



PC-13

**Military Order of the Devil Dogs
PDD William Miller - Kennel Auditor**



Memorandum

Date: 12 March 2019
To: Kennel Smart Dog, PDD Tom Krueger
From: PDD William Miller – Kennel Auditor
Subject: Proposed Bylaws Change, Kennel Bylaws, MODD

In accordance with Article XIII, Section 1301, Kennel Bylaws, the following proposed change and rationale therefore is submitted for consideration at the 2019 Supreme Growl:

ARTICLE XII – GENERAL, New Section

Currently reads:

Does not apply

Insert new section:

Section 1214 – Not for Profit

The Order is not organized for and shall not be operated for pecuniary gain or profit. No part of the property of the corporation and no part of its net earnings shall inure to the benefit of or be distributed to any director, member, or other private individual. The Order shall never be authorized to engage in a regular business of a kind ordinarily carried on for profit or in any other activity except in furtherance of the purposes for which the Military Order of Devil Dogs is organized.

Rationale:

Section 1214 should be included in the Kennel Bylaws as it clearly defines our Not for Profit status with the IRS and requirements established by the IRS. This language is based on Marine Corps League National Bylaws (2018) Article II – Purpose of the Marine Corps League, Section 205. Not for Profit.



PC-14

**Military Order of the Devil Dogs
PDD William Miller - Kennel Auditor**



Memorandum

Date: 12 March 2019
To: Kennel Smart Dog, PDD Tom Krueger
From: PDD William Miller – Kennel Auditor
Subject: Proposed Bylaws Change, Kennel Bylaws, MODD

In accordance with Article XIII, Section 1301, Kennel Bylaws, the following proposed change and rationale therefore is submitted for consideration at the 2019 Supreme Growl:

ARTICLE III – PACKS, Section 307 – Charter – Surrender – Revocation, New Paragraph I and Renumber Current Paragraph I as Paragraph J

Currently reads:

- I. Section 207-I with the substitution of the word Pack where the word Pound is used, will apply.

Change to read:

- I. Any Pack, the Charter of which has been revoked, shall surrender to the Kennel Executive Director on behalf of the Kennel Board of Trustees having jurisdictional authority over said Pack, all properties and assets. The affected properties will devolve to the control of the Kennel Board of Trustees until a new Pack is formed at which time the affected properties and assets revert to the newly formed Pack.
- J. Section 207-J with the substitution of the word Pack where the word Pound is used, will apply.

(Note: The language in Paragraph J would continue to reference Section 207-I only if the amendment to add a new Section 207-I is rejected.)

Rationale:

Currently, if a Pack has had their Charter revoked, they can dispose of their properties and assets to any authorized nonprofit in accordance with existing Internal Revenue Service regulations. The addition of this will ensure that properties and assets of a Pack with a revoked Charter, is retained within the Military Order of the Devil Dogs.



**Military Order of the Devil Dogs
PDD William Miller - Kennel Auditor**



Memorandum

Date: 12 March 2019
To: Kennel Smart Dog, PDD Tom Krueger
From: PDD William Miller – Kennel Auditor
Subject: Proposed Bylaws Change, Kennel Bylaws, MODD

In accordance with Article XIII, Section 1301, Kennel Bylaws, the following proposed change and rationale therefore is submitted for consideration at the 2019 Supreme Growl:

ARTICLE V – FISCAL AND FINANCE, Section 507 - Incorporation

Currently reads:

Section 507 – Incorporation

Incorporation is required in all Packs and Pounds. As a subsidiary of the Marine Corps League, the ORDER and its subordinates are covered under the blanket IRS determination. The applicable IRS regulation for this determination is 501 (c) 4. Effective immediately, any Pack or Pound which has not provided the Honorable Kennel Dog Robber, with proof of its incorporation by January 1, 2018, will be billed in the amount of seventy-five (\$75.00) dollars and a like amount annually until such proof of Incorporation is on file with the Honorable Kennel Dog Robber. All fines will be forwarded to the National Headquarters, Marine Corps League, Inc. A Pound which fails to remit its payment to the Kennel Dog Robber shall be in default as is provided in Article Two, Section 218 – **POUND DEFAULT**. A new pound will have (2) years from the issue date of their new charter.

Change to read (changes numbered, italicized and underlined. This formatting will be removed upon adoption):

Section 507 – Incorporation

Incorporation is required in all Packs and Pounds. As a subsidiary of the Marine Corps League, the ORDER and its subordinates are covered under the blanket IRS determination. The applicable IRS regulation for this determination is 501 (c) 4. Effective immediately, any Pack or Pound which has not provided the Honorable Kennel Dog Robber, with proof of its



**Military Order of the Devil Dogs
PDD William Miller - Kennel Auditor**



incorporation by January 1, 2018, will be billed in the amount of seventy-five (\$75.00) dollars and a like amount annually until such proof of Incorporation is on file with the Honorable Kennel Dog Robber. All fines will be forwarded to the (1) Kennel Dog Robber. A Pound which fails to remit its payment to the Kennel Dog Robber shall be in default as is provided in Article Two, Section 218 – **POUND DEFAULT**. (2) A Pack which fails to remit its payment to the Kennel Dog Robber shall be in Default as is provided in Article Three, Section 319 – **PACK DEFAULT**. A new pound (3) or Pack will have (2) years from the issue date of their new charter, (4) unless their local state or commonwealth requires incorporation upon formation.

Rationale:

Here are the rationales for each change:

- (1) Changing National Headquarters, Marine Corps League to Kennel Dog Robber clearly defines who should be receiving the fines to which the Pound or Pack is held accountable in the next sentence.
- (2) The addition of language for a Pack being in default, provides for the ability for a Pack to be found in default for not submitting the fine payment.
- (3) The addition of the words “or Pack” provides the mandate that Packs, as well as Pounds, must incorporate within two years.
- (4) The last addition provides for more immediate incorporation requirements for both Pounds and Packs if their local state or commonwealth should mandate it. There are states that do not allow a nonprofit to operate within their state lines unless they are incorporated, meaning failure to incorporate could result in possible punitive action by the state or commonwealth.



**Military Order of the Devil Dogs
PDD William Miller - Kennel Auditor**



Memorandum

Date: 12 March 2019
To: Kennel Smart Dog, PDD Tom Krueger
From: PDD William Miller – Kennel Auditor
Subject: Proposed Bylaws Change, Kennel Bylaws, MODD

In accordance with Article XIII, Section 1301, Kennel Bylaws, the following proposed change and rationale therefore is submitted for consideration at the 2019 Supreme Grawl:

**ARTICLE II – POUNDS, Section 207 – Charter – Surrender, Suspension or Revocation,
New Paragraph I and Renumber Current Paragraph I as Paragraph J**

Currently reads:

- I. The ruling of the lower authority shall be in full force and effect unless, and until, reversed and/or modified by higher authority.

Change to read:

- I. Any Pound, the Charter of which has been revoked, shall surrender to the Pack having jurisdictional authority over said Pound, or to the Kennel Executive Director on behalf of the Kennel Board of Trustees as jurisdictional authority, should no Pack having jurisdictional authority exist, all properties and assets to said jurisdictional authority, to be held for a period of one (1) year or until a new Pound is formed. Should a new Pound be formed during that period, the new Pound retains the old Pound name and number. ALL properties and assets will be returned. After the one (1) year, the properties and assets shall revert to the jurisdictional authority, Pack or Kennel. The Charter will be returned to the Kennel Executive Director and placed in the archives. All assets will then become the property of the jurisdictional authority, Pack or Kennel.
- J. The ruling of the lower authority shall be in full force and effect unless, and until, reversed and/or modified by higher authority.



**Military Order of the Devil Dogs
PDD William Miller - Kennel Auditor**



Rationale:

Currently, if a Pound has had their Charter revoked, they can dispose of their properties and assets to any authorized nonprofit in accordance with existing Internal Revenue Service regulations. The addition of this will ensure that properties and assets of a Pound with a revoked Charter, is retained within the Military Order of the Devil Dogs.



**Military Order of the Devil Dogs
PDD William Miller - Kennel Auditor**



Memorandum

Date: 13 March 2019
 To: Kennel Smart Dog, PDD Tom Krueger
 From: PDD William Miller – Kennel Auditor
 Subject: Proposed Bylaws Change, Kennel Bylaws, MODD

In accordance with Article XIII, Section 1301, Kennel Bylaws, the following proposed change and rationale therefore is submitted for consideration at the 2019 Supreme Grawl:

ARTICLE XII – GENERAL, Section 1202 - Bond

Currently reads:

Section 1202 – Bond

Bond shall be required of all members of the Order who are designated to handle monetary funds at the Kennel, Pack, or Pound level. This will include the Honorable Chief Devil Dog, the Honorable Kennel Dog Robber, all Worthy Pack Leaders and Worth Pack Dog Robbers, and all Pound Keepers and Pound Dog Robbers, as well as any additional Member that the respective Kennel, Pack or Pound shall so designate in their Bylaws.

Change to read:

Section 1202 – Bonding

All officers within the Kennel, any Pack or any Pound, within the Order, designated to handle funds are included under a blanket bond provided through a commercial crime policy paid for and administered by the Marine Corps League, National Headquarters, within the territorial provisions of the commercial crime policy. The bond limit will be in the amount of \$10,000.00 with a deductible of \$1,000.00. The Kennel, any Pack or Pound shall arrange any additional bonding coverage desired for their respective Officers. In accordance with the terms of the Marine Corps League's Commercial General Liability Policy, the "Coverage Territory" includes the United States of America (including its territories and possessions), Puerto Rico and Canada. The same holds true for the Bonding Policy. All existing and newly forming off-shore Pounds



**Military Order of the Devil Dogs
PDD William Miller - Kennel Auditor**



will be responsible for securing their own Commercial General Liability Policy and Officer Bonding Policy. The Marine Corps League Inc. must be named as an "Additional Insured" in each policy and must also be "Held Harmless" in the addendum to such policies. A "Summary of Coverage's" and a copy of the policies must be submitted to Marine Corps League National Headquarters annually by all off-shore Pounds indicating that the referenced policies are current.

Rationale:

The existing language appears to indicate that the Kennel as well as each Pack and Pound are required to obtain their own policies. Changing to this language would indicate that the Kennel as well as each Pack and Pound are already covered. In addition, it provides the current liability limit and the current deductible amount of the current policy as well as information for any off-shore Pound, should any be created.



PC-18

**Military Order of the Devil Dogs
PDD William Miller - Kennel Auditor**



Memorandum

Date: 12 March 2019
To: Kennel Smart Dog, PDD Tom Krueger
From: PDD William Miller – Kennel Auditor
Subject: Proposed Bylaws Change, Kennel Bylaws, MODD

In accordance with Article XIII, Section 1301, Kennel Bylaws, the following proposed change and rationale therefore is submitted for consideration at the 2019 Supreme Growl:

ARTICLE XII – GENERAL, Section 1213 – Dissolution

Currently reads:

Section 1213 – Dissolution

In the event of the dissolution or final liquidation of the Order, the remaining net assets shall be distributed to such nonprofit corporations or associations as are exempt from Federal Income tax under Section 501(c) of the Internal Revenue Code, as the Board of Trustees in the exercise of it discretion may determine, and no part of such net assets may inure to the benefit of any individual member or person.

Change to read:

Section 1213 – Dissolution

Upon the dissolution of the Order, assets shall be distributed for one or more exempt purposes within the meaning of Section 501(c)(4) of the Internal Revenue Code, or corresponding section of any future tax code, or shall be distributed to the federal government, or to a state or local government for a public purpose. Any such assets not disposed of shall be disposed of by a Court of Competent Jurisdiction of the county in which the principal office of the organization is then located, exclusively for such purposes or to such organization or organizations, as said Court shall determine, which are organized and operated exclusively for such purposes.

Rationale:

PC-18 Cont



**Military Order of the Devil Dogs
PDD William Miller - Kennel Auditor**



The current language does not meet the existing standards as stated by the Internal Revenue Service. This language is a requirement from the Internal Revenue Service to be included in the bylaws of a 501(c)(4) organization. This information has been verified on the sample organizing document – Draft A – located on the Internal Revenue Website <https://www.irs.gov/charities-non-profits/charitable-organizations/life-cycle-of-a-public-charity-sample-organizing-documents-draft-a-charter>. While this document references a 501(c)(3) tax exempt organization, the same rules apply to a 501(c)(4) tax exempt organization.