

## **Next Steps for the VRA Foundation**

This is an exciting time for VRA! As you know, our organization is creating the VRA Foundation. As VRA President Macie Hall announced recently, the Foundation is now incorporated in the state of Delaware. And in August, documents were filed with the Internal Revenue Service to apply for 501 (c) 3 tax status. It is our understanding that the IRS may take three to six months to rule on the application.

In the coming weeks, the VRA Foundation Task Force, consisting of Loy Zimmerman (chair), Kathie Albrecht, Margo Ballantyne, Macie Hall, Allan Kohl, Elisa Lanzi, and Ann Thomas, will post information about the Foundation on VRA-L and in *Images*. At the San Diego conference, the Foundation will be featured in an informational session open to all conference attendees. VRA members will have an opportunity to ask questions, suggest ideas and projects for the Foundation, and learn more about its structure and relationship to VRA. But first, here are some basics about this new entity, the VRA Foundation.

### **Why a VRA Foundation?**

VRA was incorporated in 1982 as a 501 (c) 6 organization, a trade association. Although a trade association is non-profit, it is an organization established solely to provide direct services to its members. VRA is a fine example of a well-functioning and significant (c) 6 organization. But as it has grown, VRA's importance has come to extend beyond its member services.

Today VRA plays a significant role in serving the public and contributing research to the broader field of library and information science and educational technology. Through such initiatives as its involvement in the Copyright Townhall Meetings, the VRA Core and Cataloging Cultural Objects projects, and the Summer Educational Institute, VRA is now a leader in developing public awareness on copyright and intellectual property rights, protocols for the dissemination of digital materials, standards of cataloging, and the importance of providing a broad public access to cultural information in the digital age.

VRA's educational and research components are now important assets and major resources for the general public and the field of information management, and from an organizational standpoint, a separate (c)-3 VRA Foundation can most efficiently oversee these significant and influential educational and research efforts.

### **What are the advantages to creating the VRA Foundation?**

Because of IRS tax status limitations, the VRA, as a (c) 6 trade association, has not been able to pursue major grants to engage in research or other educational endeavors. And, gifts from individuals or organizations to VRA are not tax deductible. As a result, many trade organizations and universities and museums, too create related (c) 3 foundations to oversee and develop grants, administer educational activities, and support community outreach projects. The American Nurses Association has a (c) 3 foundation that oversees the association's outreach and educational efforts; the American Association of University Women developed the AAUW Educational Foundation in support of research activities to name just a few. In fact, members of VRA who work for major universities or museums may be familiar with their own institutions' associated (c) 3 foundations (for example, the Chicago State University Foundation).

**What is the purpose of the new VRA Foundation?**

The purpose of the VRA Foundation is to develop and expand educational and research opportunities in the public interest; establish standards for emerging electronic media; manage grants and develop programs to improve the visual resources field; conduct and/or sponsor research in the information sciences and educational technology; publish informative articles, guidelines, and on-line resources; and complement the work of VRA by providing educational, literary, and scientific outreach to the larger community and general public. Through the VRA Foundation, then, VRA will be able to further its significant and growing educational and research efforts.

**Will this change the VRA as I know it?**

There will be no change in the way VRA functions as a member organization. The Foundation will work in tandem with VRA on opportunities for funding educational programs, and those significant projects VRA members may choose to work on. It is exciting for our members to realize that VRA has grown enough as an organization to join other membership organizations in expanding our footprint to include a foundation.

**Will I have to become a member of two organizations?**

No, you will not need to become a member of two organizations because the VRA Foundation is not a membership organization. And, although it is true that many of the activities of the Foundation will emanate from VRA, the Foundation will also provide an excellent home for collaborative initiatives with other organizations and individuals.

**How is the Foundation governed?**

In order to file the incorporation documents and the application to the IRS, a set of bylaws and a provisional board of directors was required and submitted for the record. We worked closely with legal counsel on these issues of governance in order to comply with the (c) 3 regulations. The VRA Board and the Foundation Task Force agreed that the provisional directors would be the current task force members. Once the IRS makes a ruling on the application, the bylaws will be published and a new set of seven Foundation directors will be put in place. The VRA Board will appoint four directors and three will be selected by the provisional Foundation Board. We will have more information on the Foundation's structure after the IRS has completed its examination and ruling.