# ONYX NATIONAL COUNCIL POLICY STATEMENT

## Chapter Formation

Prepared by
ONYX National Council

Version *2.0*

Date *4/20/2023*

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# Change Log

| # | Description | Date | Updated By |
|---|---|---|---|
| 1 | Initial Draft | 12/2022 | Pap – OMA<br>Tiger – OGL |
| 2 | Initial Chair Review | 1/2023 | Dominion – OMA |
| 3 | ONC Final Review, Comments and Approval | 4/20/2023 | Pap – OMA |
| 4 | Final Version Published, v2.0 | 4/20/2023 | Pap – OMA |
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# Chapter Formation

## 1.1 OVERVIEW

There is a specific process and set of requirements that must be followed whenever individuals express interest in forming a new ONYX chapter.  The chapter formation process is intended to be a rigorous endeavor to best ensure both the short- and long-term success of a new chapter.

Adherence to these processes and requirements are critical to ensuring new chapters represent the Vision, Mission, Values and Beliefs of ONYX properly.

## 1.2 PHASES

There are five distinct phases in the chapter formation process, each with its own estimated timeline, processes and outcomes.  The chart below summarizes each phase.

| PHASE 1 INCUBATION | PHASE 2 FORMATION REQUEST | PHASE 3 FORMATION | PHASE 4 RATIFICATION | PHASE 5 OPERATIONS |
|---|---|---|---|---|
| **ESTABLISH PREPAREDNESS**<br>• Identify & Build Interest<br>• Identify Potential Territory<br>• Identify Potential Members<br>• Identify External Relationships<br>• Obtain Member Commitments | **DOCUMENT PREPAREDNESS**<br>• Develop / Submit CIF Proposal<br>• ONC Board Reviews Proposal<br>• Proposal Shared w Chapters<br>• Chapters Review / Vote<br>• ONC Final Review / Vote | **DEMONSTRATE VIABILITY**<br>• Identify Board<br>• Finalize Territory<br>• Draft and Finalize By-Laws<br>• Adopt Code of Conduct<br>• Establish Bank Account | **OBTAIN APPROVAL**<br>• ONC Board Reviews Proposal<br>• Proposal Shared w Chapters<br>• Chapters Review / Vote<br>• ONC Final Review / Vote | **CHAPTER OPERATIONS**<br>• Planning & Operations<br>• Board / Business Meetings<br>• Policy & Procedure Mgmt.<br>• Scheduled Events<br>• Pledge Recruitment<br>• Community Building |
| Throughout incubation the interested parties must also demonstrate a thorough knowledge of the ONYX Vision, Mission, Values and Beliefs. | Approval / Rejection may require specific actions by the interested parties as outlined by the ONC. | Demonstrate the ability to operate as a chapter. | Approval / Rejection may require specific actions by the interested parties as outlined by the ONC. | On-going operations as chapter of ONYX Inc. |
| **Outcomes**<br>• Preparedness Established<br>• Ready To Develop CIF Proposal | **Outcomes**<br>• CIF Approval<br>• Preliminary Name Approval<br>• Preliminary Territory Approval<br>• Sponsoring Chapter Assigned<br>• Mentor Assigned | **Outcomes**<br>• Establish CIF Operations<br>• Develop Ratification Proposal<br>• Submit Ratification Proposal | **Outcomes**<br>• Chapter Approval / Rejection<br>• Formal Announcement Made<br>• Colors Purchased by ONC<br>• Chapter Selects Counselor<br>• New Counselor Added to ONC | **Outcomes**<br>• Normalize Operations<br>• Refine Processes / Procedures<br>• Implement Best Practices<br>• Infrastructure Setup<br>• Strengthen Foundation |
| **Duration: 3 – 6 Months** | **Duration: 2 Months** | **Duration: 12 Months** | **Duration: 2 Months** | **Duration: 12 – 24 Months** |

## 1.2.1 Incubation

During the Incubation Phase, individuals come together to explore the potential interest and viability of chapter creation in a new territory.  During incubation it is common for individuals to establish an initial relationship with an existing chapter in close proximity to the territory under consideration.

By the end of the Incubation Phase individuals should be capable of providing the requisite information necessary to submit the Chapter-In-Formation (CIF) proposal to the ONYX National Council (ONC) to obtain permission to formally continue the process.

**Anticipated Timeline**

This phase may be relatively short or extend significantly depending on the results of the incubation.  A more complete and well planned Incubation Phase will help ensure a strong CIF Proposal and may shorten the duration of the Formation Phase.  This phase typically runs for 3 – 6 months.

**Key Incubation Tasks**

1. Identify the targeted "territory" for potential chapter in formation.  This may include specific state(s) and cities within that state if the entire state is not covered.  As a territory may span multiple states and cities, it is often beneficial to begin outlining the prior area(s) of focus and expansion plan for the first several years.

2. Identify and build strong community participation with individuals interested in becoming members of a potential chapter in formation.

3. Identify specific new members and obtain their commitment to participate in the process to establish a new chapter. This may include existing ONYX members as well as new recruits not yet members of ONYX.

   a. The CIF must have a minimum of seven (7) committed individuals who are qualified to eventually serve as Full Brothers. Ideally four (4) of those committed individuals will already be Full Brothers in good standing of ONYX through another chapter prior to ratification;

   b. If the CIF does not have four (4) or more active ONYX members, the remaining individuals must qualify and pledge achieving Full Brother status of the sponsoring chapter prior to the Ratification Phase;

4. Identify a potential home bar or gathering location, business meeting location, LGBTQ+ community relationships, and other relevant information.

## 1.2.2 Formation Request

The Formation Request Phase is characterized by the development of the CIF proposal, which is submitted by the interested parties to the ONC to obtain approval to begin Formation Phase process.

### Anticipated Timeline

This phase typically starts in parallel (near the end) of the Incubation Phase, as it is largely a documentation and proposal development phase. The Formation Request Phase is characterized by three (3) primary steps:

1. Completion of the CIF Proposal Request by the interested parties.

2. Final review and approval / rejection of the CIF Proposal by ONC.

From the date the CIF Proposal is submitted and accepted by the ONC, this phase is anticipated to take two (2) months for completion.

### CIF Proposal – Required Content

The CIF proposal should contain the following information:

1. Cover letter signed by all Potential Members.

2. Proposed chapter name.

3. Proposed region / territory description. This may include specific state(s) and cities within that state if the entire state is not to be covered. As a region / territory may span multiple states and cities, it is beneficial to outline the current focus and future expansion plan.

4. Ideally the proposed region / territory should be characterized by a people of color population of at least 20%. The proposal must include detailed information regarding how the population supports the ability of a potential chapter to continue to grow and thrive. Requests for exceptions to the 20% minimum must also contain a detailed membership growth plan.

5. Potential Member List to ensure compliance with the numbers and experience requirements listed above. Brief bios for the potential members should be provided outlining their experience with ONYX and the broader LGBTQ+, Leather, BDSM and Kink communities.

6. Proposed Board, to include the President, Vice-President, Treasurer, Secretary, and Road Captain.

7. Proposed Home Bar or dedicated meeting space selection / documented agreement with proposed Home Bar or meeting space management.

8. Meeting and event history. This includes a schedule for monthly board and business meetings as well as a plan for future events.

9. Financial status. Each CIF will be responsible for handling its own finances demonstrated by the documentation of sound accounting practices and financial management.

10. Relationship with other LGBTQ+ charities/organizations and how they will be or have been supported.  Focus is generally on Men of Color, the LGBTQ+ community and other areas of importance to the community that is the foundation of ONYX.
11. Identification of social media tools and processes used to promote interest in a potential chapter.  Note that because there is not yet CIF approval, the group may not identify themselves as a chapter of ONYX in any manner.
12. Explanation of any partnerships and/or corporate support.  This includes any relationship with adult / fetish based companies.
13. Any other information that may impact the decision-making process.

### CIF Proposal Approval Process

1. ONC Board performs an initial CIF Proposal review to ensure its completeness.
2. CIF Proposal distributed by the ONC to the Board of each ONYX chapter.
3. Each ONYX chapter will review the proposal and hold a vote within 30 calendar days of receipt of the proposal (based on the email received date).
4. Each chapter will provide their Yea / Nay / Abstention decision to their councilor and the ONC Secretary.  Votes of Nay or Abstention require an explanation.
5. ONC Chair calls for a vote of the Council.  Each councilor will bring forward and vote consistent with the vote held in their chapter.  Chapters are reminded that approval of the CIF is only a preliminary step.  Chapters will have a final approval / rejection vote as part of the ratification phase.
6. CIF proposals must be approved by a simple majority vote of the ONC.

### ONC Post-Approval Actions

1. Select an existing ONYX chapter to assist the CIF throughout the process.  The ONC will appoint the sponsoring ONYX chapter by majority vote.  Typically this is the chapter responsible for and/or closest to the future territory of the CIF and likely where some of the new members already reside.  The sponsoring chapter must be in good standing with the ONC with no known significant issues.

   Those individuals that are part of the CIF are required to participate in the business and activities of the sponsoring chapter (at a minimum as "guests") to ensure they better learn about ONYX and chapter operations.
2. Select a mentor to assist the CIF throughout the process.  The ONC will appoint the mentor by majority vote.  Appointment may be from within the ONC membership or a Full Brother in good standing from any chapter.
3. Preliminary approval of the proposed name for the new chapter.  This serves as approval to use the name in social media, followed by the phrase "(Chapter-In-Formation)".

## 1.2.3 Formation

During the Formation Phase, individuals begin formally functioning "as an organization" to demonstrate their future ability to run and operate as an ONYX chapter properly.  Near the end of the Formation Phase the CIF will complete and submit their Ratification Proposal to the ONC requesting formal recognition as an ONYX chapter.

### Anticipated Timeline

This phase typically runs for 12 months.  A well run, active CIF will help ensure the duration is kept to 12 months.  However, this phase may be extended, if needed.  In some rare cases, accomplishments during the Incubation Phase (particularly if this phase is longer than expected) may reduce the duration of the Formation Phase to 8 – 12 months.

### Ratification Proposal – Required Content

The information contained in the CIF proposal should be included in the Ratification proposal and updated as needed.

Information that should be detailed in the Ratification proposal includes:

1. Updated Cover letter signed by all Potential Members.
2. Updates (as needed) to information contained in the CIF proposal.  Note:  This information should be incorporated directly into the Ratification proposal and not submitted as a separate "updated" CIF proposal.
3. It is important that Ratification proposal contain the necessary details from the Formation Phase that demonstrate how the CIF has been functioning, accomplishments, participation levels, etc.

   This may include any records, logs, pictures and history of all those things done leading up to chapter formation (meeting dates, event dates, participation levels, meeting / event purpose, etc.).

   Examples of meetings / events include but are not limited to:  board meetings, business meetings, bar nights, education, demonstrations, community service, charitable endeavors, meet and greets, information sessions, membership drives, etc.
4. Proposed Board, to include the President, Vice-President, Treasurer, Secretary, and Road Captain.
5. Final approved copy of the CIF by-laws.  All members should be well versed in the chapter by-laws.  A copy of an existing set of by-laws shall be provided by the ONC.
6. Final approved copy of the CIF ONYX Code of Conduct.  All members should be well versed in the Code of Conduct.  A copy of an existing ONYX Code of Conduct may be provided by the ONC.
7. Explanation of the "pledge process" that the CIF is using to evaluate and on-board new members.  A copy of an existing pledge process manual may be provided by the ONC.
8. Detail around relationships built between the CIF and the general community (bars, charities, adult / fetish organizations, businesses, LGBTQ+ organizations, etc.).
9. Official documents showing the creation of the business / legal entity, typically either a Corporation or LLC with required Articles of Incorporation.
10. Documentation showing the creation of a business Bank Account.  This can be done earlier as well, and may necessitate using a personal / non-business account.  An EIN should not be requested until later in the process and only with approval from the ONC.
11. Throughout the Formation Phase the CIF is responsible for handling its own finances.  At the time of ratification the CIF must demonstrate a minimum balance of $1,000.00 in its treasury.
12. Details regarding the CIF social media presence (Facebook, Twitter, Instagram, TikTok, and Website) as needed.  Typically, during the Formation Phase the CIF will utilize Facebook, Twitter and Instagram.

## 1.2.4 Ratification

The Ratification Phase is characterized by the development of the "Ratification" proposal, which is submitted to the ONC to obtain formal recognition as an ONYX chapter.

**Anticipated Timeline**

This phase typically starts in parallel (near the end) of the Formation Phase, as it is largely a documentation, proposal development phase, and final approval phase.  The Ratification Phase is characterized by three (3) primary tasks:

1. Completion of the Ratification Proposal Request by the interested parties.
2. Review and approval / rejection of the Ratification Proposal by Chapters.
3. Final review and approval / rejection of the Ratification Proposal by ONC.

From the date the Ratification Proposal is submitted and accepted by the ONC, this phase is anticipated to take two (2) months for completion.

**Ratification Proposal Approval Process**

1. ONC Board performs an initial Ratification Proposal review to ensure its completeness.
2. Ratification Proposal distributed by the ONC to the Board of each ONYX chapter.
3. Each ONYX chapter will review the proposal and hold a vote within 30 calendar days of receipt of the proposal (based on the email received date).
4. Each chapter will provide their Yea / Nay / Abstention decision to their councilor and the ONC Secretary.  Votes of Nay or Abstention require an explanation.
5. ONC Chair calls for a vote by its Councilors.  Each councilor will bring forward and vote consistent with the vote held in their chapter.
6. Ratification proposals must be approved by a two-thirds (2/3) majority vote of the ONC.

**ONC Post Approval Actions**

1. Approval to operate as an ONYX chapter, consistent with the terms approved as part of the ratification proposal.  If there are any changes to the terms stated in the ratification proposal those will be included in the approval notification from the ONC.
2. The announcement of the new chapter to the ONYX organization will be completed by the ONC Chair or their designee.
3. One-time purchase of the "colors" for the new chapter by the ONC.  Additional purchases must be done using an ONC-approved vendor.  In addition, all branding must be consistent with ONYX standards and requirements (this includes sizes, fonts, colors, graphics, etc.).
4. Once the new chapter has selected a councilor, that individual will be added to the ONC with all appropriate distribution lists and communication channels updated.  Selection of the councilor by the chapter is required to occur within the first thirty (30) calendar days of chapter ratification.
5. New chapters will be ceremonially recognized at the next available national event, such as Blackout, Mid-Atlantic Leather (MAL) Weekend or International Mr. Leather (IML) Weekend.
6. The ONC will assist the new chapter in coordinating across all other chapters to help determine where infrastructure resources can be shared until the new chapter is full self-sufficient.

## 1.2.5 Operations

Upon ratification, the sponsoring chapter and mentor for the new chapter will continue to monitor and assist the new chapter operationally to help ensure success.  However, operations and decision-making will be solely the responsibility of the new chapter.

Adherence to the ONYX Vision, Mission, Values and Beliefs, as defined in the ONC By-Laws, is required of every chapter.  The new chapter will conduct business and operate in a manner consistent with all ONYX chapters.  Normal chapter operations is characterized by such activities as:

1. Internal Revenue Service (IRS) documentation showing the creation of an EIN using the approved chapter name.  Once obtained, the chapter bank account should also be updated to reflect a business account using the IRS assigned EIN and chapter name.
2. Board Meetings (monthly).
3. Business Meetings (monthly).
4. Policy and Procedure documentation.
5. Chapter communication channels (email, text, distribution lists, etc.).
6. Event planning and implementation.
   a. Bar nights.
   b. Education (Leather, Kink, BDSM, Health, etc.).
   c. Social.
   d. Community service.

7. Calendar management.
8. Pledge recruitment and associated processes.
9. Social media management.
10. Build relationships across the ONYX network.
11. Community relationship building.
12. Financial management (MS-Excel and other tools).
13. Participation in the ONC.
14. Participation in ONYX national activities as required.

There are many infrastructure items that need to be setup and/or purchased by a chapter. However, it is recommended that new chapters proceed cautiously in this area based on need and a value-added assessment.  In some cases, a new chapter may share resources with an existing chapter to reduce the initial setup, implementation and cost burdens.

Typical infrastructure tasks include:

1. Internet hosting, domain setup and website presence.
2. Document management and storage (typically google drive).
3. G-Suite (gmail, google docs, sheets, etc.).
4. Virtual meeting (Zoom).
5. Maintenance of membership rolls.
6. Communication (email, distribution lists, etc.).
7. Invoicing processes.
8. Payment applications:  CashApp, Venmo and PayPal.
9. Insurance (General Liability Insurance; Director & Officer Insurance).
10. 501(c)(3).  This is typically not setup until the second or third operational year.  The ONC will provide support for establishing a tax exempt and nonprofit status.

New chapters need to also ensure compliance with industry best practices and ONYX specific requirements to daily operations involving:

1. Audit and record keeping.
2. Financial management.
3. Generally Accepted Accounting Principles (GAAP).
4. Branding.
5. Copyright / Trademark / Patents.
6. Intellectual Property.
7. Contract Management.
8. Purchasing.
9. Privacy.