



# OFFICIAL HANDBOOK

## VOLUME III: MEMBERSHIP, COMPLIANCE & OTHER POLICIES

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## PREFACE

The *NSSAR Handbook* contains the governing documents and official policies, procedures and protocol of the National Society of the Sons of the American Revolution. It provides official guidance to all Compatriots at the National, State Society and Chapter levels on the operations, programs and activities of the Sons of the American Revolution. Compatriots should regularly review the *NSSAR Handbook*.

The development and publication of the *NSSAR Handbook* is the responsibility of the Handbook Committee, whose members are appointed by the President General pursuant to Bylaw No. 19, Section 1(e). The Handbook Committee is currently composed of the following individuals.

DAVIS LEE WRIGHT, ESQ., <i>Chairman</i> .....	Delaware Society .....	<i>Term Expires 2019</i>
GEORGE D. THOMPSON.....	Oklahoma Society .....	<i>Term Expires 2018</i>
TIMOTHY E. WARD.....	Ohio Society .....	<i>Term Expires 2017</i>

The table of contents for each volume of the *Handbook* details the contents of that volume. The *Handbook* consists of seven volumes, titled as follows: VOLUME I: *Governing Documents*; VOLUME II: *Organization*; VOLUME III: *Membership, Compliance & Other Policies*; VOLUME IV: *Insignia, Protocol, Ceremonies & Rituals*; VOLUME V: *Individual Medals & Awards*; VOLUME VI: *Youth Programs, State Society & Chapter Awards*; and VOLUME VII: *Summary History of the SAR*.

The *NSSAR Handbook*'s content is established by the: (1) Annual Congress, (2) Board of Trustees, (3) Executive Committee, (4) National Headquarters staff and (5) Standing, Special Advisory and Program Committees. Revisions to the *NSSAR Handbook* may be made as follows:

- The *NSSAR Charter* may be modified only by the United States Congress;
- The *NSSAR Constitution & Bylaws* may be modified only as provided in those documents;
- An Annual Congress, the Board of Trustees, or the Executive Committee may implement, amend or abolish a policy by voting on such changes and submitting the policy to the Handbook Committee for inclusion in the next edition of the *NSSAR Handbook*.
- Program Committees retain responsibility for developing, implementing, amending or abolishing policies within their purview. Any such updates should be provided to the Handbook Committee for inclusion in the next edition of the *NSSAR Handbook*. These changes must be approved by the Executive Committee prior to publication.
- Changes to existing SAR medals or awards are generally processed and approved by the responsible Program Committee; *provided* that major changes to design or criteria must be approved by the Medals & Awards Committee.
- New National Society or State Society medals or awards must be processed according to the Medals & Awards Committee's procedures.

Questions on *Handbook* interpretation or application should be directed to the Handbook Committee Chair or the responsible Program Committee Chair.

Each volume of the *NSSAR Handbook* is reviewed annually, typically after the Annual Congress, to ensure the content found in that volume reflects current SAR practices. The Executive Committee annually approves publication of the *NSSAR Handbook* at the Fall Leadership Meeting. Volumes may be updated several times throughout the year to reflect changes provided following the Fall and Spring Leadership meetings. The *NSSAR Handbook* and its periodic revisions are maintained in electronic format only, available at: [http://www.sar.org/SAR\\_Handbook](http://www.sar.org/SAR_Handbook). Paper copies may be

purchased from SAR Merchandise, although such copies are not regularly updated. The electronic version of the *NSSAR Handbook*, as published on the above website, supersedes all prior electronic and paper versions. Each volume of the *NSSAR Handbook* identifies its effective date. Compatriots are encouraged to download the latest editions of the *NSSAR Handbook*. The last two years of the revision history for this volume, if available, is provided below.

The *NSSAR Handbook* reflects hundreds of hours of work and could not have been realized without the valuable assistance of the general officers, committees and Compatriots of the NSSAR. The Handbook Committee greatly appreciates the assistance provided.

## REVISION NOTES

Date	Description
05 Mar 2017	Updated Guidelines for General Officer and SAR Foundation Board Candidates and included Candidate Self-Disclosure Statement ( <i>effective for the election cycle beginning July 13, 2017</i> ) (Executive Committee); added Suggested Screening Policy for Applicants and Members Working with Youth (Legal Advisory); expanded information relating to maintenance of Exempt Organization Status (Chancellor General).
01 Oct 2016	Revised description of Inspector General and Deputy Inspector General (Executive Committee).
27 Sept 2014	Revised description of Chief Compliance Officer and Deputy Compliance Officer (Executive Committee); added description for Chief Risk Management Officer (Insurance & Risk Management Committee); added description for Inspector General (Inspector General).
07 Mar 2014	Revised contact procedure for NSSAR Inspector General (Inspector General).
30 Jan 2014	Added policy regarding Associates (Executive Committee); revised Code of Business Ethics and Conduct Policy (Executive Committee); added Memorandum Of Understanding On Protecting The NSSAR's Intellectual Property Rights Setting Forth The Duties And Responsibilities Between The Executive Committee, Headquarters, Merchandise Department And Medals & Awards Committee (Executive Committee); moved protocol, ceremonies and rituals sections to new Volume III.
27 Sep 2012	Reorganized volume; changed typeface size; made typographical and grammatical edits; updated roster of Presidents General; included 2012-2013 Committee authority statements (Handbook Committee); revised SAR Library section (Handbook Committee); added NSSAR Chief Compliance Officer description, Code of Business Ethics and Conduct Policy, Conflict of Interest/Code of Organization Conduct, Conflict of Interest Statement, NSSAR Records Retention and destruction Policy (Congress 2012, Executive Committee); updated Whistleblower Policy (Congress 2012, Executive Committee).

## MEMBERSHIP POLICIES

### National Fees & Dues

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The fees and dues are determined annually by the delegates at an Annual Congress.

In computing the amount of dues to be paid by a State Society for any year, all members of such State Society, as shown by the records of the National Society, shall be counted, whose names have not, prior to January 1st of each year, been certified to the National Society to have been removed from the membership roster of such State Society.

New member annual dues for that calendar year in which their applications are approved by the National Society and is included in the application fee.

### Categories of Membership

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For all categories, the requirements for membership are the same and applications may be made on the same form. All applications are submitted through a State Society because membership in a State Society is mandatory. Details are covered in the “Requirements for Membership and for Applications” pamphlet (form 0910).

1. **Regular:** A member age 18 or older who pays annual dues. Only regular members may vote and hold office in the SAR and receive *The SAR Magazine* at no additional cost.
2. **Junior:** A member under age 18 who pays annual dues at a reduced rate. He is not eligible to vote or hold office and does not receive *The SAR Magazine*.
3. **Memorial:** A male who is a deceased close relative of an SAR member and whose application is based on (most of) the same lineage as that SAR member. There are no dues and a portion of the application fee goes to the Alexander Hamilton Fund.

The goal of the Junior Membership program is to allow and encourage States and Chapters to become more active in advancing America’s heritage among youths, i.e., in sponsoring Children of the American Revolution (C.A.R.) chapters or establishing new and innovative youth programs.

### Application for Membership

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Applications for membership must be made on the form authorized by the National Society and submitted to the respective State Society for acceptance. New member applications may be accepted only after it is signed by (1) the applicant and (2) two sponsoring Compatriots in good standing (NSSAR number must be included for proper identification). Both the state registrar and state secretary must sign the form, after it is accepted by the State Society. The original application (not a copy) must then be sent to National Headquarters for acceptance and registration by the National Society. The admission fee must accompany the application.

Applications must be listed on the standard transmittal form with full information, including name, address and amount of fee paid when they are submitted to National Headquarters.

Transmittal forms for this purpose are supplied to state societies without charge by National Headquarters.

The Registrar General sends a notice of approval to the state society immediately upon acceptance. In addition, the National Society sends a formal notice of acceptance to the applicant. It is signed by the President General and welcomes the new member, inviting him to participate in the activities of the Society. It further advises him that a membership certificate will be issued and presented to him through his state society. Immediately following the registration of an applicant, his name is added to the mailing list so that he may receive *THE SAR MAGAZINE* and other material.

### **Membership Eligibility & Requirements**

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Membership in the Sons of the American Revolution is open to any male who can prove:

- (1) he is a “citizen of good repute in the community;”
- (2) he is the lineal descendant of a qualifying ancestor, and
- (3) he has not or does not advocate the overthrow of the U.S. Government by force or violence.

*SAR Constitution, Art. III*

Pursuant to a vote of the Board of Trustees as the 2017 Spring Leadership Meeting, an applicant for membership will establish his qualification for membership by providing a birth certificate or court order specifying his gender as male.

The National Society has required each prospective member to be a “citizen of good repute” since June 16, 1893. Pursuant to the National Society’s Bylaws, the “membership of the Society shall be organized into State Societies,” Bylaw No. 2, §1, “membership in the National Society shall be through a State Society,” Bylaw No. 2, §8, and State Societies “shall regulate all matters pertaining to its own affairs, subject to the provisions of the Constitution and Bylaws of the National Society.” Bylaw No. 2, §2. Therefore, there is no national at-large membership available and individual State Societies have the discretion to determine their membership, subject to confirmation of lineal descent from a qualifying ancestor by the NSSAR Staff Genealogist (i.e. assuming all other requirements are met, an individual is not a member until the National Society approves the genealogy submitted with the application).

A determination of whether a potential member is a “citizen of good repute” is a subjective analysis of an individual’s background that does not lend itself to the adoption of a bright-line rule. State Societies have the discretion to develop policies regarding whether a prospective member is subject to criminal background checks – including review of publicly available information such as the National Sex Offender Public Registry or other state or federal court dockets and administrative agency dockets – or other review prior to submitting the application to the National Society. Policies should also reflect an analysis of the underlying questionable conduct, including (but not limited to): the nature and number of any criminal or civil convictions, the time elapsed since the offense and the age at which the offense occurred, any information provided by the prospective member regarding the offense.

## **Suggested Screening Policy for Applicants and Members Working with Youth**

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The National Society of the Sons of the American Revolution recommends that each State Society, with the assistance of their State Chancellor and Executive Officers, establish a policy for screening prospective members and any Compatriot volunteering to work with one of the SAR's youth programs. To find out whether the applicant or other Compatriot has a criminal past, the non-profit organization may rely upon a third-party investigation, or may engage in its own review of State and Federal Criminal History Repositories. Because of the cost associated with going through third-parties, State Societies may establish a policy that limits their checks to Internet checks through Sexual Offender Registries, through Criminal Records Repositories or through online databases. Care should be taken to check in all jurisdictions where a person has resided in the past several years. It is not a requirement that a finger-print based check be conducted unless a records check reveals the possibility of a "false positive" occurring because of the mix-up of common names.

The following guidelines should be included in the Policy.

- What information will be collected for the background check?
- How will the information be collected?
- If a third-party screening company is used, identify the name of the Company.
- What services will be consulted - driving records, state court records - Child Abuse Registries.
- What will the period of time encompass?
- How often will the screening be conducted?
- What are the consequences of declining or to authorize the screening?
- Will there be an opportunity to review the information, to dispute inaccurate information or to appeal the decision?
- What assurances will be taken to make sure the data is not used for any purpose other than as outlined?
- How will the information be securely stored, accessible to only those who have a need to know?

It is further the recommendation that each State Society obtain an insurance policy, which will indemnify and hold harmless the Local Chapter, the State Society and the National Society of the Sons of the American Revolution should an incident take place that is not foreseeable or for which no records of past improper activities of the Compatriot exist.

## **Supplemental Membership Applications**

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Members having more than one Revolutionary War Ancestor are urged to prepare and file supplemental applications, thereby establishing additional ancestral lines. Supplemental applications must be submitted in exactly the same way as original applications, but on supplemental application forms. Documents already on file as proof for original application need not be submitted again for those same generations on the supplemental application.

## **Membership Certificate Replacement**

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Any member in good standing may purchase a replacement membership certificate from National Headquarters, in the event of loss, with prepayment of a nominal fee. A reasonable delay in receiving the replacement certificate can be expected until the state president and state secretary sign it.

## **Transfer of State Society Membership**

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A member in good standing may transfer to any other state society, subject to the acceptance of that body. Transfer forms are available from state societies or National Headquarters. The Transfer form is sent to National Headquarters for registration once it is signed by the secretary of the state society of current affiliation and the secretary of the state society to which transfer is desired.

## **Transfer of Chapter Membership**

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Chapter transfers within a state society must conform to the state's established procedure. No notification to the National Society is required.

## **Life Membership**

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Members may purchase a life membership in the National Life Membership Plan rather than pay annual dues to the National Society.

A member must pay a fee based on his age to participate in the National Life Membership Plan. A check for the required fee, payable to the order of the *Treasurer General, NSSAR*, should be sent to the Executive Director, NSSAR together with a completed National Life Membership application form. The Executive Director will notify the applicant that he has been enrolled in the National Life Membership Plan after receiving his application and check in the proper amount, and will send a copy of such notification to the treasurer of the state society to which the member belongs.

The Fund will pay a member's national dues after enrollment, as long as he remains in good standing as a member of his state society. The Plan will pay NSSAR dues in the year following the year of acceptance of the member in The National Life Membership Plan.



## **Dual Membership**

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A compatriot may establish membership in more than one state society by applying to the additional state society for dual membership. He must be a full, dues-paying active member in his home state in order to hold a dual membership in other state societies, but will continue to pay his national, state and chapter dues in his home state. He will pay the state and chapter dues only as a dual member in other states, and will not be reported to the National Society as a member on their rosters. He is eligible to be a delegate from his dual state or home state, but not in both societies.

## **Reinstatement of Membership**

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Former SAR members may reinstate directly into the state society of their choice, subject to the acceptance of that body. Application forms for reinstatement are available from the state societies and National Headquarters. The cost of such reinstatement will be set by the accepting state society. However, it should be noted that the fee immediately payable to the National Society by the state society must be equal to the annual membership dues set by the Annual Congress.

## **Children of the American Revolution**

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The National Society of the Children of the American Revolution is an organization of persons through 21 years of age who are descendants of a patriot of the American Revolution.

Although organized by the Daughters of the American Revolution, it is an independent organization which looks to DAR, SAR and S.R. for its leadership and financial support. A member of the SAR may hold a “Senior” office in their chapter (society), state, regional or National Society.

C.A.R. needs adult leaders, financial support and members. Direct descendants of SAR and DAR members are eligible for membership.

Every SAR state society should have a C.A.R. chairman or liaison officer who focuses support and encouragement on this very worthwhile youth society. It is encouraged to award members of the C.A.R. and the SAR for outstanding work with the SAR/C.A.R. medals of appreciation.

## **Associates**

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The NSSAR Bylaws do not provide for “associate members.” Chapters and State Societies may have “associates” or “friends” who attend meetings, march in parades with the color guard or generally support the chapter. However, the term “members” is reserved for gentlemen whose documented lineage has been approved by the National Society of the Sons of the American Revolution. A chapter or State Society shall not collect dues from an associate, but may collect the actual cost of printing and mailing a chapter or State Society newsletter.

**GUIDELINES FOR NSSAR GENERAL OFFICER CANDIDATES**  
**(EFFECTIVE UNTIL JULY 12, 2017)**

**On March 2, 2017, the Executive Committee adopted revised candidate guidelines and a candidate disclosure statement. The below guidelines will remain in effect until 11:59 p.m. on July 12, 2017.**

*The rules governing the nomination of candidates for General Officer can be found in Bylaw No. 20, Section 2. Other guidelines include the following:*

- 1. All members of the NSSAR are expected to act as gentlemen.*
- 2. All candidates and their supporters will conduct themselves in a gentlemanly manner at all times.*
- 3. All candidates and their spokesmen will refrain from derogatory remarks about any opposing candidate at all times.*
- 4. In the event of a floor nomination, it is the full responsibility of the involved candidates to require their supporters and spokesmen to refrain from any criticism of the opposing candidate.*
- 5. If a supporter or spokesman speaks unkindly about the opposition, it will be construed that he speaks directly for the candidate he represents.*
- 6. There will be no campaigning or announcements, including distribution of flyers, made by any prospective candidate or his representative until ten (10) days following the National Congress.*
- 7. A forum for NSSAR General Officer and NSSAR Foundation board positions will be held prior to the day of the Fall Leadership Meeting. The chairman of the Nominating Committee will announce the location and time of this forum. Candidates or their spokesmen will be allotted a time segment of no more than five minutes for contested positions and 3 minutes for uncontested positions. A period of time for questions of no more than the specified time for presentations by each candidate or their spokesman will be permitted after each candidate or their spokesman speaks. Candidates may display flyers for distribution on tables in designated areas on Thursday and Friday nights prior to the Fall Leadership Meeting. Flyers will not be distributed on Saturday at the Leadership Meeting.*
- 8. Each candidate will provide to the Chairman of the Nominating Committee a letter of intent to run for office and an affirmation of compliance with the NSSAR standards of conduct during the campaign period that will end at the Spring Trustees Meeting. This letter should be in the hands of the Chairman of the Nominating Committee by the Candidates Forum at the Fall Leadership Meeting or in no case later than December 31 following the Fall Leadership Meeting.*
- 9. Each candidate will provide to the chairman of the Nominating Committee by December 31 following the Fall Leadership Meeting, a written and signed declaration that if elected he will serve. Non-receipt of this declaration by the designated deadline will cause the candidate to be dropped from consideration for the position for which he is a candidate.*
- 10. NSSAR letterheads and/or logos will not be used by any candidate on his campaign literature.*

11. *At each congress, a table will be made available at the request of any candidate for National Office for the display and distribution of his campaign literature.*
12. *At no time will campaign literature be distributed in any of the meeting rooms at the National Congress.*
13. *Campaign materials will be distributed only from the candidate's tables at the National Congress which should be staffed at appropriate times.*
14. *Each candidate seeking National Office must be willing to make a commitment of both time and resources to do the job to the best of his ability. Only one candidate will be the winner in any given election. All losing candidates must accept the certified results of each election in a gentlemanly manner.*
15. *Any candidate or his supporters must follow these guidelines in good faith or may be subject to possible complaint and hearing by the NSSAR Ethics Committee in compliance with Bylaw 32, of the NSSAR Bylaws or any revision of the Bylaws as approved by the National Congress with respect to the duties and responsibilities of the Ethics Committee.*
16. *These guidelines will be given to each announced candidate for a National Office or NSSAR Foundation board as soon as his intentions are made known or at the latest by December 31<sup>st</sup> in the year prior to the National Congress at which the election will be held.*
17. *Candidates who are not nominated by the NSSAR Nominating Committee, but choose to run from the floor at the National Congress are expected to follow these guidelines as well as candidates who are nominated by the Nominating Committee. All candidates for contested positions should abide by these guidelines prior to the election at the National Congress.*

**GUIDELINES FOR GENERAL OFFICER AND SAR FOUNDATION BOARD  
CANDIDATES  
(EFFECTIVE BEGINNING JULY 13, 2017)**

The rules governing General Officer and SAR Foundation Board nominations may be found in Bylaw No. 20, Section 2. All candidates for General Office and the SAR Foundation Board (“Candidate”) are expected to abide by these campaign guidelines and additional self-disclosure requirements, regardless of whether the Candidate seeks endorsement from the Nominating Committee or runs from the Congress floor. The Candidate Guidelines, Candidate Self-Disclosure Statement, and Conflict of Interest Statement are available in the *NSSAR Handbook* and from SAR Headquarters or the Nominating Committee Chairman.

***General Provisions***

1. All Candidates, regardless of whether a race is contested or whether the candidate has received the Nominating Committee’s nomination, must follow these guidelines in good faith.
2. Each Candidate understands that serving as a General Officer or a member of the SAR Foundation Board is a commitment of both time and resources. Both the SAR and the SAR Foundation deserve candidates who will perform their respective positions to the best of their ability.
3. The SAR is a society of gentlemen; Candidates will remain respectful of other candidates. Upon conclusion of a contested election, all Candidates will accept the certified results of such election in a gentlemanly manner.
4. Candidates will refrain from intentionally making derogatory or knowingly false remarks about any other Candidate during the election cycle and will instruct their supporters and spokesmen to do the same.
5. Candidates may be responsible for the words or actions of a supporter in accordance with any relevant provisions of the NSSAR Bylaws regarding member discipline or the duties and responsibilities of the Ethics Committee.

***Candidacy Announcement***

6. There will be no campaigning or announcements, including distribution of flyers, made by any Candidate or his supporters until ten (10) days following the Annual Congress.

***Campaign Materials***

7. SAR letterheads, insignia, logos, graphics or trademarks will not be used by any candidate on his campaign materials; *provided, however*, that a Candidate may include a picture of himself wearing his SAR insignia, medals and awards.
8. At no time will campaign literature be distributed in any of the meeting rooms at a Leadership Meeting or the Annual Congress.
9. Candidates may display and distribute campaign materials on a designated table (a) during the Thursday and Friday of the Fall and Spring Leadership Meetings and (b) the

Annual Congress. Candidates may make themselves available at a candidate table for campaigning purposes.

10. Candidates should remove their campaign materials (i) at the conclusion of Saturday's Board of Trustees meeting at a Leadership Meeting or (ii) upon conclusion of voting at the Annual Congress.
11. Candidates will refrain from greeting members or campaigning to members in the Annual Congress voting line. Candidates may make themselves available for discussion with members at a stationary location removed from the voting line but of sufficient distance to be recognized. No campaign material may be distributed at such a location.

### ***Required Disclosures***

12. *Candidates Seeking Endorsement by the Nominating Committee:* Within fifteen (15) days of his announcement, but no later than December 31<sup>st</sup>, a Candidate shall provide the following materials (the "Disclosures") to the Nominating Committee Chairman:
  - (1) a letter containing: (i) a statement identifying the specific General Officer or SAR Foundation Board position the Candidate is seeking; (ii) a statement as to his participation in a Candidates' Forum; (iii) an acknowledgement that he will serve if elected to the indicated office; and (iv) an affirmation of compliance with the National Society's Charter, Constitution, Bylaws, policies, and these Guidelines, during the campaign;
  - (2) a completed Conflict of Interest Statement;
  - (3) a completed Candidate Self-Disclosure Statement; and
  - (4) a copy of his campaign materials.
13. *Candidates Nominated from the Congress Floor:* Candidates seeking office without the endorsement of the Nominating Committee will provide the Disclosures to the President General at the time of his announcement, if announced prior to Congress, unless previously provided to the Nominating Committee Chairman. Candidates nominated directly from the floor at the Annual Congress will provide the Disclosures to the President General at the time of their nomination and the President General will read the Disclosures to the Congress at that time.
14. A Candidate who does not provide the Disclosures as required by these Guidelines may be removed from the ballot by a majority vote of the delegates present and voting at the Annual Congress.
15. Delegates to the Annual Congress may review a copy of each Candidate's Disclosures at the Headquarters Office at the Annual Congress or such other specified location.

### ***Candidates' Forum***

16. The Chairman of the Nominating Committee may hold a forum for any Candidate on the Thursday evening of the Fall Leadership Meeting. Each Candidate will be permitted to speak for no more than three (3) minutes for uncontested positions or five (5) minutes for contested positions. A period for questions of no more than the specified time for presentations by each Candidate will be permitted after each candidate speaks.

**National Society of the Sons of the American Revolution  
Candidate Self-Disclosure Statement**

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This form must be completed by all General Officer and SAR Foundation Board candidates and is intended to provide members of the Sons of the American Revolution with information about those individuals seeking to lead the national organization. ***This form is not intended to be an automatic bar to service at the National level, but may be considered by the members of the NSSAR Nominating Committee and the delegates to the NSSAR Annual Congress when assessing fitness for election to the indicated position.*** Neither the National Society nor the Nominating Committee attests to the accuracy of the information disclosed in this statement, however, candidates are required to certify their answers subject to the Constitution and Bylaws of the National Society of the Sons of the American Revolution and the Guidelines for General Officer and SAR Foundation Board Candidates found in the *NSSAR Handbook*.

**PERSONAL INFORMATION**

Name: \_\_\_\_\_

National Number: \_\_\_\_\_ State Society: \_\_\_\_\_

Position Sought: \_\_\_\_\_

*Candidates should answer the following questions accurately and completely.  
Please attach additional pages as necessary.*

**CANDIDACY INFORMATION**

1. Have you previously been a General Officer or SAR Foundation Board candidate? If so, please provide a list of offices and dates?
2. Have you reviewed the relevant NSSAR Bylaws provisions with respect to the office you are presently seeking? If so, briefly describe why you believe you are qualified for the position.
3. Please provide a copy of your current SAR resume, biographical statement, or campaign materials issued by you or with your consent.

**PROFESSIONAL QUALIFICATIONS**

4. Please identify your current profession. If retired, please provide your profession as of your retirement.
5. Do you currently maintain any professional licenses (i.e., CPA, CFP, bar licenses, teaching certificate, etc.)? If so, please list. ***Candidates for Chancellor General, Surgeon General, and Chaplain General must provide copies of such certifications as required by the Bylaws.***
6. Have any of your professional licenses in any jurisdiction ever been withdrawn, suspended, or revoked? If so, please attach an explanation.
7. Has any disciplinary action ever been taken in connection with any of your professional licenses? If so, please attach an explanation.

**MILITARY SERVICE**

8. If you served in the military and your discharge was anything other than honorable or you received a court martial, please provide the relevant information.

**BACKGROUND DISCLOSURES**

9. Have you ever been convicted of a felony, or a misdemeanor involving any act of dishonesty, moral turpitude, breach of trust or financial malfeasance? If yes, please attach a detailed explanation.

10. Have you ever had a civil judgment or administrative decision entered against you for fraud, breach of trust, embezzlement, money laundering, conversion, misappropriation of funds, or other similar financial impropriety? If yes, please attach a detailed explanation.

11. Have you filed a personal petition in bankruptcy within the last ten (10) years or has a petition in bankruptcy been filed against you within the last five (5) years? If yes, please attach a detailed explanation.

12. Have you ever owned more than 25% of the issued and outstanding shares or acted as an officer or director of any corporation by which, or against which, a petition in bankruptcy has been filed within the last five (5) years? If yes, please attach a detailed explanation.

13. Are you currently prohibited from serving as a corporate officer or a corporate director as a sanction imposed by the United States Securities & Exchange Commission, the Internal Revenue Service, the Office of the Comptroller of Currency or any similar state or federal governmental agency? If yes, please attach a detailed explanation.

14. Do you currently suffer from, or have you suffered from, any of the following ailments in the last five (5) years:

- a. Dependence on narcotics, drugs or intoxicating beverages?
- b. Pathological or compulsive behavior?
- c. Memory loss or impaired judgment?

If yes, please attach a detailed explanation.

15. Are there any circumstances in your professional or personal life that create a substantial question as to your qualifications or ability to serve in the office you are presently seeking?

**CERTIFICATION**

I certify that the information given on this self-disclosure statement is complete, true and correct to the best of my knowledge and belief.

Executed this \_\_\_\_ day of \_\_\_\_\_, 20\_\_

Signed: \_\_\_\_\_

Name: \_\_\_\_\_

## REQUIREMENTS FOR MAINTAINING TAX EXEMPTION

### Internal Revenue Service Information Return Reporting Requirements

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The IRS requires that all subordinate organizations (in the case of the NSSAR, state societies and chapters and a few other related entities) obtain a 9-digit tax identification number. That number must be linked to the NSSAR's group exemption number (0690) meaning that the subordinate organization carries the rights and obligations of an organization exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code. All state societies and chapters should have one of these numbers, and if not, they should contact the Director of Finance at NSSAR headquarters to find out how to obtain such a number.

The National Society of the Sons of the American Revolution files IRS form 990 (Return of Organization Exempt from Income Tax) every year. The information in this report applies only to the operations of the National Society. Financial and other data pertaining to the state societies and chapters is not included in this return. Each subordinate must file its own form 990.

Generally, a subordinate who has averaged less than \$50,000 in gross receipts over the current and previous two years can file form 990-N, an electronic post card. This is an Internet based filing and there is no option for filing a paper report. The report can be filed by visiting the IRS web site at [www.irs.gov](http://www.irs.gov) and clicking on the "Charities & Non-Profits" link.

Here is the data that the IRS will require to file the 990-N:

- Organization's name (should always be the National Society of the Sons of the American Revolution)
- Any other names your organization uses (should be the State Society or Chapter name)
- Organization's mailing address
- Organization's website address (if applicable)
- Organization's tax identification number
- Name and address of a principal officer of the organization
- Organization's annual tax period
- A statement that the organization's annual gross receipts are still normally \$50,000 or less
- If applicable, indicate if the organization is ceasing to exist

The IRS refers to "tax" periods for all organizations, although non-profits do not normally pay federal income tax, unless they have unrelated business income. The 990 must be filed by the 15th day of the fifth month after the close of the tax period.

Each subordinate should maintain accurate financial records in order to file the 990. It is recommended that each subordinate have one person who keeps track of receipts and disbursements, either with a checkbook, a spreadsheet or any one of the numerous computer programs available to help small businesses keep their books. At the close of the tax period, that person should total all of the receipts of the subordinate and keep that information available for at least 7 years, in case of a possible audit.



According to the IRS, “to determine if an organization’s gross receipts are normally \$50,000 or less, apply the following test. An organization’s gross receipts normally are considered to be \$50,000 or less if the organization is:

1. Up to a year old and has received, or donors have pledged to give, \$75,000 or less during its first tax year;
2. Between 1 and 3 years old and averaged \$60,000 or less in gross receipts during each of its first 2 years; or
3. Three years old or more and averaged \$50,000 or less in gross receipts for the immediately preceding 3 tax years (including the year in which the return would be filed).”

Most NSSAR members pay chapter, state and national dues. When calculating gross receipts, the subordinate should only count the dues kept by that subordinate. For example, national dues forwarded on to the National Society by the state society should not be included in gross receipts when applying the gross receipts test above. The amount of these dues should also not be included on the subordinate’s form 990 either.

The IRS includes a list of items that should be considered when calculating gross receipts in their publication “Instructions for Form 990 and 990-EZ”. This document can be found on the internet at [www.irs.gov](http://www.irs.gov). Some of the items an SAR subordinate might have in gross receipts are:

- Contributions, gifts and grants
- Program service revenue
- Membership dues and assessments
- Interest on savings and temporary cash investments
- Dividends and interest from securities
- Gross amount from sales of securities and other assets
- Gross sales of inventory

The IRS states that organizations failing to meet their filing requirements for three consecutive years will have their filing status revoked. So, it is important that each active SAR subordinate meet its filing requirements each year.

Subordinates that do not meet the tests for filing form 990-N must file either form 990-EZ or form 990. It is recommended that a professional experienced in preparing such a return complete this filing.

### **Additional Restrictions on 501(c)(3) Exempt Organizations**

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To be tax-exempt under section 501(c)(3) of the Internal Revenue Code, an organization must be organized and operated exclusively for exempt purposes set forth in section 501(c)(3), and none of its earnings may inure to any private shareholder or individual. In addition, it may not be an action organization, i.e., it may not attempt to influence legislation as a substantial part of its activities and it may not participate in any campaign activity for or against political candidates.

State Societies, Chapters, and Compatriots must be mindful of the above restrictions and conduct SAR operations in a manner that preserves and protects the SAR’s tax-exempt status for everyone’s benefit. In addition to reviewing the following, State Societies and Chapters are

***strongly encouraged*** to seek out legal advice prior to engaging in any activity that could jeopardize that organizations tax-exempt status

1. *Filing Required Information Returns (Form 990)*. State Societies and Chapters are reminded to file their Form 990 information returns with the Internal Revenue Service annually (see preceding section). State Societies and Chapters who fail to file their Form 990 for three consecutive years will have their tax-exempt status revoked and will need to work independently with the IRS to recover their status. Please do not neglect these requirements.

2. *File State-Specific Corporation or Association Returns and Reports*. In order to receive the benefits of our tax-exempt 501(c)(3) status, each organization must be in “good standing” in the state in which the organization is organized, associated, or incorporated (mostly a state society level issue as most Chapters are not required to individually incorporate). Entities that are not in “good standing” may be denied tax-exempt status.

3. *Absolute Prohibition on Political Campaign Intervention*. The SAR at all levels (National, District, State, Chapter) is “absolutely prohibited from directly or indirectly participating in, or intervening in, any political campaign on behalf of (or in opposition to) any candidate for elective public office.” The prohibition applies to **all** political campaigns for elective office, including *international and domestic* public elections at the federal/national, state/province/district/territory, and local level. Specifically, the IRS has determined the following activities violate the prohibition:

- Endorsing a candidate for public office;
- Inviting a political candidate to make a campaign speech at an event hosted by the organization;
- Using the organization's funds to publish materials that support (or oppose) a candidate;
- Donating money from the organization to a political candidate;
- Any official statement by the organization, or its individual board members acting in his official capacity, that support a candidate;
- Criticizing or supporting a candidate on the organization's website;
- Inviting one candidate to speak at a well-publicized and well-attended event, and inviting the other candidate to speak at a lesser function;
- Inviting all candidates to speak at an event, but arranging the speaking event or choosing the questions in such a way that it is obvious that the organization favors one candidate over the others;
- Conducting a “get out the vote” telephone drive in a partisan manner by selecting caller responses for further follow-up based on candidate preference;
- Distributing statements prepared by others that favor or oppose any candidate;
- Allowing a candidate to use an organization’s assets or facilities (unless other candidates are given the same opportunity);
- Using the organization's website or through links to other websites to link to only one candidate's profile; and
- Placing signs on nonprofit property supporting or opposing candidates.

State Societies and Chapters may engage in the following activities provided, the activities are conducted in a manner consistent with the SAR's exempt purposes and these activities do not favor or oppose any candidate for office in any way:

- Voter Education, Voter Registration, and Get-Out-the-Vote Drives: If conducted in a nonpartisan, unbiased manner, a State Society or Chapter may offer rides to the polls, hand out voter information, or call voters about the election.
- Candidate Appearances: State Societies and Chapters may invite political candidates to speak at events. When inviting a candidate to speak, the State Society or Chapter must ensure that:
  - An equal opportunity is provided to all other candidates seeking the same office;
  - The State Society or Chapter explicitly states (ideally during each candidates introduction) that it does not support or oppose the candidate; and
  - There are no political fundraising activities.

4. *Legislative or Issue Advocacy is Limited.* As stated by the IRS, “no organization may qualify for section 501(c)(3) status if a substantial part of its activities is attempting to influence legislation (commonly known as lobbying).” Legislation is broadly defined to include “action by Congress, any state legislature, any local council, or similar governing body, with respect to acts, bills, resolutions, or similar items (such as legislative confirmation of appointive office), or by the public in referendum, ballot initiative, constitutional amendment, or similar procedure.” Influencing legislation includes any act by the organization contacting, or urging the public to contact, members or employees of a legislative body *for the purpose of proposing, supporting, or opposing legislation, or if the organization advocates the adoption or rejection of legislation.* Although an organization may conduct educational meetings, prepare and distribute educational materials, or otherwise consider public policy issues in an educational manner without jeopardizing their tax-exempt status, these activities must be careful to not cross the line into “influencing legislation.” ***Any State Society or Chapter wishing to engage in lobbying activities should consult with legal counsel and/or a tax professional prior to beginning lobbying activities or efforts to influence legislation.*** Lobbying requires additional disclosure requirements to the IRS through the Form 990 (generally meaning that smaller state societies and chapters may not be able to file the Form 990 e-postcard if they engage in efforts to influence legislation).

5. *SAR is a Non-Political Organization.* Pursuant to Internal Revenue Service tax-exempt guidelines, the SAR is a non-political organization. State Societies and Chapters must never endorse or recommend any candidate for public office, nor may meetings include the discussion of merits or demerits of such candidates. The merit of any public question involving the social, economic, moral or physical welfare of the people may be fairly and intelligently studied and discussed at a meeting for the enlightenment of those attending. SAR may take a position on any bill or measure which may be submitted to a vote of the elected representatives of the people or to the vote of the people.

## NON-PROFIT COMPLIANCE POLICIES

### Code of Business Ethics and Conduct

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*Section 1. General.* NSSAR is a not-for-profit corporation chartered by an Act of the United States Congress on June 9, 1906. The purposes and objects of NSSAR are declared to be patriotic, historical, and educational, and shall include those intended or designed to perpetuate the memory of the men who, by their services or sacrifices during the war of the American Revolution, achieved the independence of the American people; to unite and promote among their descendants; to inspire them and the community at large with a more profound reverence for the principles of the Government founded by our forefathers; to encourage historical research in relation to the American Revolution; to acquire and preserve the records of the individual services of the patriots of the war, as well as documents, relics, and landmarks; to mark the scenes of the Revolution by appropriate memorials; to celebrate the anniversaries of the prominent events of the war and of the Revolutionary period; to foster true patriotism; to maintain and extend the institutions of American freedom, and to carry out the purposes expressed in the preamble to the Constitution of our country and the injunctions of Washington in his farewell address to the American people.

In an effort to maintain the high standard of conduct expected and deserved by our Forefathers, our Members, and the American public NSSAR operates under the Code of Business Ethics and Conduct outlined below.

*Section 2. Compliance Requirements.* All members, employees, and volunteers are required to comply with applicable federal, state, and local laws and regulations and with NSSAR bylaws and policies.

*Section 3. Prohibited Actions.* No member, employee, or volunteer shall engage in the following actions:

- Authorize the use of or use for the benefit or advantage of any person, the name, emblem, endorsement, services or property of NSSAR, except in conformance with NSSAR policy.
- Accept or seek on behalf of any other person, any financial advantage or gain of other than nominal value offered as a result of the member's, employee's, or volunteer's affiliation with NSSAR.
- Publicly use any NSSAR affiliation in connection with promotion of partisan politics, religious matters or positions on any issue not in conformity with the official position of NSSAR.
- Disclose any confidential NSSAR information that is available solely as a result of the member's, employee's or volunteer's affiliation with NSSAR to any person not authorized to receive information, or use to the disadvantage of NSSAR any such confidential information, without the express authorization of NSSAR.
- Knowingly take any action or make any statement intended to influence the conduct of NSSAR in such a way as to confer any financial benefit on any person, corporation or entity in which the individual has a significant interest or affiliation.
- Operate or act in a manner that creates a conflict or appears to create a conflict with the interests of NSSAR and any organization in which the individual has a personal, business or financial interest.

- Retaliate against any member, employee or volunteer who seeks advice from, raises a concern with or makes a complaint about fraud, waste, abuse, policy violations, discrimination, illegal conduct, unethical conduct, unsafe conduct or any other misconduct by the organization, its members, employees or volunteers.
- Operate or act in any manner that is contrary to the best interest of NSSAR.
- Conduct in disseminating via multi-party e-mail, mail, social media or other means, disparaging, maligning, false, or harassing comments or statements concerning compatriots.
- Issuance of circulars, communications or pronouncements regarding the NSSAR purporting to represent official policies of the NSSAR via multi-party e-mail, mail, social media or other means, without the approval of the Trustees, Executive Committee or the Executive Director.
- Misappropriate or convert to personal use the personal or intellectual property of the NSSAR without the approval of the Trustees, or if that authority is delegated, without the approval of the Executive Committee or the Executive Director.

*Section 4. Reporting Responsibility.* Each member, employee, volunteer and other stakeholder of NSSAR has an obligation to report in accordance with this Code of Business Ethics and Conduct Policy violations and suspected violations of this Policy.

*Section 5. Handling of Reported Violations.* Violations of this Policy will be referred to the Ethics Committee pursuant to NSSAR Bylaw 18, Section 1(b). The President General may request the NSSAR Inspector General or NSSAR Chief Compliance Officer investigate the alleged violation. Any investigation of or hearing on an alleged violation of this Policy, or any resulting appeal, shall be governed by the procedures detailed in NSSAR Bylaw 32.

## **Conflict of Interest Policy and Code of Organizational Conduct**

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*Section 1. Purpose.* The National Society of the Sons of the American Revolution (known hereafter as NSSAR) is a not for profit, tax-exempt organization. Maintenance of its tax-exempt status is important for both continued financial stability, public and member support. Therefore, the Internal Revenue Service, as well as other regulatory agencies, tax officials and other stakeholders view the policy and operations of the SAR as a public trust, which is subject to scrutiny by and accountable to such authorities as well as its constituents.

Consequently, there does exist between the NSSAR and its officers, trustees, committee chairmen, senior staff and the general public a fiduciary duty that carries with it a broad and clear duty to fidelity and loyalty. The officers, trustees and senior staff have the responsibility to administer the affairs in an honest and prudent manner, exercising the best skill, abilities and judgment for the sole benefit of the NSSAR. Those persons who serve in leadership capacities shall exercise good faith in all matters and transactions, and shall refrain from practices that allow personal gain or benefit due to knowledge or influence. The interest of the SAR shall be the priority in all decision and actions.

*Section 2. Persons Concerned.* This code and statement is intended for all general officers, trustees, committee chairmen, senior staff and others as so determined by the trustees of the NSSAR. All persons who may influence decisions of the NSSAR may be added at any time.

*Section 3. Areas of Potential Conflict.* Conflicts may arise in relations to officers, trustees, and senior staff with any of the following third parties:

1. Persons and firms supplying goods and services to the NSSAR.
2. Persons and firms from whom the NSSAR leases property or equipment.
3. Persons and firms with whom the NSSAR is maintaining or plans to maintain a business relationship that involves the sale of real estate, securities, or other property.
4. Competing or affinity organizations.
5. Donors and others supporting the NSSAR.
6. Agencies, organizations, and associations that affect the operations of the NSSAR.
7. Family members, close associates and other employees.

*Section 4. Nature of Conflict of Interest.* A conflicting interest may be defined as an interest, direct or indirect, with any person or firms mentioned in Section 3. Such interest may arise from the following activities:

1. Owning stock or holding debt or other proprietary interest in a third party dealing with NSSAR.
2. Holding office, serving on the board, participation in management, or being otherwise employed or previously employed with any third party who conducts business or intends to conduct business with the NSSAR.
3. Receiving remuneration for services with respect to individual transactions involving the NSSAR.
4. Using the time, personnel, equipment, good will or other resources of the NSSAR for activities other than approved activities, programs, and functions.
5. Receiving personal gifts, professional opportunities or loans from third-party vendors conducting business or intending to conduct business with the NSSAR. Receipt of any gift of cash is prohibited. Gifts with a value of less than \$25 (twenty-five dollars) may be accepted only if the acceptance avoids a discourtesy.

*Section 5. Interpretation of Policy.* The areas of conflicting interest listed in Sections 3 and 4 are examples of potential conflicts and may be expanded as situations dictate. All persons who serve in leadership and critical areas of the NSSAR shall use best judgment to determine any possible conflicts. The Chancellor General of the SAR shall be consulted on any question of this policy.

Persons in leadership positions of the NSSAR shall disclose any potential conflict before transactions are consummated. The leadership shall scrutinize all transactions and disclose any activities that are, or have the appearance of, a conflict to the trustees immediately upon knowledge of such activities.

This policy, once enacted, shall be mandatory for all affected members. Any change of the policy will require a two-thirds affirmative vote of the Executive Committee and a two-thirds affirmative vote of the Trustees of the NSSAR. Such vote will occur at a called meeting of the Executive Committee and Trustees.

*Section 6. Disclosure Policy and Procedure.* Transactions with parties with whom a conflicting interest exists may only be undertaken when all four (4) stipulations are met:

- The conflict of interest is fully disclosed.

- The person with the conflict refrains from discussion and approval of such transaction.
- A competitive bid or comparable valuation exists.
- The leadership, executive committee, board of trustees, or duly constituted committee determines that the transaction serves the best interest of the NSSAR.

Disclosure shall be made to the President General (Executive Director/Chief Operating Officer if the President General is the person in conflict) and the Chancellor General, who shall bring the matter to the Board of Trustees for discussion and resolution. Disclosures that involve Executive Committee members shall be made to the President General and Chancellor General.

The duly constituted committee shall determine whether a conflict exists. Further, the constituted body shall determine in a fair, just, and reasonable manner if the approval of such transaction with the disclosed conflict best serves the interest and mission of the NSSAR.

All officers, trustees, committee chairmen, senior staff, must sign a NSSAR Conflict of Interest Statement each year and others as so determined by the trustees of the NSSAR.

**Conflict of Interest Statement**

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For Officers, Trustees, Committee Chairmen, Executive Committee Members, Investment Committee Members, Senior Staff.

No NSSAR Officer, Trustee, Committee Chairman, Executive Committee Members, Investment Committee Member, or Senior Staff shall derive any personal profit or gain, directly or indirectly, by reason of his/her participation with NSSAR. Each individual shall disclose to NSSAR any personal interest which he/she may have in any matter pending before NSSAR and shall refrain from participation in any decision on such matter.

Any NSSAR Officer, Trustee, Committee Chairman, Executive Committee Member, Investment Committee Member, or Senior Staff who is an officer, board member, a committee member or staff member of a service or vendor organization shall identify his/her affiliation with such agency or agencies; further, in connection with any policy committee or Board of Trustees action specifically directed to that agency, he/she shall not participate in the decision affecting that agency and the decision must be made and/or ratified by the full Board of Trustees.

Any NSSAR Officer, Trustee, Committee Chairman, Executive Committee Member, Investment Committee Member, or Senior Staff shall refrain from obtaining any list of NSSAR members for personal or private solicitation purposes at any time during the term of his/her affiliation.

At this time, I am a Board member, a committee member, or an employee of the following organizations that may pose a potential conflict under Section 3 of NSSAR Conflict of Interest/Code of Organizational Conduct Policy:

- 1.
- 2.
- 3.
- 4.

Now this is to certify that I, except as described below, am not now nor at any time during the past year have been:

- 1) A participant, directly or indirectly, in any arrangement, agreement, investment, or other activity with any vendor, supplier, or other party; doing business with NSSAR which has resulted or could result in personal benefit to me.
- 2) A recipient, directly or indirectly, of any salary payments or loans or gifts of any kind or any free service or discounts or other fees from or on behalf of any person or organization engaged in any transaction with NSSAR.

Any exceptions to 1 or 2 above are stated below with a full description of the transactions and of the interest, whether direct or indirect, which I have (or have had during the past year) in the persons or organizations having transactions with NSSAR.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Date: \_\_\_\_\_

Signature: \_\_\_\_\_

Printed name: \_\_\_\_\_



## **NSSAR Records Retention and Destruction Policy**

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*Section 1. Purpose of Records.* The National Society of The Sons of The American must maintain books and records to show that it complies with tax rules. The organization must be able to document the sources of receipts and expenditures reported on Form 990, *Return of Organization Exempt from Income Tax* or Form 990-EZ, *Short Form Return of Organization Exempt from Income Tax*, and Form 990-T, *Exempt Organization Business Income Tax Return*.

If NSSAR does not keep required records, it may not be able to show that it qualifies for tax-exempt status. Thus, the NSSAR may lose its tax-exempt status. In addition, NSSAR may not be able to complete its return accurately and may be subject to penalties. When good recordkeeping systems are in place, NSSAR can evaluate the success of its programs, monitor its budget, and prepare its financial statements and returns.

*Section 2. Records to be Kept.* Except in a few cases, the law does not require a special kind of record. NSSAR should choose any recordkeeping system, suited to its activities, that clearly shows the organization's income and expenses. NSSAR activities should determine the type of records that should be kept for federal tax purposes. NSSAR should set up a recordkeeping system using an accounting method that is appropriate for proper monitoring and reporting of its financial activities for the tax year. Since NSSAR has more than one program, it should ensure that the records appropriately identify the income and expense items that are attributable to each program.

*Section 3. Period of Retention.* NSSAR must keep records for federal tax purposes for as long as they may be needed to document evidence of compliance with provisions of the Code. NSSAR must keep records that support an item of income or deduction on a return until the statute of limitations for that return runs. After the statute of limitations has run NSSAR can no longer amend its return and the IRS can no longer assess additional tax. Generally, the statute of limitations runs three years after the date the return is due or filed, whichever is later. NSSAR may be required to retain records longer for other legal purposes, including state or local tax purposes.

NSSAR record retention periods vary depending on the types of records and returns.

Permanent Records - Some records should be kept permanently. These include, the application for recognition of tax-exempt status, the determination letter recognizing tax-exempt status, and organizing documents, such as articles of incorporation and by-laws, with amendments, as well as board minutes.

Employment Tax Records - NSSAR must keep employment tax records for at least four years after the date the tax becomes due or is paid, whichever is later.

Records for Non-Tax Purposes – When records are no longer needed for tax purposes, NSSAR should keep them until they are no longer needed for non-tax purposes. For example, a grantor, insurance company, creditor, or state agency may require that records be kept longer than IRS requires.

*Section 4. NSSAR Policy Retention.* The following table provides the minimum requirements for determining NSSAR document retention policy:

<b>Type of Document</b>	<b>Minimum Requirement</b>
Accounts payable ledgers and schedules	7 years
Audit reports	Permanently
Bank Reconciliations	2 years
Bank statements	3 years
Checks (for important payments and purchases)	Permanently
Contracts, mortgages, notes and leases (expired)	7 years
Contracts (still in effect)	Permanently
Correspondence (general)	2 years
Correspondence (legal and important matters)	Permanently
Correspondence (with customers and vendors)	2 years
Deeds, mortgages, and bills of sale	Permanently
Depreciation Schedules	Permanently
Duplicated deposit slips	2 years
Employment applications	3 years
Expenses Analyses/expense distribution schedules	7 years
Year End Financial Statements	Permanently
Insurance Policies (expired)	3 years
Insurance records, current accident reports, claims, policies, etc.	Permanently
Internal audit reports	3 years
Inventories of product, materials, and supplies	7 years
Invoices (to customers, from vendors)	7 years
Minutes books, bylaws, and charter	Permanently
Patents and related papers	Permanently
Payroll records and summaries	7 years
Personnel files (terminated employees)	7 years
Retirement and pension records	Permanently
Tax returns and worksheets	Permanently
Timesheets	7 years
Trademark registrations and copyrights	Permanently
Withholding tax statements	7 Years

*Section 5. Electronic and Voicemail.* The NSSAR Financial Director should follow the above guidance in Section 1 thru Section 4 in determining the electronic and voicemail that should be retained and the length to be retained.

*Section 6. Sign-In and Telephone Logs.* The NSSAR Financial Director should follow the above Guidance in Section 1 through Section 4 in determining the sign-in and telephone logs that should be retained and the length to be retained

*Section 7. Record Destruction.* All records (manual, electronic, voicemail, and sign-in and telephone logs) should be destroyed within six month of retention date unless there is a reason to remain longer.

The destruction of each record should be performed by two employees from the Financial Division and must be documented. Documentation of the records destroyed must include the

date destroyed, description of the record destroyed and the name of the person/persons destroying the record.

*Destruction of documents will be suspended when NSSAR is notified of an investigation by a regulatory authority.*

## **Whistleblower Policy**

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*Section 1. General.* NSSAR Code of Organization Conduct (hereinafter referred to as the Code) requires officers, trustees, committee chairmen and senior staff to observe high standards of business and personal ethics in the conduct of their duties and responsibilities. The same high standards are expected of all members, employees and volunteers. Officers, trustees, committee chairmen, senior staff, committee members, and employees are representatives of NSSAR and must practice honesty and integrity in fulfilling their responsibilities and comply with all applicable laws and regulations.

The objectives of the NSSAR Whistleblower Policy are to establish policies and procedures for:

- The submission of concerns regarding questionable accounting or audit matters by officers, trustees, committee chairmen, committee members, senior staff, employees, and other stakeholders of NSSAR, on a confidential and anonymous basis.
- The receipt, retention, and treatment of complaints received by NSSAR regarding accounting, internal controls, or auditing matters.
- The protection of officers, trustees, committee chairmen, committee members, senior staff, employees, and other stakeholders reporting concerns from retaliatory actions.

*Section 2. Reporting Responsibility.* Each officer, trustee, committee chairman, committee member, senior staff, employee and other stakeholder of NSSAR has an obligation to report in accordance with this Whistleblower Policy (a) questionable or improper accounting or auditing matters, and (b) violations and suspected violations of NSSAR Organization's Code (hereinafter collectively referred to as Concerns).

*Section 3. Authority of NSSAR Inspector General.* All reported Concerns will be forwarded to the NSSAR Inspector General in accordance with the procedures set forth herein. If the NSSAR Inspector General is the subject of the Concern, the NSSAR Chief Compliance Officer will receive the reported Concerns, and be responsible for investigating, and making appropriate recommendations to the NSSAR Chancellor General and the NSSAR Executive Committee.

*Section 4. No Retaliation.* This Whistleblower Policy is intended to encourage and enable officers, trustees, committee chairmen, committee members, senior staff, employees and other stakeholders to raise Concerns within NSSAR for investigation and appropriate action. With this goal in mind, no officer, trustee, committee chairman, committee member, senior staff, employee or other stakeholder who, in good faith, reports a Concern shall be subject to retaliation or, in the case of an employee, adverse employment consequences. Moreover, a NSSAR member or employee who retaliates against someone who has reported a Concern in good faith is subject to discipline up to and including referral to the NSSAR Ethics Committee for possible action or termination of employment.

*Section 5. Reporting Concerns*

- A. Employees. Employees should first discuss their Concern with their immediate supervisor. If, after speaking with his or her supervisor, the individual continues to have reasonable grounds to believe the Concern is valid, the individual should report the Concern to the Executive Director. In addition, if the individual is uncomfortable speaking with his or her supervisor, or the supervisor is a subject of the Concern, the individual should report his or her Concern directly to the Executive Director.

If the individual is uncomfortable speaking with his or her supervisor, or the Executive Director, the individual should report his or her Concern directly to the NSSAR Inspector General.

If the Concern was reported verbally to the Executive Director, the reporting individual, with assistance from the Executive Director shall reduce the Concern to writing. The Executive Director is required to promptly report the Concern to the NSSAR Inspector General, who has specific and exclusive responsibility to investigate all Concerns. If the Executive Director, for any reason, does not promptly forward the Concern to the NSSAR Inspector General, the reporting individual should directly report the Concern to the NSSAR Inspector General. Contact information for the NSSAR Inspector General may be obtained from the NSSAR website. Concerns may also be submitted anonymously. Such anonymous Concerns should be in writing and sent directly to the NSSAR Inspector General.

- B. NSSAR Members and Other Stakeholders. NSSAR members and other stakeholders should submit Concerns in writing directly to the NSSAR Inspector General.
- C. Contacting the NSSAR Inspector General. Concerns can be submitted to the NSSAR Inspector General through the following e-mail address: [IG-sar@sar.org](mailto:IG-sar@sar.org).
- D. Acting in Good Faith. Anyone reporting a Concern must act in good faith and have reasonable grounds for believing the information disclosed indicates an improper accounting or auditing practice, or a violation of the NSSAR Code of Organizational Conduct. The act of making allegations that prove to be unsubstantiated, and that prove to have been made maliciously, recklessly, or with the foreknowledge that the allegations are false, will be viewed as a serious disciplinary offense and may result in discipline, up to and including referral to the NSSAR Ethics Committee for possible action or termination of employment. Such conduct may also give rise to other actions, including civil lawsuits.

*Section 6. Handling of Reported Violations.* The NSSAR Inspector General shall address all reported Concerns. The NSSAR Inspector General shall immediately notify the NSSAR Chancellor General and the President General of any such reported Concern. The NSSAR Inspector General will notify the sender and acknowledge receipt of the Concern within seven business days, if possible. It will not be possible to acknowledge receipt of anonymously submitted Concerns.

The NSSAR Inspector General will promptly investigate all reports, and appropriate corrective action will be recommended to the NSSAR Chancellor General and the Executive Committee, if warranted by the investigation. In addition, action taken must include a conclusion and/or follow-up with the complainant for complete closure of the Concern. If warranted, formal discipline of a NSSAR member will be governed by NSSAR Bylaw 32.

The NSSAR Inspector General, with the concurrence of the Executive Committee, has the authority to obtain resources deemed necessary to conduct a full and complete investigation of the allegations.

*Section 7. Confidentiality.* Reports of Concerns and investigations pertaining thereto shall be kept confidential to the extent possible, consistent with the need to conduct an adequate investigation.

Disclosure of reports of Concerns to individuals not involved in the investigation will be viewed as a serious disciplinary offense and may result in discipline, up to and including referral to the NSSAR Ethics Committee for possible action or termination of employment. Such conduct may also give rise to other action, including civil lawsuits.

## **GOVERNANCE-RELATED OFFICERS**

### **Chief Compliance Officer & Deputy Compliance Officer**

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The Chief Compliance Officer and Deputy Compliance Officer (the “Compliance Officers”) oversee the NSSAR’s and SAR Foundation’s efforts to comply with the Sarbanes-Oxley Act as it applies to Tax Exempt Organizations. The Chief Compliance Officer reports to the President General in his position as President of NSSAR and Chief Executive of the SAR Foundation. If for any reason the Chief Compliance Officer is unable to serve, the Deputy Compliance Officer shall perform his duties. The Compliance Officers are appointed annually by the President General.

The Compliance Officers’ duties and responsibilities include:

1. Documents formal certification of the NSSAR’s and the SAR Foundation’s internal controls, procedures and processes to ensure they are in compliance with the Sarbanes-Oxley Act.
2. Works with the Independent Audit Committee, providing assistance to the Chairman of the Committee.
3. Coordinates with the Inspector General, the Chancellor General and the Treasurer General as needed.
4. Coordinates NSSAR compliance efforts with respect to legislative and regulatory developments affecting NSSAR governance.
5. Keeps Management, the Executive Committee (EXCOM), and the Board of Trustees informed about governance law, trends, issues, and best practices.
6. Reports to EXCOM all material developments and concerns regarding governance practices, issues and requirements, whether raised internally or externally.
7. Investigates reported violations at the request of the President General.

### **Chief Risk Management Officer**

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The Chief Risk Management Officer’s (the “CRMO”) task is to execute strategic oversight of the entire enterprise-wide risk management process and is charged to develop a risk assessment process appropriate for the National Society of the Sons of the American Revolution. The CRMO reports to the Executive Committee. The CRMO is appointed annually by the President General.

The CRMO’s duties and responsibilities include:

1. Conduct a Strategic, Operational, Financial, and Compliance risk assessment.
2. Work with the NSSAR’s business leaders and program chairs relating to risk assessment.
3. Coordinates with the Risk Management and Insurance Committee regarding insurance coverage, the Legal Advisory Committee regarding external risks, and the Executive Director regarding internal human resources risk.
4. Advise regarding the necessity of retaining outside risk management consultants.

## **Office of Inspector General**

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The Office of Inspector General may investigate a variety of matters, including allegations of fraud involving National Society SAR grants and contracts; improprieties in the administration of SAR programs and operations; allegations of employee misconduct; and other issues concerning alleged violations of the Code of Business Ethics & Conduct, the Conflict of Interest Policy & Code of Organizational Conduct, the Whistleblower Policy, and the Records Retention Policy. The President General may also task the Office of Inspector General with investigating other matters relating to the National Society SAR, including recommending ways to conduct the SAR's programs and operations in an effective, efficient, and economical manner. Inspector General reports and any recommendations are provided to the Chancellor General and the Executive Committee.

The President General appoints an Inspector General, and may appoint a Deputy Inspector General. Individuals appointed as Inspector General or Deputy Inspector General should have experience in accounting, auditing, financial analysis; law, management analysis, public administration; or investigations, law enforcement.

The Inspector General and Deputy Inspector General serve a term a three (3) year term, subject to annual review by the President General. Inspectors General are not considered General Officers of the Sons of the American Revolution.

## INTELLECTUAL PROPERTY POLICIES

### **Memorandum of Understanding on Protecting the NSSAR's Intellectual Property Rights Setting Forth the Duties and Responsibilities Between Executive Committee, Headquarters, Merchandise Department and Medals & Awards Committee**

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#### *Executive Committee*

While Congress has granted the Board of Trustees the ultimate right to control our intellectual property ("IP") by the NSSAR Bylaws, it is generally the Executive Committee (EXCOM) that actually exercises that control and oversight. The EXCOM then generally amends the SAR Handbook to affect NSSAR's policies, delegates authority to the Executive Director (ED), sets policies for the Merchandise Department (Merchandise) when necessary, and approves requests for medals and award recommendations from the Medals & Awards Committee (M&A). In addition to approving requests submitted from M&A for medals and awards, the EXCOM also will consider who will manufacture the items, who will sell the items and how the revenue from the sale of those items will be allocated.

It is recognized there may be confusion over who will exercise control over some items not specifically mentioned in this MOU. Where a request is submitted that is not clearly described herein, the EXCOM ultimately will decide such questions and refer them to the proper entity for review. Generally, it is contemplated the ED will exercise control over all materials, media formats, papers or anything required for the normal running of a chapter, state society or a national committee. Merchandise will exercise control over all items manufactured, sold or stocked by Merchandise by direction of the ED and the Merchandise Committee. M&A will exercise control over all requests for new medals, awards or items considered to be promotional and that are NSSAR related, that are submitted by a national committee, state society or a chapter.

EXCOM also must keep in mind preserving the integrity of NSSAR's brand so that the images are not placed on inappropriate items or placed on items that appear cheap or not in keeping with NSSAR's mission. EXCOM also should keep in mind the approval of national medals and awards is also a business decision because manufacturing items can be expensive, and maintaining inventory for items that do not sell quickly is expensive. Although the Merchandise Committee is not listed as a party to this MOU, it has a valuable role in helping set policies for the Merchandise Department that insure it remains an efficient profit center for the NSSAR.

#### *Headquarters*

The ED will be responsible for granting or denying permission to national officers, districts, state societies, chapters and national committees for use of NSSAR's name, logos, insignia or other IP. It is assumed that the ED will grant blanket permission through a written communication for the use of NSSAR's name and logo for SAR-related newsletters and websites, while other less-common uses may require specific permission. A request for the use of NSSAR's IP on unusual items or in non-traditional methods should routinely be referred to the ED for review.

Items such as challenge coins, lapel pins and other paraphernalia associated with NSSAR events or programs or with a state society or chapter must be submitted for approval to the ED.



### *Merchandise Department*

The Merchandise Department will be responsible for protecting NSSAR's IP with vendors and insuring all contracts with vendors have provisions that protect our IP rights. The Merchandise Department employees work under the supervision of the ED, who will provide them with direction and set policy, along with the Merchandise Committee. When a new request for a medal or award is presented to the M&A from a state society, a national committee or some other requestor, Merchandise must be consulted if it is contemplated that Merchandise will be involved with the production or sale of the medal in any way. State societies who are granted permission to produce a new medal or award will have full responsibility for producing the item, selling the item and will retain all of the revenue from those sales. Items that Merchandise produces and sells under its authority from the Merchandise Committee and ED do not have to be submitted to M&A for approval, nor does the EXCOM need to review and approve those items. However, the EXCOM and the President General may choose to review and exercise control over the policies of Merchandise at any time.

Merchandise is to be a profit center so it must not bear the expense of manufacturing items and then stocking them in inventory where they sit because of little demand. Inventory ties up money plus it requires us to take up valuable storage space in our buildings. The approval of a medal or award should be a business decision in addition to the other considerations M&A normally considers.

### *Medals & Awards Committee*

As set forth elsewhere in this Handbook, the M&A Committee has responsibility for approving any new medals or awards. This includes those for the national society, as well as those for state societies and chapters. If M&A approves a new request, it will submit that new request to the EXCOM for final approval. M&A must insure that all IP rights of the NSSAR are protected in all medals and awards approved by that committee. In the case of national awards that are to be manufactured under a contract with Merchandise and sold by Merchandise, Merchandise will utilize its vendor contract with the requisite language protecting our IP rights. In the case of a state society or chapter which will manufacture the items itself, a written contract must be used with pre-approved language in that contract that protects the IP rights of the NSSAR. Furthermore, either the ED or the Chancellor General must approve each contract to insure the NSSAR's IP rights are protected. If a national award is approved that will be manufactured by someone other than Merchandise, then a written contract containing the pre-approved language protecting the IP rights of the NSSAR must be used. That contract must be approved by either the ED or Chancellor General.

Whenever M&A considers a request for a new medal, award or item; the requesting entity or person must submit the following information in addition to whatever information M&A already requires; 1) who will pay for the manufacture of the item and if it is Merchandise how much will the item cost to manufacture and what quantity is necessary in the initial order, 2) if Merchandise is to manufacture the item what demand for the item is expected, 3) who is expected to stock and sell the item, and 4) how is the revenue from the sale of the item to be allocated. This information must also be submitted to the EXCOM on any approved requests.