National Coalition of 100 Black Women, Inc.

Financial Management Guide

for

National Coalition of 100 Black Women Chapters

Virginia W. Harris
National President

ADOPTED BY NATIONAL BOARD OF DIRECTORS
June 3, 2020
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Financial Management Guide For NCBW Chapters

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National Board Of Directors

ELECTED OFFICERS

Virginia W. Harris
President
Seretha S. Tinsley
First Vice President
Beverly P. Johnson
Second Vice President
Elizabeth A. Jones
Third Vice President
Quanda L. Baker
Secretary
Tiffany Hemmings-Prather
Financial Secretary
Mary L. Harden
Treasurer

APPOINTED OFFICER

Dr. Sandra S. Mack
Parliamentarian

DIRECTORS

Jewell Jackson McCabe
First National President
Michele McNeill-Emery
Immediate Past President
Belinthia Berry
Mary Boulware
Nyisha Chapman
Cheryl C. Cole
Chair, Nominating Committee
Latifah K. Fields
Evelyn Frazier
Sheila Johnson-Heacock
Cynthia Oda
Maxine V. Hickman
Katrina Kerr
Cheryl Perry League
Dr. Gretchen Lofland
Minnie Jenkins-Miller
Dr. Brenda Johnson-Moore
Rhonda Rogers
Wilma Holmes Tootle
Ayris T. Scales
Marian Y. Woods

NATIONAL FINANCE COMMITTEE

Beverly P. Johnson
National Second Vice-President, Finance and Fund Development
Chattanooga Chapter
Regina Page, Chair
MECCA Chapter, Atlanta
Mary L. Harden, Co-Chair
Indianapolis Chapter
Angie Best, Member
Northern Virginia Chapter
Evelyn Frazier, Member
Sacramento Chapter
Tiffany Hemmings-Prather, Member
Queen City Chapter (Charlotte)
Sherry King, Member
Stone Mountain/Lithonia Chapter
Cynthia Williams, Member
Metropolitan Atlanta Chapter
Alfreda Stukes
National Executive Administrator
Mission
The mission of the National Coalition of 100 Black Women, Inc. is to advocate on behalf of Black women and girls to promote leadership development and gender equity in the areas of health, education and economic empowerment.

Vision
NCBW’s vision is to see Black women and girls live in a world where socio-economic inequity does not exist.

Core Values
We believe in...
- Gender Equity
- Inclusion
- Respect
- Racial and Social Justice
- Integrity and Accountability
- Economic Empowerment
- Collaboration

Goals
- Provide an effective network among Black women.
- Establish strategic, mutually beneficial partnerships between the National Coalition of 100 Black Women, Inc. and the corporate and public sectors.
- Enable Black women to be a visible force in the socio-economic arena.
- Meet the career needs of these women and facilitate their access to mainstream America.
- Use the tools of role modeling and mentoring to provide meaningful guidance to young women.
- Recognize the historic and current achievements of Black women.
Financial Management
Procedures
INTRODUCTION

FINANCIAL MANAGEMENT GUIDE CODE OF CONDUCT
The National Coalition of 100 Black Women, Inc. (NCBW) is committed to safeguarding the integrity and reputation of the organization, including but not limited to its image among its members, chapters, partners, sponsors and supporters. NCBW’s Financial Management Guide is intended to protect the organization’s mission, core values, reputation, and overall brand. Its fundamental purpose is to provide a shared definition of what constitutes acceptable fiduciary practices for all members of NCBW and especially for those individuals who have been entrusted the proper financial management of funds that have been invested in the National Office and chapters by our public and private partners and our members.

The National Coalition of 100 Black Women, Incorporated is a Section 501(c) (3) organization exempt from Federal taxes under Section 501(a) of the Internal Revenue Code. All chapters of the National Coalition of 100 Black Women, Inc. must apply for their own 501 (c) (3) designation. The federal tax exemption does not automatically extend to local and state tax authorities. Each jurisdiction enacts its own tax laws. Chapters must check with local and state tax authorities to determine whether it must file for tax exemption from federal unemployment taxes, state unemployment taxes, and sales and use taxes.

Financial Management Guide
Developing and adopting a written financial policy is a valuable practice for any nonprofit organization, no matter how small or large. Financial policies clarify the roles, authority, and responsibilities for essential financial management activities and decisions. In the absence of an adopted policy, staff and board members are likely to operate under a set of assumptions that may or may not be accurate or productive.

The purpose of the Financial Management Guide is to document and implement policies and procedures to minimize the risk of misappropriation of funds and to ensure accuracy of financial reporting. To accomplish this, every financial policy should address three areas:
1. Assignment of authority for necessary and regular financial actions and decision which may include delegation of some authority to officers and staff;
2. Clear authority to spend funds, including approval, check signing, and payroll;
3. Clear responsibility for maintaining accurate financial records.

The Financial Management Guide is intended to assist chapters in fulfilling their respective roles and responsibilities in the following areas:
• Ensure the financial transactions are recorded in the accounting system in a timely manner, and in the appropriate line item, and the accounting period to which it relates;
• Maintain up to date files, and original supporting documentation with receipts, for all cash disbursements in accordance with accounting procedures;
• Provide accurate representation and source documentation related to all fiscal transactions in a timely manner.

GENERAL INFORMATION

Legal Status
The National Coalition of 100 Black Women, Incorporated is a Section 501(c) (3) organization exempt from federal taxes under Section 501(a) of the Internal Revenue Code.

All chapters of the National Coalition of 100 Black Women, Inc. must apply for their own 501(c) (3). The federal tax exemption does not automatically extend to local and state tax authorities. Each jurisdiction enacts its own tax laws. Chapter must check with local and state tax authorities to determine whether it must file for tax exemption from federal unemployment taxes, state unemployment taxes, and sales and use taxes.

Chapter Address
Chapter shall establish an official mailing address. This address shall be used when establishing accounts with financial institutions, vendors for goods and services and for other business of the chapter. This address should remain in effect until officially changed by a majority vote of the chapter’s board of directors. The official mailing address shall never be a personal address of an officer, board member, chapter member or employee.

Fiscal Year
The fiscal year of National Coalition of 100 Black Women, Inc. is October 1 through September 30. Chapter’s fiscal year shall be the same.

Authorizations
Chapter’s board of directors authorizes, by resolution, officers who have signature authority to conduct the business of the chapter.
• A minimum of three (3) chapter officers shall be designated as authorized signers to conduct the business of the chapter, one (1) of which shall be the treasurer.
• At least two (2) authorized signers are required on all checks.
• The banking and signature authority shall be approved by the chapter’s board of directors and the action shall be recorded in the minutes of the meeting where the action occurred.
• Authorized signatories shall pass a background check and be bonded.
• Contractual commitment for bank loans, corporate credit cards, or for real estate leases or purchases shall be approved by the chapter’s board of directors.
• All contracts must be signed by the chapter president.
Bank Accounts

- Bank will require a copy of the resolution or minutes designating the officers as authorized signers on bank account(s) (Appendix A), and a copy of the chapter’s 501 (c)(3) Internal Revenue tax exempt letter.
- Each authorized signer will be required to provide the banking institution a copy of her identification.
- Any changes in banking authority require chapter board of directors’ approval. Changes must occur by resolution, accompanied by minutes that denote changes. Within ten (10) business days of the board’s resolution changing authorized signers, the bank shall be notified and signature cards reflecting change(s) updated.

Bonding

It is recommended that at a minimum the following are bonded: President, Second Vice President of Finance and Fund Development, Treasurer and Financial Secretary as well as the Executive Director and/or Office Manager if chapter has staff. Bonding helps to protect against theft and reduce the risk of loss.

Vendors

- Vendor credit accounts should be limited to prudent and necessary levels.
- A minimum of three (3) competitive bids shall be obtained for goods or services if cost exceeds $1,000. The chapter president is allowed to approve the purchase of goods and services up to $500. Goods and services exceeding the $500 authority limit require chapter board of directors’ approval, competitive bids, notwithstanding. Vendor selection shall be based on cost, vendor performance, and other elements of the contract.
- Vendor performance should be monitored and assessed annually to determine feasibility of contract renewal, when appropriate.
- Personal Services Contracts or similar contractual agreements should be executed when procuring certain services such as speakers, musicians, technical support from audio-visual/computer technicians, etc. Changes in contractual terms are executed in writing and become an addendum to the original contract.

Depreciation

Property, furniture, fixtures and equipment purchased over $500 are recorded at cost and must be capitalized. The Nonprofit Accounting Academy suggests the following table as a guide to determine the depreciation of property and equipment:

<table>
<thead>
<tr>
<th>Asset Category</th>
<th>Estimated Useful Life</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land</td>
<td>-</td>
</tr>
<tr>
<td>Land improvements</td>
<td>15 years</td>
</tr>
<tr>
<td>Buildings/building improvements</td>
<td>25-45 years</td>
</tr>
<tr>
<td>Furniture/equipment</td>
<td>5-7 years</td>
</tr>
<tr>
<td>Computer equipment</td>
<td>3 years</td>
</tr>
<tr>
<td>Construction in progress (CIP)</td>
<td>-</td>
</tr>
</tbody>
</table>
Land is assumed to last forever and therefore is not depreciated. In the furniture and equipment category, vehicles are normally depreciated over five years as well as equipment, such as a copy machine. Furnishings such as a conference table are depreciated over seven years.

Straight line depreciation is the preferred manner by which you divide the cost of the asset by the years of useful life to find the amount of depreciation for each year.
- Leasehold improvements are depreciated over the lesser of the useful life of the improvements or the lease term.
- Fully depreciated property, furniture, fixtures and equipment that are still in service should be maintained in accounting records to enhance internal controls.

If an item is donated to the organization, the entry is recorded as a debit to the appropriate asset category at fair market value (FMV) and credit to non-operating gain or contribution revenue on the Statement of Activities.

**Property Disposition**
A proper fixed asset disposal is important from the perspective of maintaining a clean balance sheet, so that the recorded balances of fixed assets and accumulated depreciation properly reflect the assets actually owned by the organization. The procedure is to recognize the depreciation per year based on the straight line method. If the item is donated, the entry is recorded as a debit to accumulated depreciation and credit to the asset. If the item is sold for more than the value, cash and accumulated depreciation are debited and gain on asset disposal and asset are credited. If the item is sold for less than the value, the same applies with the exception the gain on asset disposal is a loss and debited.

**FISCAL POLICIES AND PROCEDURES**

**Bank Statements**
Electronic bank statements should be located on a secure drive and shared with appropriate financial personnel to use in the reconciliation process.

**Chapter Officers with Fiduciary Responsibilities**
The following guidelines are intended to assist financial officers in fulfilling their role:
- Ensure all expenses are properly authorized and approved.
- Ensure adequate funds are available to cover all identified expenses.
- Ensure compliance with the Code of Ethics and the Conflict of Interest Policies.
- Ensure all financial transactions are recorded and approved in the appropriate accounting system.
- Maintain receipts and supporting documentation for all financial transactions in accordance with generally accepted accounting practices.
- Ensure all files are accurately updated and recorded accordingly.
- Ensure all financial documents are approved and recorded in the appropriate accounting classification.
- Ensure all financial documents are transferred to newly elected financial officers in a timely manner, i.e., within thirty (30) days of assuming office.
Treasurer
It is imperative that the treasurer is accountable, accurate, and knowledgeable of standard accounting procedures. The duties, responsibilities and qualification should be stated in the chapter’s governing policies
Duties
- Keep the official financial records of the chapter.
- Meet regularly with the Financial Secretary to ensure that records of the two are in alignment.
- Report the record of monies disbursed, the name of recipient, and the reason for the expenditure. All checks written must be documented with a voucher.
- Reconcile book balances with monthly bank statements.
- Provide a complete financial report to the board of directors monthly.
- Present a year-end statement of financial operations.
- Disseminate chapter financial reports to appropriate individuals. These reports may be sent electronically but must be provided via a secure file sharing solution, such as a Dropbox.
- Serve as member of the chapter Finance Committee.
- Schedule a transition meeting to transfer appropriate financial documents to the newly elected treasurer.
- Confer details of operational procedures, reports and budget status with newly elected Treasurer.

Financial Secretary
Duties
- Collect members’ dues.
- Receipt and record all monies collected.
- Meet regularly with the Treasurer to ensure records of the two are in alignment
- Provide a complete financial report to the board of directors and the membership. Reports may be sent electronically, but must be provided via a secure file sharing solution, such as Dropbox.
- Prepare a year-end report for the chapter board of directors and membership.
- Serve as member of the chapter Finance Committee.
- Schedule a transition meeting to transfer appropriate financial documents to the newly elected Financial Secretary.
- Confer details of operational procedures, reports and budget status with newly elected Financial Secretary.

It is the responsibility of these officers to use chapter funds in a prudent manner and for their designated purposes, pursuant to policy and procedures, laws, regulations, rules, contracts, grants and donor restrictions.

Chapter Finance Committee
Chapter governing policies denote the composition, appointment and approval process for its Finance Committee. It is recommended that the committee include the Treasurer, Financial Secretary, Second Vice-President of Finance and Fund Development, and the immediate past Treasurer (optional). The Second Vice President of Finance and Fund Development oversees the Finance Committee. The chapter president serves as ex-officio member and may appoint other members as needed. All financial officers should be bonded.
The Finance Committee
- Recommend chapter dues, as appropriate;
- Collect and review for approval annual budget requests from individuals authorized to submit budget requests in accordance with chapter governing policies.
- Prepare chapter’s annual budget and submit for approval as directed by chapter’s governing policies.
- Provide membership with copy of annual budget following its adoption.
- Review contract awards to ensure compliance with financial and programmatic provisions.
- Assist President (or appropriate individual) in reviewing and approving reports prior to their being submitted to funding sources.
- Oversee the auditing process.
- Verify tax returns and reports are signed by appropriate officer(s) and timely filed with regulatory agencies, as required
- Maintain file copies of tax returns and reports

Financial Reporting
Accounting software such as Quickbooks is recommended. Financial reports presented by the treasurer and the financial secretary at each meeting should clearly represent the fiscal status of the chapter. They should account for all income, expenditures and balances in each account and include any liabilities against the cash balances, (e.g. outstanding checks). The report(s) should also include, but not be limited to the check number, payee and amount for each transaction.

The following financial statements should be prepared on a monthly basis:
- **Statement of Financial Position** – also known as a balance sheet. This will show the organization’s assets, liabilities, and the difference in their totals as of the final moment of an accounting period.
- **Statement of Activities** – used to report a not for profit’s total organization and reports revenues, such as contributions, program fees, membership dues, grants, investment income, and amounts released from restrictions
- The financial statements should be distributed and presented to the chapter board of directors and members at meetings.

At the end of the fiscal year, both the treasurer and financial secretary shall prepare a comprehensive report for the fiscal year.

Budget
The chapter’s financial policy and procedures should require the preparation of and adherence to an operating budget. The operating budget revenue sources include member dues, corporate gifts/donations, fundraisers, and revenue generated from other sources. The operating budget also includes general expenses such as programs, special project and other expenses associated with membership activities.

The NCBW auditor has provided “Best Practices” regarding standards nonprofit organizations should follow when allocating funds for program costs versus non-administrative costs to maintain tax-exempt status.
“Charity rating organizations grade nonprofits partly on how much they spend on these expense categories. For example, CharityWatch.com says that it’s reasonable for most charities to spend up to 40% of their budget on operating expenses – in other words, at least 60% should go to programs, and 40% should go to everything else. However, charities that spend less than 40% get higher grades from CharityWatch, with those spending 25% or less on operating expenses receiving the highest “A” grade. Charity Navigator, which employs a sophisticated rating system, gives bonus points to nonprofits with lower operating expenses. Most nonprofits who spend more than 30% of their budget on overhead get no bonus points. The Better Business Bureau says that no more than 35% of a nonprofit’s budget should be spent on operating expenses.”

The budget is a financial, realistic guide for managing income and expenses, and is annually approved by the chapter’s board of directors and membership. It can be adjusted to meet the changing needs of the chapter. The chapter’s governing policies designate the individuals who are to submit budget requests to the Finance Committee, based on their anticipated programmatic needs. The Finance Committee develops the budget and presents it to the board of directors and the membership for approval. A budget shall never be adopted if the bottom line is a deficit.

Other budget considerations:

• A record (proof from donor) of donations, grants and sponsorships should be maintained including the donor’s name, date of gift/donation and amount. Funds must be identified as restricted or unrestricted and noted as such in the financial statements.

• Chapter revenue must be properly categorized (based on established chart of accounts) to help ensure accurate financial reporting; members. For example, members should identify purpose of payments in excess of dues (e.g. chapter event).

Restricted, Designated, Unrestricted and Endowment Funds
The following provides policy, information, and guidance for receiving and disbursing restricted and designated funds.

Categories of Funds
Operating and Program funds should not be comingled. There are several categories of funds, each of which has its own benefits and restrictions:

• Restricted Funds. Funds whose use of the principal or investment income is restricted by outside agencies or persons are contrasted with funds over which the organization has complete control and discretion. Donor or court approval is required to use the restricted funds for any purpose other than that imposed by the donor at the time of the gift. Restricted funds must be documented in financial reporting. When required by funding sources, restricted funds may be deposited in separate bank accounts.

• Designated Funds. Designated funds are set aside for specific purposes by action of the governing board. Such action may be reversed or modified at any time. Designated funds consist of funds upon which the board of directors has imposed limitations regarding their use or purpose. Since board may modify or remove the constraints at its discretion, these funds are not legally restricted. Designated funds cannot be spent for unintended purposes unless the board has agreed and documented the written agreement.
• **Unrestricted Funds.** Unrestricted funds are funds that have no restriction on their use or purpose. These funds can be used for any purpose designated by the board as distinguished from funds restricted externally for specific purposes.

• **Endowment Fund.** An endowment stipulates that the principal of the fund is to be maintained inviolate, in perpetuity, and only the income from the investment of the fund may be expended. The income may or may not be restricted as to its use. An endowment fund is created when a donor’s conditions allow only the earnings from the gift to be used. Endowment funds should be placed in a separate account.

**Written Acknowledgment of Charitable Contributions**
The following is directly from the Internal Revenue Service instructions regarding written acknowledgements of charitable contributions.

The written acknowledgment required to substantiate a charitable contribution of $250 or more must contain the following information:
• Name of the organization;
• Amount of cash contribution;
• Description (but not value) of non-cash contribution;
• Statement that no goods or services were provided by the organization, if that is the case;
• Description and good faith estimate of the value of goods and services, if any, that organization provided in return for the contribution; and
• Statement that goods and services, if any, that the organization provided in return for the contribution consisted entirely of intangible religious benefits, if that was the case.

**Vouchers**
• A voucher system with original invoices and other supporting documents shall be used to request disbursements of funds. *(Appendix B)*
• Vouchers shall be approved by authorized signers.
• Expenditures in excess of the budget shall be approved in accordance with the procedures outlined in this Financial Management Guide (Revenue Section); however, a chapter is not allowed to operate with a deficit budget.

**Returned Checks**
The chapter incurs a cost for any checks returned by the bank for insufficient funds or other reasons. The returned check fees charged the chapter by the bank should be passed along to the submitter of the check. The chapter’s governing policies should provide guidance regarding additional requirements for collecting on returned checks.

**Petty Cash**
A petty cash fund may be established in accordance with the chapter’s governing policies. The holder of the funds must provide detailed receipts of all purchases on a monthly basis and must provide the treasurer a monthly accounting. Petty cash funds have the same restrictions as other funds; i.e., they must be used for official budgeted purposes that are of immediate need when it
is not feasible to requisition a check or credit card payment. Petty Cash shall never be used for personal expenses or reimbursement purposes. The chapter’s governing policies should provide guidance regarding additional requirements for Petty Cash. *(Appendix C)*

**Cash Advance**  
*Cash advances are not recommended.* If allowed, the chapter’s governing policies shall provide guidance regarding requirements for cash advance.

**Member Reimbursement**  
Member may be reimbursed for approved expenditures. Request for reimbursement should be presented on an official NCBW voucher for reimbursement and shall include supporting, itemized receipt(s). The chapter’s governing policies should provide guidance regarding additional requirements for member reimbursement. *(Appendix D)*

**Credit Card**  
A credit card provides personnel with the ability to effectively and efficiently make purchases in relation to the approved budget.

Issuance of credit card(s) should be designated by the chapter’s governing policies. Authorized users shall not allow a non-authorized user access to their assigned credit card or her credit card authority. Non-authorized users are officers not designated as an authorized user by the chapter’s Policies and Procedures, committee chairs and members. Violators are subject to disciplinary action.

Credit cards must be safeguarded the same as cash. All credit card purchases must be for budgeted expenses and supported by original receipts and contracts, if applicable.

The chapter’s governing policies should provide guidance regarding additional requirements for credit card use. Following are recommended guidelines:
- Chapter governing policies should establish the number of credit cards issued to the chapter.
- Chapter governing policies should establish credit card limit for user(s).
- Authorized user(s) shall be designated by name and position.
- Chapter governing policies should establish the custodian(s) of the credit card.
- Authorization shall be by resolution approved by the chapter’s board of directors and the action shall be recorded in the minutes of the meeting where the action occurred.
- Whenever an authorized user(s) changes, a new authorization by resolution is required, denoting the name of new user(s) and terminating the name of previous user(s).
- Chapter governing policies should provide procedures on how credit card purchases are to be managed in the absence of a credit card custodian(s). Examples: If a custodian is to absent from their city for a specific period of time, what happens to the card? If all custodians are absent from the city at the same time, what happens to the card? If one of the custodians is traveling on NCBW business, what happens to the card. Other scenarios.
- The card should be used only for purchase of goods or services for official chapter business. If purchases cannot be substantiated for official chapter business, the user will be subject to disciplinary action by the board of directors, ranging from reimbursing the chapter the full purchase price of the item to membership termination.
• The credit card shall never be used for personal expenses, even if the user intends to reimburse the chapter. Violation of this policy will result in user’s immediate and permanent termination as an authorized user. The user shall reimburse amount owed to chapter within five (5) calendar days of being formally notified or be subject to a range of disciplinary action, including termination of membership.
• Purchases should be within current budget line item amounts.
• If not already in place, establish procedures for processing credit card payments.
• The chapter should treat reimbursement for unauthorized purchases as a separate matter. Reimbursement of an unauthorized credit card payment should not be combined with any other payments such as dues or assessment.
• Credit card shall never be used to reimbursement a member or credit a member’s personal credit card account. The chapter should have a policy regarding member reimbursement which it should follow.
• The chapter president shall immediately notify the credit card company and the board of directors if a credit card is lost or stolen.
• As soon as it is discovered, the chapter treasurer shall immediately notify the chapter president of any misuse of credit card. The chapter president will notify the board of directors who will then take appropriate action in accordance with the chapter’s policies and procedures.
• Original receipts and/or invoices must be submitted to the treasurer as they are incurred and recorded in the chapter’s chart of accounts.
• Credit card statements, along with receipts for items to be paid, shall be reconciled on a monthly basis. Receipts must show the date, purpose, name(s) and other relevant information for which the expense was incurred.
• Authorized user(s) should have access to online monthly statements.
• Credit card balance should be paid off at the end of each month to avoid interest payments.
• As a perk, many credit card companies offer reward points. Chapter should establish policy regarding how points will be used. The treasurer should regularly provide the membership with a report regarding points earned.
• The card holder(s) must immediately surrender her cards for cancellation when her position has ended with the chapter. New credit card(s) will be requested and issued to holder(s) successor(s). Chapter should contact credit card company for details regarding card cancellation and issuance of new credit cards.
• The Finance Committee should meet monthly to review the integrity of credit card statements.

Chapters may impose additional requirements for credit card use as deemed appropriate.

**Audit**

Chapter governing policies should provide guidance regarding audit. It is recommended that:
• Chapter conduct a financial review every two years.
• An audit is conducted whenever there is a change in treasurer.

**Taxes**

The National Coalition of 100 Black Women, Inc. is 501(c)(3) tax exempt organization, as designated by the Internal Revenue Service. The National Office is not permitted to loan or share its tax exempt status with any chapter. Chapters shall not loan their tax-exempt status to another NCBW chapter or external nonprofit organization.
Chapters of the National Coalition of 100 Black Women, Inc. must apply for their own Internal Revenue Service 501(c)(3) tax-exempt status. The federal tax exemption does not automatically extend to local and state tax authorities. Each jurisdiction enacts its own tax laws. Chapters must check with local and state tax authorities to determine whether it must file for exemption from federal unemployment taxes, state unemployment taxes, and sales and use taxes.

Typically, the certified public accounting firm, accountant or financial advisor that performs the financial review or audit, will also file the proper tax forms. Current filing limits are as follows:

- IRS 990 must be filed no later than the 15th day of the 5th month after close of the fiscal year. The NCBW fiscal year ends September 30, thus the IRS form 990 must be filed by February 15. The due date may be extended to August 15 if a request for extension is filed before the regular due date. Which form the chapter must file generally depends on its financial activity.
- If the chapter’s gross receipts normally are $50,000 or less an IRS form 990-N (electronic notice-E-Postcard) is required.
- If the chapter’s gross receipts normally are more than $50,000 but less than $200,000 and total assets at the end of the fiscal year are less than $500,000, IRS form 990-EZ or long form 990 is required.
- If the chapter’s gross receipts are $200,000 or more, or if total assets at the end of the fiscal year are $500,000 or more, the long form IRS 990 is required.
- Check the IRS.gov website for current requirements, as they are subject to change.

**CHAPTER ASSESSMENT, PER-MEMBER FEE, LATE FEE, ROSTER**

- Chapters must always maintain a minimum of 25 members to be in good standing.
- Chapters must pay a chapter assessment and per-capita fee by October 1 each fiscal year, as determined by the National Board of Directors.
- Pay per-capita fee for each member inducted into chapter between November 1 and September 30 of each fiscal year, within thirty (30) days of the new member’s induction. This payment must be remitted to the National Office.
- Failure to meet payment deadlines may result in:
  - A late fee imposed by the National Board of Directors
  - Chapter forfeiting its “Good-Standing” status. The forfeiture of “Good-Standing” status may impact the chapter in the following ways:
    - Ineligible to have a chapter member serve on the National Board of Directors;
    - Ineligible to have a chapter member serve on a National Committee;
    - Ineligible to have delegate status at Biennial Conferences;
    - Ineligible to receive information disseminated by national organization;
    - Lack of access to the “members-only” section of the national website.
- Chapters are required to submit complete package with member profile, chapter invoice and roster, along with check to the National Office by October 1.
- Chapters must submit files electronically. By emailing files, it ensures that the Treasurer, Financial Secretary and Third Vice President automatically receive the documents for recording and uploading in the database. Email address: ncbwmembershipreports@nc100bw.org
• Review the roster emailed to chapter by ncbwmembershipreports@nc100bw.org.
• Notice that the roster has been put in proper format (the member information has not been changed). Roster must be returned in the same format as received.

Roster Procedures…
• Identify members who are no longer in chapter
• Type Inactive in the Status Column.
• Identify members who have changes in their information but are still active
• Type Change in the Status Column.
• Members that have no change and are still active
• Type Active in the Status Column.
• Add new members at the bottom of the spreadsheet. Add as many lines as needed.
• Only fill out the New Member Profile Report when adding new members after annual roster has been submitted.
• If more than 5 new members join the chapter at one time after annual roster has been submitted, chapter will need to resubmit roster with the new members included.
• If chapter takes in less than 5 members at a time at any time throughout the year (after annual roster has been submitted) A New Member form must be completed. Do not submit a revised roster.

The Membership Profile Report shall include the following information for each member (Excel only-in this order):
• Chapter Name
• Member Last Name
• Member First Name
• Address
• City
• State
• Zip Code
• Email Address
• Preferred Phone Number
• Mobile Phone Number
• Home Phone Number
• Office Held in Chapter
• Employer
• Title
• Age Range

(Appendix E – Annual Membership-Financial Reporting Guide)
REVENUE

- The budget should be based on prior year’s results and anticipated revenue and expenses. Revenue should include member dues, pledges, grants, sponsorships, proposed fundraisers, and donations. Assumptions and calculations used to derive projected revenue and expenses should be included as part of the budget submission.
- Actual vs budget comparison reports should be evaluated monthly to determine if the chapter is on target to meet the budget. A revised budget is prepared, when necessary.
- Chapter governing policies should provide guidance regarding budget variances, including when variance requires formal approval. Example: a variance of 15% per line item of any officer’s or committee’s budget requires board approval. The budget may be adjusted accordingly, depending on availability of funds.
- No officer or committee chair may incur an expense which has not been budgeted. Chapter governing policies should provide guidance for handling non-budgeted expenditures.

EXPENSES

Chapter operating expenses should be approved in accordance with chapter procedures, charged to the proper funding code or chart of accounts, and reflected in the chapter’s financial statements.

CASH

Cash Receipts
- Chapter governing policies should outline procedures for handling incoming mail, including bank statements.
- Chapter governing policies should outline procedures for handling cash receipts.
- Upon receipt, all checks shall be restrictively endorsed “for deposit only” by the authorized officer(s) in accordance with chapter procedures.
- The cash receipts list is forwarded to the appropriate officer for proper recording into the accounting system.
- Cash receipts, including checks, must be secured in a locked file and should be deposited within three (3) business days to minimize risk of theft.
- When required by funding sources, restricted funds must be deposited in separate bank accounts. For example:
  - Operating accounts should be used to manage chapter expenses.
  - Fundraising accounts should be used to manage transactions related to purpose for which funds are raised.

Cash Disbursements
- Disbursements should be paid by check, automated clearing house (ACH), electronic funds transfer (EFT), or bank deposit.
- Obligations should be paid within ten (10) business days of receipt.
- Checks must be pre-numbered and used in sequence. If check is out of sequence determine the disposition of the check and verify check was voided and keep original voided check for two years. If check is determined to be lost and not outstanding, initiate stop payment order with bank.
• To minimize the risk of fraud and/or theft, checks outstanding for more than 60 days, will be investigated by contacting the payee. If payee has not received payment, a stop payment request should be initiated on-line and a new check issued. Documentation of “stop payment” order shall be maintained on file.
• The Treasurer will maintain custody of blank checks and keep in a locked file.
• Never sign a blank check.
• Chapter’s governing policies should outline approval process for invoices, requests for payment of goods and services and requests for reimbursement.
• The signed check and invoice should be copied and maintained as required by the chapter’s record retention policy, or by the local jurisdiction’s records retention policy.
• Email requests for disbursements may be honored. Telephone requests for disbursements should not be honored.

CONFLICT OF INTEREST
NCBW has a Conflict of Interest Policy which has been adopted by the National Board of Directors. Its purpose is to protect the organization’s interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of NCBW or might result in a possible excess benefit transaction. The policy is intended to supplement but not replace any applicable state and federal laws governing conflicts of interest applicable to nonprofit and charitable organizations. Each officer, employee, member, and independent contractor, when applicable, shall receive a copy of the subject policy. A signed and dated copy of receipt shall remain on file in the Chapter Office. (Appendix F)

FINANCIAL MANAGEMENT PROCEDURE CHANGES
The procedures contained herein may be amended upon recommendation of the National Finance Committee and a majority vote of the National Board of Directors. Chapters may impose additional fiscal management policies, however, no section of these procedures shall conflict with National Bylaws, Policies and Procedures, Financial Management Guide, or other governing policies of the National Coalition of 100 Black Women, Inc.
APPENDIX A
Resolution
Change Of Bank Signatories

I, ________________________, Recording Secretary of the National Coalition of 100 Black Women, Inc. (add chapter’s name) certify that this resolution is now in full force and effect.

Resolved that ______________________ Bank is designated a depository of this organization for the following accounts;

General Fund Account Number: ________________________________________________
Fundraising Account Number: _________________________________________________
Other Account Number (specify) _______________________________________________
Other Account Number (specify) _______________________________________________
and;

Resolved, that the signatures of the organization have changed and that all drafts, checks and other instruments or orders for the payment of money drawn against the account or accounts of this organization with such depository shall now be signed by two (2) of the following three (3) officers:

________________________________________, President
________________________________________, Second Vice President Finance and Fund Development
________________________________________, Treasurer

Resolved, That the President, Second Vice President Finance and Fund Development, and Treasurer of this organization, or either of them, be and they are hereby authorized and empowered to execute proper signature card, bearing the authorized signatures as aforesaid. The Resolution shall remain in full force and effect until written notice of revocation signed by the Recording Secretary of this organization shall have been received by said bank.

It is hereby certified that this is a true and correct copy of the Resolution adopted by the Board of Directors of the National Coalition of 100 Black Women, Inc. (add chapter’s name) at a meeting duly called and held on the _____________ day of _____________, 20__ at which a quorum was present and voting.

IN TESTIMONY WHEREOF, Witness my signature on this date ________________________,

________________________________________
Recording Secretary
### APPENDIX B

**Voucher/Check Request Payment Form**

#### VENDOR INFORMATION

<table>
<thead>
<tr>
<th>Vendor</th>
<th>Vendor Address</th>
<th>City</th>
<th>State</th>
<th>Zip</th>
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Purpose of Expenditure

- [ ] Yes
- [ ] No

Account Charged

Cost $ __________

State/Local Tax Exemption Letter

- [ ] Yes
- [ ] No

Purchaser’s Signature

Comments

---

### TO BE COMPLETED BY TREASURER

Date Request Received _____

Approved by _____ Title _____

Disapproved by _____ Title _____

Comments ____________________________

- [ ] Yes
- [ ] No

Attach Original Invoice

Attach Contract (if applicable)

*Separate form must be completed for each vendor and each transaction.*
APPENDIX C
Petty Cash Journal

Prepared by ________________________________  Beginning Amount $ __________

<table>
<thead>
<tr>
<th>Date</th>
<th>Purpose</th>
<th>Cash In</th>
<th>Cash Out</th>
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<tbody>
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</tbody>
</table>

Total ________________________________

Signature ____________________________  Date ________________________________
### Reimbursement Form

(Attach original receipt(s) to form)

#### PURCHASER INFORMATION

<table>
<thead>
<tr>
<th>Name (print)</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Address</td>
<td></td>
</tr>
<tr>
<td>City</td>
<td>State</td>
</tr>
<tr>
<td>Purpose of Expenditure</td>
<td></td>
</tr>
</tbody>
</table>

Signature ____________ Date ____________

Comments _______________________________________________________________________

#### VENDOR INFORMATION

| Vendor |  |
| Vendor Address |  |
| City | State | Zip |
| Reimbursement Amount $ | Purchase Date |

#### TO BE COMPLETED BY TREASURER

Date Request Received ____________ Original Receipt(s) Attached □ Yes □ No

Approved by ____________ Title ______________________

Disapproved by ____________ Title ______________________

Date Reimbursement Paid ____________ Account charged ____________

Amount $ ____________ Check No. ____________

Comments _______________________________________________________________________

Attach Original Invoice/Receipt

*Separate form must be completed for each reimbursement transaction.*
APPENDIX E
Annual Membership- Financial Reporting Guide

The Board of Directors of the National Coalition of 100 Black Women, Inc. developed these documents to assist chapters with meeting annual fiscal financial reporting requirements of the national organization.

Part I: Chapter Financial Operations Checklist
Before October 1 of each year, each president should review this checklist to ensure her chapter’s compliance.

- State Articles of Incorporation
- IRS 501 (c)(3) and/or 501 (c)(4) Designation Papers
- State Sales Tax Exemption Designation (if applicable)
- Previous year’s 990 Tax Submission (required to be filed annually by IRS)
- Current National Bylaws
- Current Chapter Bylaws
- Current National Policies and Procedures
- Current Chapter Policies and Procedures
- Membership roster with a minimum of 25 members at all times

Part II: Instructions for Financial Reporting
SUBMITTAL INSTRUCTIONS
All financial documents are to be submitted to ncbwmembershipreports@nc100bw.org.

1. Review the roster emailed to you by ncbwmembershipreports@nc100bw.org.
   - Notice that the roster has been put in proper format (your member information has not been changed). Your roster must be returned in the same format as received.
2. Identify members who are no longer in your chapter or are deceased
   - Type Inactive in the Status Column.
3. Identify members who have changes in their information but are still active
   - Type Change in the Status Column.
4. Members that have no change and are still active
   - Type Active in the Status Column.
5. Add new members at the bottom of the roster spreadsheet.
   - Type New in the Status Column

Once the roster is completed, fill out the Chapter Invoice and Chapter Profile documents and ensure that all numbers match.

Compose an email to: ncbwmembershipreports@nc100bw.org
(You might want to cc: key members of your chapter on the email.)
Attach to the email:
1. Annual Membership Profile Report
2. Chapter Annual Invoice
3. Completed Roster

Mail your check and a hard copy of your Membership Profile Report and Chapter Invoice to:
National Coalition of 100 Black Women, Inc.
1718 Peachtree Street, N.W.
Suite 970 South Tower
Atlanta, GA 30309

Note: Payments MUST be RECEIVED per date requirements.

IMPORTANT NOTE concerning New Member Profile Report form
• You only fill out the New Member Profile Report when you add new members after you have submitted your annual roster.
• If you take in more than 5 new members at one time after you submit your annual roster, you will need to resubmit your roster with the new members included.
• If you take in less than 5 members at a time at any time throughout the year (after you have submitted your annual roster) fill out the New Member form and do not submit a revised roster.

Question and Answers
1. Who do I report change of officers to and when? Send email to ncbwmembershipreports@nc100bw.org within one (1) week of the election or appointment.
2. When do I send $50 per new member? Send the per capita within 30 days of taking in the new member(s).
3. Do we still have semi-annual reporting requirements? No, the “New Member Profile” sheet keeps us informed. This allows us to add the new members immediately, so they are able to received national communications.
4. Why do we need to submit another roster when we take in over 5 members at a time? Because we type the names of new members into our database once your annual roster has been submitted but when a lot of new members need to be added, it is more efficient to upload them from your roster.
5. How much do we need to send to national? $1500.00 Assessment and $50.00 per member.
6. When is this due? The Chapter Roster (in the correct format), Annual Membership Report and the Chapter Annual Invoice must be received by October 1st and will be considered late (and charged a $150) if received after October 31st.
7. What if I need to speak with someone concerning the report? Just email ncbwmembershipreports@nc100bw.org and the appropriate officer reach out to you.
8. There is a column for age range on the roster. Why is that necessary? To better identify our membership; diversify our grant requests; and maximize the organization’s ability to meet and match our initiatives to specific funders.
APPENDIX F
Conflict of Interest Policy

The Article I
Purpose
The purpose of the conflict of interest policy is to protect the National Coalition of 100 Black Women, Inc. interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of NCBW or might result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable state and federal laws governing conflicts of interest applicable to nonprofit and charitable organizations.

Article II
Definitions
1. Interested Person
Any director, principal officer, or member of a committee with governing board delegated powers, who has a direct or indirect financial interest, as defined below, is an interested person.

2. Financial Interest
A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:
   a. An ownership or investment interest in any entity with which NCBW has a transaction or arrangement,
   b. A compensation arrangement with NCBW or with any entity or individual with which NCBW has a transaction or arrangement, or
   c. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which NCBW is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.

A financial interest is not necessarily a conflict of interest. Under Article III, Section 2, a person who has a financial interest may have a conflict of interest only if the appropriate governing board or committee decides that a conflict of interest exists.

Article III
Procedures
1. Duty to Disclose
In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts
to the directors and members of committees with governing board delegated powers considering
the proposed transaction or arrangement.

2. Determining Whether a Conflict of Interest Exists
After disclosure of the financial interest and all material facts, and after any discussion with
the interested person, he/she shall leave the governing board or committee meeting while the
determination of a conflict of interest is discussed and voted upon. The remaining board or
committee members shall decide if a conflict of interest exists.

3. Procedures for Addressing the Conflict of Interest
   a. An interested person may make a presentation at the governing board or committee meeting,
      but after the presentation, he/she shall leave the meeting during the discussion of, and the
      vote on, the transaction or arrangement involving the possible conflict of interest.
   b. The chairperson of the governing board or committee shall, if appropriate, appoint a
      disinterested person or committee to investigate alternatives to the proposed transaction or
      arrangement.
   c. After exercising due diligence, the governing board or committee shall determine whether
      NCBW can obtain with reasonable efforts a more advantageous transaction or arrangement
      from a person or entity that would not give rise to a conflict of interest.
   d. If a more advantageous transaction or arrangement is not reasonably possible under
      circumstances not producing a conflict of interest, the governing board or committee
      shall determine by a majority vote of the disinterested directors whether the transaction
      or arrangement is in NCBW’s best interest, for its own benefit, and whether it is fair and
      reasonable. In conformity with the above determination it shall make its decision as to
      whether to enter into the transaction or arrangement.

4. Violations of the Conflicts of Interest Policy
   a. If the governing board or committee has reasonable cause to believe a member has failed to
      disclose actual or possible conflicts of interest, it shall inform the member of the basis for
      such belief and afford the member an opportunity to explain the alleged failure to disclose.
   b. If, after hearing the member’s response and after making further investigation as warranted
      by the circumstances, the governing board or committee determines the member has failed to
      disclose an actual or possible conflict of interest, it shall take appropriate corrective action.

Article IV
Records of Proceedings
The minutes of the governing board and all committees with board delegated powers shall contain:
   a. The names of the persons who disclosed or otherwise were found to have a financial interest in
      connection with an actual or possible conflict of interest, the nature of the financial interest, any
      action taken to determine whether a conflict of interest was present, and the governing board or
      committee’s decision as to whether a conflict of interest in fact existed.
   b. The names of the persons who were present for discussions and votes relating to the transaction
      or arrangement, the content of the discussion, including any alternatives to the proposed
      transaction or arrangement, and a record of any votes taken in connection with the proceedings.
Article V
Compensation
a. A voting member of the governing board who receives compensation, directly or indirectly, from NCBW for services is precluded from voting on matters pertaining to that member’s compensation.
b. A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from NCBW for services is precluded from voting on matters pertaining to that member’s compensation.
c. No voting member of the governing board or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from NCBW, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

Article VI
Annual Statements
Each director, principal officer and member of a committee with governing board delegated powers shall sign a statement which affirms such person:
 a. Has received a copy of the conflicts of interest policy,
b. Has read and understands the policy,
c. Has agreed to comply with the policy, and
d. Understands that NCBW is charitable and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

Article VII
Periodic Reviews
To ensure that NCBW operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted by a committee appointed by the NCBW President. The periodic reviews shall, at a minimum, include the following subjects:
 a. Whether compensation arrangements and benefits are reasonable, based on competent survey information, and the result of arm’s length bargaining.
b. Whether partnerships, joint ventures, and arrangements with management organizations conform to NCBW’s written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes and do not result in inurement, impermissible private benefit or in an excess benefit transaction.

Article VIII
Use of Outside Experts
When conducting the periodic reviews as provided for in Article VII, the appointed committee may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the governing board of its responsibility for ensuring periodic reviews are conducted.

Adopted:
CONFLICT OF INTEREST
POLICY ACKNOWLEDGMENT

I ________________________________ (print name) have received a copy of the National Coalition of 100 Black Women, Inc. Conflict of Interest Policy.

Signature __________________________________________________________

Address ____________________________________________________________

City, State, Zip ______________________________________________________

Date ________________________________________________________________