until they have been installed. You can install them at the same meeting at which they are elected. Any 5th Degree member may install your officers using either the traditional or alternative Installation Ceremony. Be sure that the installing officer administers the obligation and the gives the charge that describes each officer's duties.

Resolutions

One of the real benefits of Grange membership is the opportunity to have an effective voice regarding public policy issues that affect our lives. A basic precept of the Grange is its adherence to grassroots policy development.

Every Grange member or the Grange itself has the right to author a resolution, but it is important to understand the correct procedure for drafting resolutions. The following guidelines can help to write and adopt successful resolutions:

- ✓ A resolution is a statement of policy or position on an issue.
- ✓ Each resolution should have a clear and concise title.
- ✓ Each resolution should address only one issue.

After a resolution has been written and submitted to the Grange, it may be referred to a Resolutions Committee for consideration and action before being presented to the Grange members for a vote. All actions reported by the committee should be by majority vote of the committee. The committee can take any of the following actions:

- ✓ Recommend approval of the resolution as written.
- ✓ Recommend rejection of the resolution.
- ✓ Amend the resolution or redraft it as they so desire.
- ✓ Recommend that the resolution be transferred to another committee, be tabled or referred for further study to avoid action on it directly

Sample Resolution

- WHEREAS:** this is the part of the resolution that explains the issue or problem; and
- WHEREAS:** each resolution should address only one issue or problem; and
- WHEREAS:** each "Whereas" statement should address only one fact, idea or supporting argument related to the issue or problem; therefore be it
- RESOLVED** that the "Resolved" statement should stand alone and the action proposed therein should be clearly understood by the reader without having to refer back to the "Whereas" statements.
- RESOLVED:** that each "Resolved" statement should address a separate action to be taken or solution proposed to resolve the issue or problem; and be it further

After a resolution is adopted by a Grange and before it is sent to the next level of the Grange or released to the public, it must have the **Grange seal affixed and the signatures of the President/Master and Secretary.**

Leader's Tools and Tasks

Tools

- Rules and Laws of the Order
 - A. Community or Pomona Grange Manual
 - B. National Grange Digest (Constitution, By-Laws and more)
 - C. Oregon State Grange By-laws
 - D. Roster of Oregon State Granges (Directory of officers and committee chairs of State, Pomona and Community Granges)
 - E. Journal of Proceedings (State and National)

Publications

- A. *Oregon Grange Bulletin*
 - B. Oregon State Grange *Get Involved* booklet
 - C. Oregon State Grange *Contests, Awards and Scholarships* booklet
 - D. Oregon State Grange *Legislative Policy Handbook*
 - E. National Legislative Policy.
 - I. National Grange "Action Alerts"
 - J. Other communications from the State and National Grange
- Local meetings upon your request with State or Pomona officers, deputies, or committees
 - Your members and the members of your community. Listen to, learn from and encourage everyone to participate.

Tasks

Building the Community Grange Program The

President/Master should:

- Make sure that each officer and committee chairman knows what their duties are and offer your assistance in carrying them out if necessary.
- Know where to obtain the various handbooks and other material designed to promote the work of the Grange.
- Schedule an officers and committee chairs meeting to make plans for the upcoming year (leave open to all members who may wish to attend.) An annual planning and goal setting meeting will provide the blueprint for Grange activities for the year. Send your calendar of events to your members and to other Granges in your area.
- Refer back to your goals to assist in making the Grange plans a reality.

Public Relations

- Selling the Grange to the Membership
 - A. Every member should know what your Grange program and activities are.

- B. Every member (household) should receive the *Oregon Grange Bulletin* and have access to your Grange's copy of State and National publications.
 - C. Every member should have confidence that they are an important part of your Grange.
- Selling the Grange to the Community
 - A. Each Grange needs at least one member to establish a relationship with the local media (print, radio, television, etc.).
 - B. Each member needs to have a positive attitude and always keep the Grange in a positive light. Their opinions will have influence on their friends and families.
 - C. The Grange needs to publicize all community involvement activities and all members who receive awards and recognition. Also publicize awards provided by the Grange to non-members.
 - D. Participate in the activities of other community organizations as representatives of the Grange.
 - E. Attend and participate in all "county planning" or other government activities and have members serve on boards whenever possible.
 - F. Participate in county fairs, local festivals, parades and community events.
 - G. Take a stand on community issues and publicize your stand.
 - H. Have an Open House or open meeting to invite the community to a Grange style meeting.
 - I. Make sure your hall and grounds are well maintained. Encourage Scouts, 4-H and other groups to meet in your hall so that it appears to be "lived in."

Promoting a Growing Membership

- A. Have a personal contact with each member. Attempt to involve each one in some manner.
- B. Encourage your members to share opportunities for community involvement with your Grange.
- C. Encourage your members to develop a vision statement if you do not have one and set goals to carry it out.
- D. Check out the National Grange Website www.nationalgrange.org for ongoing membership resources and ideas.

- E. Membership brochures are available at no charge from the State Office. All brochures have space allowing the individual Granges to include contact information such as names, phone numbers, E-mail addresses, etc. Consider developing a brochure for your Grange that highlights what you do for your community.

Website Code of Conduct

This National Grange Code of Conduct also applies to Facebook group pages, blogs, and other forms of social networking media.

- A. All websites representing a Grange must be under the jurisdiction of a Subordinate/Community, Pomona, or State Grange.
- B. Each website must be clearly identified as being a Grange website and must have contact information on or within one easily identifiable click from the home or index page.
- C. No partisan or sectarian comments, opinions, statements, or endorsements may be posted on the website.
- D. No negative or inflammatory (designed to insult or belittle) comments, opinions, or statements toward any Grange or level of the Grange, or toward any member of any Grange may be posted on the website.
- E. No inflammatory (designed to insult or belittle) statements, comments, or opinions toward any non-member, including public officials may be posted on the website.
- F. All policies of the Grange posted on the website must be clearly labeled as to which Grange or level of the Grange has adopted the policies.
- G. All content, including advertisements, must be within the guidelines of the Digest, By-Laws of the State Grange with jurisdiction, and By-Laws of the Grange operating the website.

Prsident/Master's Creed

1. I am proud of my membership in the Grange and accept the office to which I have been elected as an honor upon me by the members of my Grange.
2. I will endeavor to set an example for my Grange and will to the best of my ability fill the office to which I was elected.
3. I will have an officers' meeting in my Grange as early in the year as possible and as often as necessary.
4. I will do everything possible to see that the meetings and programs of my Grange satisfy the needs of the membership.
5. I will start meetings promptly on time, believing members will arrive on time if meetings start on time.
6. I will endeavor to complete the business of each meeting in a timely fashion, allowing all members the opportunity to participate fully.
7. I will make sure that my Grange does not, during my term of office, suspend a member for non-payment of dues without a personal contact.
8. I will see that my Grange makes a systematic survey of our community for new members.
9. I will see that my Grange makes every effort to procure young members and make them welcome at all Grange functions.
10. I will strive to have my Grange show a net increase in membership each year.
11. I will see that a public relations program is kept active in my Grange.
12. I will make every effort to see that the officers of my Grange do good ritualistic work. The pride generated is essential to the Grange. I will encourage members of my Grange to witness the first four degrees and will further encourage my members to continue on with the higher degrees.
13. I will see that the membership realizes that fraternalism and friendliness are a necessary part of our Grange, and should be practiced by all members, both in and out of the Grange.
14. I will urge my Grange to incorporate, to carry liability insurance, to bond all officers handling Grange money and to audit accounts at least once each year.

Legal Matters

This section is designed to be a guide for Subordinate/Community and Pomona Granges and to help Grange leaders protect their Grange and themselves. It does not replace legal advice or checking on current laws. If you have any questions, contact the State President.

Section I - Defining the Grange

Who We Are

The State Grange developed the following statement to define our organization in 1996. While no one short statement can capture the entire range of Grange involvement, these three sentences do give an excellent beginning.

"The Grange is a family fraternal, community service organization with roots in agriculture.

We promote a rural quality of life, and encourage community activities through involvement. We are the voice of our community and country regarding education, agriculture, and environment." *See Appendix III for State of Oregon definition of "fraternal organizations."*

IRS Tax Status

The IRS issued to the Oregon State Grange a blanket exemption as a 501 (c) (8) organization.

See Appendix IV.

Tax ID Number

Each Pomona, Community, and Junior Grange is issued a Federal Tax ID number. It is printed in the annual roster under the Grange number and name. The number begins with either a 23 or 93.

Articles of Incorporation

Each Grange needs to be incorporated through the Oregon Secretary of State, Corporation Division, 255 Capitol NE, Suite 151, Salem 97301. 503-986-2200. The annual fee is \$50 per year currently.

Incorporation protects all your members from personal liability on behalf of the actions of the Grange. It does not prevent someone from suing the Grange itself. Incorporation is strongly recommended by the State Grange attorney.

Authority of Each Level and the President/Master

The sponsoring Grange is responsible for a Junior Grange. The Pomona has responsibility for the health and growth of the Community Granges within its jurisdiction, but has no authority over them. The State Grange has responsibility and authority over the Community and Pomona Granges. The National Grange has responsibility and authority over the State Grange.

The President/Master is required to enforce the laws of the Order for the Grange they serve. The Community and Pomona President/Master are answerable to the State President for their actions. The State President is answerable to the National President for his/her actions.

Digest, OSG By-Laws, By-Laws and Rulings

The rules of the order are located in the National Grange Digest of Laws, the Oregon State Grange By-Laws and the Pomona or Community Grange By-Laws. The By-Laws of each level must conform to the laws of the higher level. If they do not conform, they are not applicable and must be removed from the rules.

The only member who can make rulings on the By-Laws is the President/Master of that Grange or the President of the next level (State President, National President). The Pomona President/Master does not have authority to rule on Community By-Laws.

Each member and officer is required to obey the Constitution and By-Laws of the Grange. No officer may condone the breaking of the rules of the Order, and it is the responsibility of the President/Master to prohibit any violations of the rules of the order. A Grange may not suspend any By-Law for any reason, but the By-Laws may be amended as per the procedure provided in the By-Laws. Amending your By-Laws takes place over at least two meetings, notifying your members of the proposed change and upcoming vote, and requires a 2/3 majority of those present for adoption.

Each Grange needs to have a current copy of the National Grange Digest and a copy of the Oregon State Grange By-Laws. The President/Master should, as a part of his/her responsibilities, become familiar with the Digest and By-Laws.

Any member may purchase a National Grange Digest or Oregon State Grange By-Laws from the State Office for their own use. Annual updates are available from the State Office. The Digest can be viewed, printed or downloaded from the National Grange and State Grange website. The OSG By-Laws can be viewed, printed or downloaded from the State Grange website.

Each Community and Pomona Grange should have a current copy of its own By-Laws. The President/Master and Secretary should each have a copy and any member may request a copy for their own reference.

President/Master, Vice-President/Overseer, Secretary, Treasurer, Executive Committee Responsibilities

As the President/Master, Vice-President/Overseer, Secretary, Treasurer, and Executive Committee are the officers responsible for the finances of the Grange, they have a fiduciary responsibility to the Grange.

Section III - Hall and Property

Property Tax Status

Granges are exempt from property taxes as per ORS 307.162 (1) and (2). As long as the rent charged by Granges does not significantly exceed the cost for utilities, supplies and maintenance of the building, the property will remain free of property taxation.

The Grange may endanger the property exemption if it rents or leases its hall or property, or any portion of the hall or property, for the exclusive use of the renter. If the Grange allows a renter to have exclusive use of a part of its property, the county assessor may tax that portion of the Grange property. Exclusive use means no one, including the Grange, may use that portion of the property for an extended period of time, such as renting a room for office space. Renting the hall should not conflict with or take precedents over Grange meetings or events.

A local taxing district may assess the Grange for a number of things: sewer hookups, water district upgrades, street improvements, etc. The Grange will normally have to pay these types of assessments. If you have any questions, contact the State President.

Use of Hall

If the Grange hall is owned by the Grange, then the membership sets its own rental policy and rates for allowing use of the building and grounds. However, Oregon State Grange By-Laws Article 2, Section 7 (2.7.2-4) sets forth the requirement that prohibits alcohol on Grange premises during *Grange meetings or sponsored activities*. The Grange may however choose, by a vote of the members, to allow *renters* to use or serve alcohol. The vote to do so would be considered a change to the Community By-Laws and would be subject to the same rules as any other change to By-Laws, including a 2/3 majority vote.

The members of each Grange determine which organizations may use their hall. However, each Grange must remain aware of other basic rules which may have impact on their renting of the hall or property. The Grange should determine the purpose for which the hall or property is being used to assure that no activity will reflect on the integrity of the Grange within the local community.

Political parties or candidates for office should rent only if and when there is no appearance of Grange support. We are non-partisan and must retain the image of fairness. Granges are encouraged to have candidate forums, but must invite all candidates. If all candidates are invited, the Grange has fulfilled their responsibility.

Similarly, organizations that oppose Grange legislative policy must not give the impression of Grange support if allowed to use the Grange property.

Hall Use Policy

Each Grange should have in its records a written policy of who may use the hall and what charges are made. This will protect the Grange, the members, and those using the Grange property. Some Granges allow members one free use of the hall each

year and some allow community groups to use the hall for free, but these policies should be written and adopted by the Grange to protect whoever schedules the use of the hall.

Rental Income

If a Grange receives a pre-arranged amount of money for use of the hall or property, it is considered rent by the IRS. Calling it a donation or gift, does not change its definition.

Hall Use Agreement

The State Grange recommends the use of the attached hall use agreement (*See Appendix I*) for everyone using Grange property. The agreement should be used for **everyone** who uses the hall. Having a signed contract shifts the liability for the rental to the renter even if the Grange donates the use of the hall. The agreement will also help avoid many legal problems for the Grange if the renter fails to abide by the terms of the agreement. The agreement must be accompanied with a "certificate of liability insurance" to be provided by the renter's insurance agent. The Grange must be shown as the "additional insured" on this certificate.

Insurance and Value

Every Grange must carry property and liability insurance on its property. In the interest of protecting the officers and members and the Grange at all levels. Periodically the members should review the coverage to make sure it is adequate.

Acquiring or Upgrading Property

Granges may acquire property by donation, purchase, or other means. There are no restrictions on how or when a Grange may acquire property or upgrade its current property. However, if a Grange must borrow money **and uses the Grange property for collateral**, the Grange must secure the approval of the State Grange Executive Committee prior to finalizing the purchase or mortgage.

Matching Grant Program

In 2014 the State Grange introduced a \$50,000 Matching Grant Program with the purpose of improving the exterior appearance of Grange halls across the state. The purpose was to: 1) Give the Grange a better outside appearance to the community and 2) Help with recruitment of new members. Grant amounts were capped at \$5,000 per Grange. Each recipient could match the grant with dollars, in-kind donations, volunteer labor or a combination thereof.

The first year twenty-five Granges completed grant applications by the September 15 deadline and of those twelve were awarded the amount they requested.

The program will be continued. Applications and requirements will be mailed to Grange Secretaries.

Selling, Encumbering (Mortgaging, Leasing), or Disposing of Grange Property

No Grange may sell, mortgage, lease or dispose of Grange property without first securing the approval of the State Grange Executive Committee. Grange law

prohibits the Grange to use its property in ways that do not benefit Grange purposes.

Selling or leasing for long terms (such as cell phone towers, power transfer stations, etc.) or mortgaging Grange property should be presented in resolution form to the members and, if adopted, sent to the State Grange Executive Committee. If the committee approves the proposal, it may proceed.

In the case of a sale of property of a functioning Grange, following the approved sale, all but \$1,000 is turned over to the State Grange and placed in a trust fund for that Grange. The money remains property of that Grange but is managed and invested by the State Grange until that Grange needs it for a hall or hall improvements, or for use in accordance with the general purposes of the order. Use of the funds held in trust must be approved by the Executive Committee of the State Grange.

Reversion Clauses

Before any Grange can transfer property due to a reversion clause in a deed or contract, the State Grange Executive Committee must be notified and approve the reversion. Many reversion clauses in deeds are not valid due to changes in state law. The By-Laws require the President of the State Grange to make every effort to reorganize any Grange that has become inactive for a period of seven (7) years, which prohibits any reversion of property.

Section IV - Finances

Reporting

A report should be given at each meeting that states the current funds the Grange has, how any funds are invested, the source of any income and any accounts payable. The minutes should have the same information. When the Grange has a fund-raiser, a report on income and expenses should be completed for that event.

Any member may request to examine the records, but the Treasurer and/or Secretary should be present during such an examination.

Bills must be approved by the Grange before they are paid. Granges may pre-approve specific expenses, but should set limits to protect the liability of the Treasurer.

Cash, Checking and Savings Accounts

Granges should provide a checking and/or savings account. Most banks will require the Grange's tax ID number (numbers can be found in the roster) and a copy of the minutes showing election of officers or authorization of signers.

Investments

Granges may make investments of all types. Savings accounts, money market accounts, CDs, stocks and bonds, or other types of investments are allowed under our rules. All investments must be made prudently and conservatively. The Executive Committee is responsible for the invested funds. A Grange may choose to only

invest in certain types of investments, but members should remember that they are investing the money of the organization.

State Grange

The State Grange has an investment fund for the use of Community and Pomona Granges. The money will be pooled with the rest of the State Grange investments and the rate of return will be the same as the State Grange receives. The Grange retains ownership of its account and may add to it or withdraw from it at any time within the restrictions of their account. For more information, contact the State Grange President/Master.

Income Taxability

Grange income is not subject to taxation within limits set by the State of Oregon and the IRS. Related income including dues, most fund-raising and reasonable rental income is usually not taxable.

Tax Filing

Granges with an annual gross income of less than \$50,000 are required by the IRS to file a 990-N (e-Postcard) between May 1st and Sept 15th.

Granges with an annual gross income greater than \$50,000 must file a 990 or 990-EZ tax form.

Budgeting

Each Grange should develop an annual budget. A budget is a tool that estimates the income the Grange expects to receive and the expected expenses. A budget is never set in stone, and can be revised as necessary. The required annual financial report (sometimes referred to as the audit) provides valuable information for preparing the budget. It is the responsibility of the President/Master to assure that the financial report is prepared and presented to the Grange. Many grant applications will require budgets for the current year and, sometimes, for previous years.

Section V - Protection

Incorporation

Incorporation protects all your members from personal liability on behalf of the actions of the Grange. It does not prevent someone from suing the Grange itself. Incorporation is strongly recommended by the State Grange attorney.

Insurance - Liability

Liability insurance protects the Grange when someone is bodily injured or their property is damaged on Grange property, due to the Grange's negligence. Liability coverage also protects the Grange if a member who is working on the hall is hurt. Having a liability policy may prevent legal problems when someone is hurt on Grange property. All Subordinate/Community and Pomona Granges are required to list the State Grange as an "additional named insured" on their liability and/or property insurance.

Insurance - Property

Property of the Grange should be insured against loss as it is normally the single greatest asset of a Grange. Depending upon the age and condition of your hall, it will be insured for replacement cost or actual cash value (ACV). Fire, wind and other losses are covered by the general policy, but things such as earthquakes and floods must be insured specifically or through other sources.

Insurance - Fidelity Bonding

Each Grange is required by the National Grange Digest to bond the Secretary and Treasurer. Any officer or member who handles money for the Grange should also be bonded. Bonding insurance covers the loss of Grange funds. A bonding policy is available from the National Grange that covers all officer and members. Information is mailed annually to each Community and Pomona Grange. A Grange should also check with its insurance agent to compare the National premium costs with what the agent can provide.

