

How to Start your State PICA Chapter

Warning:

Partners In Care Alliance Society (PICA) is the natural response of a growing healthcare and support community to undue negative influence on the consumer market by less ethical end-of-life service providers. Therefore, it is required that each PICA Chapter incorporate under a Constitution which only allows Directors to be voting members, and that each of those commit to follow the current PICA Ethical Code of Funeral and Cemetery Practice. Otherwise, all rights to the name and the goodwill associated with its works to date, are herewith withdrawn. Once incorporation has been completed under these terms and approved by PICA International, all subsequent recruits will be either 'for-profit' or 'not-for-profit' associates.

For almost every association in existence today there was a beginning moment when a group of people banded together for a common purpose, perhaps around a conference table or neighborhood restaurant, and declared, "We need our own association." For the Family funeral homes of Vancouver B.C., Canada, that was September 1979. For the 'end-of-life' caregivers (doctors, nurses, social-workers, clergy, medical administrations, estate planners and volunteers) of Vancouver, that was 1994.

An urgency or common need prompts people to work together to pursue goals and interests. For a group, it might be an industry crisis, a need to certify professionals, a rise in neighborhood crime, a need to recruit volunteers to fight illiteracy, or the desire to split away from a parent organization. As new industries, professions, and causes emerge, so do new associations to represent them.

Associations are founded upon the principles of democracy, volunteerism, and common interest that are the heart of the North American experience. By definition, associations exist for the mutual protection and advancement of their members. Although they come in many shapes and sizes, they are all associations, sharing the twin goals of helping their members and advancing society.

Establishing Your Local PICA Objectives

The first objective in the formation of a State or Provincial PICA Society is to determine the soundness of existing regulations. Please go to our State/Provincial Regulatory survey as the initial step of your Chapter Application.

Building the Local PICA Foundation:

When people band together for a common goal, they realize they can achieve far more collectively than by working alone. The first need is to identify a core group of leaders to serve as the organizing committee. These men and women should be chosen with care because they will probably become the new association's first officers and board members. It is particularly important that you identify recognized leaders, because an effort spearheaded by such key players will gain immediate notice and credibility, and help to ensure an immediate following during this important start-up period.

Whatever the shared and common platform is, the decisions made by the founders during the start-up period will have a profound impact on the success, effectiveness, and longevity of the new organization.

It is also wise, however, to see that the core group represents all factions of the constituency the new organization will serve, not just a few leaders or a well-established clique. You'll need broad support to get the new group off the ground, and you won't get it unless all facets feel they have representation among the decision-makers. The five key constituencies for PICA in your city are:

- 1) Hospice
- 2) Clergy
- 3) Estate planners
- 4) Family funeral homes
- 5) Not-for-profit Cemeteries

In creating the core group, also consider the ability of those chosen to make a commitment of time and funds to the new association. PICA business members make donations back for business referrals and many retired professionals are on fixed income so income subsidies can be a very welcome addition.

Once the organizing committee is set, the real work begins. Various tasks may be delegated to individuals and reported on when the group meets as a whole, much the way committees will report to the full board when the organization is up and running.

The first objective of PICA in any new major city needs to be a review of state/provincial law in comparison to the PICA Code of Ethical Funeral and Cemetery Practice.

The second objective is to identify the location of the best option for securing access to 10 acres of cemetery land for Heritage Gardens to open a local PICA Co-op Cemetery.

The next requirement of PICA is to look at the competition. What other groups are out there serving your constituency? What services are these other groups offering and how satisfied are their members?

Now look at your potential consumers. How many people or companies are potential members of your organization? Do they represent a base large enough to support an association? If not, you may need to consider a structure other than a membership organization to meet your goals.

Are your potential customers not only easily identifiable, but easily reachable? You must be able to contact potential members by email, phone, or advertising to promote your new organization.

A lot of information must be acquired, but it can be obtained fairly easily with a little networking and some minor sleuthing. If possible, send for membership information from every competing organization. The more you know about the others, the better you'll be able to structure your group to fill unmet needs.

Don't skimp on this important homework! In the excitement of building a new association, there is a tendency to want to start business immediately. But time spent studying the market in which you'll operate is crucial to the future success of your organization.

Many experts recommend hiring someone to do a feasibility study at this time, and there's no question that such a study will yield valuable information for your organizing committee. However, feasibility studies take time and are fairly costly (usually several thousand dollars), so many groups do not undertake them. If you opt to skip a feasibility study, it is even more important that you do your own careful documentation of the market and its needs. If time is available, you might even conduct your own informal survey of potential members regarding their needs.

The Organizational Structure

Choosing the Organizational Model:

You have two important decisions to make regarding the kind of organization you will establish:

1) Whether or not you wish to incorporate; 2) What tax-exempt status you will apply for. It would be wise to consult an attorney in these areas, but here are some general guidelines.

Today, most non-profit organizations become legal corporations. In the Association Law Handbook, Attorney Jerald Jacobs states that incorporation "eliminates the personal liability of members, establishes continuity, creates psychological stature and makes available applicable laws and guidelines concerning the formation and administration of the organization." Unincorporated associations, on the other hand, are not subject to any reliable set of rules. In addition, Jacobs says that unincorporated associations "have no separate existence of their own; but they are treated as if they did when it suits the government to do so."

For these reasons, most groups choose incorporation, however, there are expenses associated with incorporating and some other possible disadvantages. For example, the incorporated association must observe organizational requirements set up by state law; and most states require non-profit corporations to keep minutes, hold an annual meeting, etc. It is important to discuss the issue with an attorney, particularly regarding the laws of the state where you would incorporate.

Tax Status

More than likely you will plan for your organization to be non-profit and tax-exempt. Tax-exempt status is determined by the Internal Revenue Service in the USA and the Canada Revenue Agency in Canada, and means that you are generally exempt only from federal income tax. To be considered non-profit under the Tax Code means that your income can exceed expense; however, no "profits" or portion of the organization's net earnings inures to the benefit of any individual.

The appropriate tax agency in your jurisdiction will provide you forms to apply for tax-exempt status. You may know immediately that your activities dictate application for a particular tax status, but the advice of an attorney knowledgeable in non-profit law is still desirable and recommended.

Financial Support

Dues have been set for each membership category:

- 1) \$25 a year are the dues for each not-for-profit member, and
- 2) \$25 a month are the dues for all for-profit members. (or \$250 a year)

The not-for-profit members are actually able to earn considerable funds when they refer their clients to PICA's ethical members. For example when a union, hospice or even a Rotary Club refers a patient or member to the local Heritage Garden Cemetery, the PICA referring member receives \$400, and the PICA Co-op receives \$100 for each plot (note: plots at Heritage Surrey in Western Canada currently retail at \$7,500 Cdn.).

A realistic budget should be carefully constructed, including a contingency fund for shortfalls. You may want the services of a consultant to help you value your services and estimate volume of sales as well as to identify the probable costs for administration, publications, conferences, and other expenses.

Typically, dues have been used to subsidize services and pay for operating expenses. But most groups find there's a ceiling on what members will pay, and that ceiling doesn't usually allow for all desired activity. Thus, you'll hear almost all non-profit boards and staff today talking about the importance of non-dues income.

Program of Activities

The above financial considerations lead naturally to further consideration of the services your association will offer.

Presentations on 'How to be an Executor' for Church, and Club members are an excellent source of income. These initial meetings are planned as income-producing events (usually including the seminar for members and a legislative briefing for facility staff). They provide an opportunity for your chapter of the Association to explain its new organization and attract associate members.

While planning your program of benefits, remember that you're really no different than a company offering new products to consumers. You need to consider all the facets that would go into a marketing operation: the product, the price, the promotion, and the distribution.

Is the product (which may be a service or a tangible product) going to be easy to supply, i.e. is your source large and reliable? Can you fix a price that your market will be willing to pay which still allows you to break even or make a profit? How will you promote the product—through advertising, direct mail, exhibitions? Finally, how will the product be distributed? These questions should be applied to every product and service you plan to offer. Most funeral arrangements are made by women between the ages of 55 and 70, who watch an inordinate amount of 70's TV reruns, which are usually pretty cheap to advertise on!

Remember that most non-profit organizations provide two different kinds of products or services. The first are products and services that directly benefit those members who purchase them, such as publications, insurance programs, or equipment.

The second are activities the organization engages in that benefit the industry or profession as a whole, such as working for better government regulation, or more government funding, favorable tax rulings, reductions in regulation, greater public awareness, and increased quality assurance. These intangible benefits are often the reason the organization was formed in the first place, and to some extent will be subsidized by dues and profits from other direct services.

Management

The Partners in Care Alliance Society manages multiple non-profit organizations who share resources resulting in a cost effective form of management. PICA provide a

headquarters location (physical office space) and professional staff for the association. The advantages are many. Your new chapter has the use of fully equipped offices without having to lease or purchase equipment. The organization is assured of a professional staff that is well-trained in the management of non-profit organizations, but does not have to be involved in the administrative detail that goes with hiring employees (benefits program, payroll taxes, insurance, etc.). The organization will have continuity in location and staffing and need not worry about turnover and time-consuming executive searches. The organization shares overhead costs with other organizations, which reduces administrative expenses at a critical period. The organization has access to expertise in areas like meeting planning, database management, marketing, membership recruitment, and or publications management on a part-time basis, which is often not available to freestanding organizations.

Draft Bylaws

PICA's Constitution and its Code of Conduct are available for download to all associate members, which to guide the organization and provide authorization for its existence.

Final Details

The final details involved in an organizational set up include things like applying for a federal I.D. number, obtaining mailing permits, establishing bank accounts and more. Most of these can wait to be handled by your new chief executive once he/she is chosen.

There is one more administrative task you should handle as an organizing committee, and that is obtaining Directors and Officers (D&O) liability insurance. In today's litigious society, no sensible person should sit on a Board that doesn't provide such coverage, and indeed you may have trouble attracting qualified and desirable board members without it.

Directors assume legal responsibilities when they agree to serve on a Board, and almost every kind of association activity can be the basis of a claim of injury by a company or individual. This is particularly true for trade associations where violations of antitrust laws could be alleged.

Even when claims prove groundless, the cost of defense can be enormous. D&O insurance protects the directors, and in some cases the staff, by paying for claims and the defense against them.

Costs for D&O insurance have come down in recent years, and many different policies are now available. However, policies vary greatly in their coverage and their exceptions, so it is important that you examine many different policies and compare coverage carefully. Again, the advice of a consultant or an experienced insurance broker would be desirable.

Conclusion

Most people find the birth of a new local chapter of our organization to be extremely rewarding, due to the fact that as the organization prospers in future years, your core committee will have the satisfaction of knowing that much of that success is due to the careful planning and decision making of the organization's founders.

Be among the PICA Directors of an organization that best serves the consumer and the end-of-life market ethically and sustainably, with its very existence of

Advancing a Higher Standard of Care!

Please see below to complete and submit your application

PICA STATE CHAPTER: Application Form:

Partners In Care Alliance _____

Please print state name

Founding Directors:

Name	Address	Occupation	Phone	Email
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

We Founding Directors have all read the ETHICAL CODE OF FUNERAL AND CEMETERY PRACTICE, AND WILL ONLY WORK WITH AND ALLOW ASSOCIATE MEMBERS TO JOIN, IF THEY AGREE IN WRITING TO FULLY SUBSCRIBE TO THE CODE. We have read and accepted to be governed by the head-office Constitution, and have completed the State Regulatory Survey. All of the required submissions are agreed to and accepted by:

Name	Address			
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

Please write us at PartnersInCareAlliance.org or call 1-888-683-4533 if you need any help with incorporation.