



Quick-Start Guide

A New Chapter
Leader's Primer for
Chapter Leadership
& Management

May 2023

So... you're the new President (or chapter leader)! Now what?

This *Quick-Start Guide* is designed to provide you with an immediate “foothold” on climbing this new chapter leadership mountain that looms before you. As the old saying goes, “Some are destined for leadership...others have it thrust upon them.” Whether you have aspired to lead your chapter or have had leadership “thrust” upon you, you’ll find this *Quick-Start Guide* helpful.

APWA National has a comprehensive list of resources and tools available in the Members Section of the national website under “Chapter Leader Resources”. Feel free to navigate and download the resources you need.

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Enjoy your journey in chapter leadership and please tell us how we can further assist you!

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Rules Governing Chapters of the American Public Works Association

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1. Forming Chapters – Authority

Chapters of the American Public Works Association, hereinafter referred to as “APWA”, may be formed by groups of members representing a region, state, province, or locality for the purpose of furthering the objectives of APWA in the chapter’s jurisdictional area. The APWA Board of Directors, at its discretion, may authorize an established group of public works officials to function as a chapter of APWA so long as it conforms to the *Rules Governing Chapters* and provided such affiliation is specified on printed matter issued by or on behalf of the said organization.

2. Forming Chapters – Process

Petitions for the establishment of a chapter, together with the proposed chapter bylaws, must be addressed to the APWA Board of Directors. Petitions must be signed by at least 15 members or applicants for membership for a state, provincial, or local chapter, and by at least 25 members or applicants for membership for a regional chapter (a chapter composed of two or more state or provincial jurisdictions) and must state that the undersigned petitioners have approved the proposed bylaws and agree to become members of the chapter. (A model for chapter bylaws can be found on the APWA website in chapter leader resources.)

3. Disbanding Chapters – Authority

The APWA Board of Directors may, after due consideration, disband any chapter if, in its judgment, the chapter has not complied with these rules. The Regional Director shall be empowered to take whatever action deemed to be in the best interest of APWA in regard to the continuation or replacement of any or all officers of a chapter which has failed to hold at least one meeting of the chapter membership in a given calendar year. Any funds of a disbanded chapter shall be remitted to APWA, with the following exception: funds held by a chapter in a scholarship fund as defined by the IRS in Code Section 501 (c) (3) may be moved, at the discretion of the chapter, to another 501 (c) (3) scholarship fund of the chapter’s choice.

4. Chapter Objectives

A chapter shall engage in a program of activities designed to further the purposes of APWA, within its jurisdiction, including, but not limited to, the scheduling of meetings of its membership. Such a program of activities shall be consistent with the constitutional purposes and adopted goals and objectives of APWA and shall not include items of a partisan or political nature.

5. Chapter Bylaws

Chapter bylaws shall not be considered effective until the APWA Board of Director's approval has been granted and adopted by chapter members. Such approval will be followed by the appointment by the President of APWA of three petitioners to serve as a temporary committee to arrange for an organizational meeting of the chapter.

Chapter bylaws must be based on current APWA Model Chapter Bylaws and shall:

- a) Establish the name of the chapter and define its jurisdictional area
- b) State the purposes of the chapter
- c) Vest responsibility for the governance of the chapter in a governing body to be called an Executive Committee and define the membership in that body
- d) List the chapter officers as referenced in the APWA Model Chapter Bylaws, Article I, Section 1
- e) Provide a method of nominating and electing, for terms of one or more years, Chapter officers and members of the governing body. APWA and the Regional Director shall be notified annually of the officers elected for the ensuing year, on or before December 31. In exceptional circumstances and only when it is in the best interest of APWA, the Board of Directors may approve a provision in an individual chapter's bylaws whereby the term of office is established to other than the calendar year.
- f) Provide for the calling of meetings of the chapter and of its governing body
- g) Provide methods for amendment, which shall include the stipulation that amendments become effective only after the approval of APWA.

6. Electronic Voting by Executive Committee

Fax/Email ballot actions are used to address immediate issues that arise between regularly scheduled Executive Committee meetings and are ratified at the next Executive Committee meeting. In order to ensure that a thorough thought process has occurred prior to approval of a ballot issue and to ensure all Executive Committee members are aware of each other's concerns, the following process is to be enacted with each electronic ballot issue:

- a) The President will determine if action on a specific issue cannot wait until the next Executive Committee meeting and if electronic voting is appropriate for the Executive Committee approval of the issue.
- b) If electronic voting is appropriate, the Executive Committee must have a minimum of five days to express comments on the issue. All comments are to be shared with the entire Executive Committee.
- c) If no comments are received, the issue can be put forth to a vote and Executive Committee members will be provided with five days to vote on the issue.
- d) If comments are substantive, the President must decide whether to postpone the vote until the next meeting or to put the issue to a vote.
- e) If the vote is not unanimous, statute requires the Executive Committee must be granted the opportunity to debate the issue through a conference call or at its next meeting.
- f) Executive Committee members must be made aware of the results of the electronic vote and will ratify their action at the next regularly scheduled Executive Committee meeting.

7. Dues

A chapter may establish chapter dues for its members, but these dues must be mandatory in order to maintain active membership in APWA. In addition, dues must be established for all chapter classes of members if they are established for one. Dues for each class must not exceed 25 percent of APWA dues and should be defensible in the context of benefits received. (For more information see the Chapter Dues Collection article on the APWA website in chapter leader resources.)

8. Chapter Publications

- a) Chapter publications which may directly or indirectly involve APWA policies and procedures shall be submitted for review and comment by APWA staff to assure compliance with established rules and regulations and IRS restrictions on the activities of tax-exempt 501 C (3) organizations.
- b) Chapter officers are encouraged to exchange publications, newsletters, and meeting announcements with the leadership of other chapters.

9. Supplemental Allocations for Chapter Support

- a) Requests for funds may be made to the APWA Board of Directors. An outline of the project or purpose must be submitted with the request for funds and may be approved, rejected, or modified at the discretion of the Board of Directors.
- b) Requests for funds should include: 1) specific reasons for the project; 2) primary beneficiaries of the project; 3) why financial assistance is needed; 4) statement of chapter's finances and reserve funds; 5) description of project goals; 6) efforts, if any, to raise funds by other means (i.e. public agencies, state, and local organizations, partnering associations, and grants); 7) anticipated sales, if appropriate, of this product, along with documentation of project cost-sharing by the chapter.

10. Budgets and Financial Reporting

Note: This section modified to adjust fiscal year in accordance with Board of Directors Operating Policy NO. B2.1

- a) Each APWA chapter must have an annual budget based upon the **fiscal** year. The budget need not be complicated but shall list all forms of revenue and major expense categories. All budgets are expected to be balanced each year.
- b) All chapter budgets for the current year must be submitted to the APWA Director of Finance no later than **June 30** of each year. Chapters will be notified of potential problems by **July 15** of the year covered by the budget.
- c) Chapters must file a year-end financial report by **August 1**.
- d) Failure to submit financial reports and proposed budgets on time and as prescribed in these *Rules Governing Chapters* will result in the automatic suspension of APWA's payment to a chapter for its chapter rebate. Financial reports not filed by their due date will result in the automatic forfeit of APWA's quarterly rebate payment. If delinquent financial statements are eventually filed and are up to date, rebates will be reinstated, but any forfeited rebates will not be paid. Current chapter financial reporting is essential to APWA's annual audit and tax statement. The APWA Board of Directors will be notified of delinquent

financial reporting and will review the organizational status of the affected chapter.

11. Financial Management

- a) Chapters must adopt and use a general ledger and the APWA Chart of Accounts to assure uniform reporting of financial data.
- b) All disbursements in excess of \$100 must be made by check or chapter credit card.
- c) All chapter bank accounts, including branch accounts, are the responsibility of the chapter Treasurer. All accounts must be audited annually by a chapter or branch Audit Committee, of which chapter and branch Treasurers may not be members.
- d) Chapter and branch Treasurers must be bonded through APWA.
- e) The Treasurer may sign all checks, with the exception of checks made payable to the Treasurer. If a check is more than \$5,000, the check will require two approved signatures on the account unless the signatory is the Treasurer. Further, if the expenditure is not budgeted, approval for any such expense more than \$5,000 will require approval by the chapter's Executive Committee with the previous noted signatory requirements in place. Chapters are encouraged to review a listing of all checks written according to number each time the Executive Committee holds a regularly scheduled meeting.
- f) Checks and charges in excess of \$10,000 must be approved by chapter Executive Committee resolution. If the item is included in the chapter budget and the budget has been approved by the Executive Committee, the budget will be considered as adequate authorization for the check or charge and an additional resolution will not be necessary.
- g) All bank accounts, including branch and special event accounts, must have APWA's federal identification number (36-2202880) on them, and be listed as follows:
 - a. "American Public Works Association, _____ Chapter"
- h) Chapter bank accounts must have at least three current chapter officers on the signature cards, and include the signatures of the APWA Director of Finance and Treasurer of APWA. Branch accounts must have the signatures of two current branch officers, a current chapter officer, the APWA Director of Finance, and the Treasurer of APWA.
- i) APWA will sign a letter of understanding with each chapter agreeing to limit APWA access to the chapter's funds to instances of: 1) requests for direct intervention by the chapter Executive Committee; 2) dissolution of the chapter; 3) a finding by the APWA Executive Committee that the funds are in jeopardy (in which case the funds will be placed in an escrow account until a final determination of their disposition is made); or upon a judgment by a court of law which requires payment by those funds.
- j) Each and all chapter bank accounts, including those attributed to branches, must be listed with the APWA Director of Finance and include location and most recent year-end balance.
- k) All chapters must use the approved APWA financial management program, or a hard copy equivalent as provided by APWA; maintain files and records in accordance with generally accepted accounting practices, to include records documenting unrelated business income; and file required reports to APWA on a timely basis.

- l) Chapters should plan accordingly to maintain an unrestricted and undesignated liquid reserve level for emergencies and unforeseen contingencies. It is suggested that chapters review their most recently audited year-end financial statement, and based upon this statement, and the strategic plans of the chapter, target to set aside a reserve of at least 10 percent, but no more than 35 percent of the chapter's annual gross revenue. Chapters may decide to dedicate or restrict specific long-term funds, through chapter Executive Committee action of establishment of a restricted account or endowment fund, above the 35 percent reserve level for long-term educational development.

12. Audit Committee

- a) Each chapter shall establish a chapter Audit Committee. The duties of the chapter Audit Committee are outlined in APWA's Chapter Audit Checklist.
- b) The Chapter Audit Committee shall report its findings along with any recommendations to the Executive Committee by an outlined date agreed upon by the Executive Committee and the Audit Committee. The Treasurer must include all Audit Committee reports and Executive Committee responses as part of the Audited Year-end Financial Reporting Package due to APWA no later than April 15.
- c) All chapters will be subject to a periodic audit by APWA or a designated certified public accounting firm upon 60 days' notice.

13. Chapter Contractual Authority

A chapter may not enter into any contract, which may involve potential liability of a financial obligation beyond available (uncommitted) chapter funds without specific approval in each instance by the APWA Board of Directors. Chapter officers, Executive Committee members, and individual members of the chapter shall not be personally liable, to the extent of funds in the chapter treasury, for debts incurred by the chapter while conducting a normal program of activities in conformance with *Rules Governing Chapters* and the chapter bylaws and when anticipated income to offset debts has been estimated in a manner based on sound judgment and previous chapter experience.

- a) Only APWA members specifically designated by the chapter Executive Committee will have the authority to make commitments, either oral or written, on behalf of chapters or branches.
- b) Any contract containing potential liabilities totaling \$10,000 or more must be submitted to APWA for review prior to being signed by the chapter. Such review will generally be completed within three business days.
- c) Copies of all fully-executed contracts for goods or services with a value in excess of \$5,000 must be filed with the APWA Director of Finance within 30 days of their execution.

14. Chapter Employees/Consultants/Issuing IRS Form 1099

- a) Chapters are not authorized to retain employees without the written consent of APWA's Board of Directors. Requests for such consideration, on either a full- or

part-time basis must be submitted in writing and include the terms of employment prior to action being taken.

- b) Chapters are encouraged, as an alternative to retaining an employee, to negotiate contracts with individuals or organizations to provide services required in the management of their activities, so long as the terms for doing so comply with IRS guidelines for such contracts and the contracts with consultants or other parties for the provision of routine staff functions receive prior approval from APWA. When such contracts are used, neither the chapter nor APWA is required to administer withholding certificates, W-2 forms, nor other aspects of payroll tax accounting. Nor is either liable for the employer's share of state and federal payroll taxes or additional costs of providing coverage of such persons under insurance or other benefit plans provided to APWA employees.

When a chapter pays an individual at or above the threshold allowed by the Internal Revenue Service, APWA must report this to the IRS on Form 1099. Therefore, chapters must submit copies of all personal services contracts, as well as, the full name of individual(s), their social security number(s), address(es), and the amounts paid to individual(s) under the terms of such contract to APWA's Finance Department no later than January 15 of each year.

If during the calendar year, cumulative non-qualified payment(s) from a chapter to an individual, including a chapter member, meets or exceeds the IRS threshold, the chapter must report this information to APWA's Finance Department no later than January 15 of the following year.

A non-qualified payment is any scholarship provided to a non-degree seeking student, including a chapter member, and/or travel reimbursement(s) provided for a member where the chapter receives no direct business-related benefit. The full name of the individual(s), their social security number(s), address(es) and the amount paid to an individual(s) during the calendar year must be reported to APWA in order to issue a 1099.

Additional information on 1099 reporting can be found on the APWA website under Chapter Leader Resources or by contacting the APWA Chapter Relations Department.

15. Chapter Meetings and their Conduct

APWA meetings, at all levels, have the potential to create significant liabilities for APWA, especially when private sector firms are represented as participants. All APWA meetings, including chapter and branch meetings, must be held in accordance with the following guidelines:

- a) No official APWA meeting may be called on less than five days notice;
- b) All meetings will follow a published agenda which will include the main items of business to be discussed;
- c) All meeting notices and agendas will be mailed to APWA simultaneous with their mailing and/or use at APWA meetings;
- d) Minutes will be kept of all APWA meetings, to include the resolution of all agenda agency/company identifications when appropriate;

- e) All chapter officers and meeting chairpersons will be aware and acknowledge basic anti-trust provisions affecting APWA (APWA has prepared a short briefing paper for this purpose); and
- f) All meeting minutes (both drafts and approved versions) will be filed with APWA within 30 days of the meeting and/or approval date.

16. Electronic Voting by Chapter Members

Chapters can hold elections for officers and directors (as referenced in the APWA Model Chapter Bylaws, Article XIII), vote on amendments to bylaws, or approve ballot measures by means of electronic voting. Electronic voting is permissible only when the member casting the ballot is able to be identified by their assigned APWA member ID to verify only chapter members cast a ballot.

17. Branches

- a) Upon the submission of proposed bylaws and petitions signed by 10 members of the APWA, a chapter may, by means of a resolution adopted by its Executive Committee and subsequently approved by the Board of Directors of APWA, authorize the formation of branches within its jurisdictional area. Petitions must state that the undersigned petitioners have approved the proposed bylaws and agree to become members of the branch. Separate action shall be taken for each branch organized.
- b) Said bylaws shall be patterned after those adopted by the chapter, which shall assume responsibility for the activities of such branches. All responsibilities and restrictions, as well as all rights and privileges extended to chapters under these rules and regulations shall apply to branches except as herein provided. (A model for chapter bylaws can be found on the APWA website in chapter leader resources.)
- c) All members of a branch shall be members of APWA. Reports herein required of branches shall be submitted to and approved by the chapter's Executive Committee before they are submitted to the APWA Board of Directors. What portion, if any, of the funds allocated to chapters by APWA and redistributed to branches shall be determined by the chapter's Executive Committee.

18. Council of Chapters

- a) The Executive Committee of each chapter shall annually designate a representative to serve as a member of the APWA Council of Chapters. Chapters shall be responsible for financing their representatives' attendance to meetings of the Council of Chapters. Said representatives may be reappointed at the discretion of the chapter Executive Committee.
- b) Each chapter shall notify APWA and Regional Director of the chapter's representative on or before December 31 of each year. Chapter Executive Committees may designate alternate representatives in the event it becomes impossible for the designated representative to attend a regional or annual meeting of the Council of Chapters.

19. Student Chapters

A chapter may, by means of a resolution adopted by its Executive Committee, authorize the formation of a student section of the chapter at an accredited school.

20. Chapter Geographic Boundaries

- a) The APWA Board of Directors, after due consideration and for good cause, may change the jurisdictional area of any chapter. The Board may be petitioned for such changes by members of a chapter, or a branch of the chapter, or a contiguous chapter. Such petitions and any votes taken on such changes shall be by active members of APWA.
- b) Upon receipt of such petition, the Board shall appoint a special commission to investigate the merits of the petition. The special commission shall communicate with the officers of the affected chapter(s), branch(es), or other group(s) submitting the petition to determine the reasons that the petition was submitted and make every effort to resolve any outstanding issues.
- c) The special commission shall determine what jurisdictional areas will best serve the needs of the membership and the APWA Goals and Objectives. The special commission shall then report back to the APWA Board of Directors with its findings and recommendations for appropriate action by the Board.

21. Chapter Legal Contacts

- a) APWA is responsible for the legal defense of chapters, their officers and members for activities undertaken on behalf of APWA. Consequently, when a chapter officer becomes aware of an activity, incident, call, meeting, or the potential for any of the above that could lead to legal action or liability, the Executive Director of APWA must be contacted immediately. This is especially important if the chapter is contacted by a lawyer or receives legal summonses, demands for documents, or other legal overtures.
- b) Once aware of a circumstance with legal implications, a chapter officer should contact the APWA Executive Director before offering a response. If a response is unavoidable, the chapter officer should state the chapter has been instructed to contact APWA and its legal counsel before responding to legal inquiries. Failure to contact the APWA Executive Director in a timely manner could result in breaching of one's fiduciary responsibilities as a chapter officer and this individual could be held personally liable for their actions.

22. Chapter/Branch Event Insurance

APWA must be notified a minimum of 10 days in advance of a chapter/branch event for insurance purposes. If the chapter/branch does not wish APWA to secure insurance coverage, the chapter/branch will obtain coverage and provide proof of insurance to APWA no later than 10 days prior to an event. Any branch event shall be brought to the attention of the appropriate chapter and APWA. If a chapter/branch chooses to secure local coverage and is unsuccessful in obtaining coverage, the event shall be canceled. (Additional details are available in the Financial Management portion of chapter leader resources on the APWA website.).

23. Unrelated Business Income Tax Allocation

Income tax liability (if any) will be allocated to APWA and also to those chapters that are responsible for generating net unrelated business income. The income tax liability will be based on pro-rata of total net unrelated business income. APWA will be responsible for making the initial payment to the IRS and will then collect from

each respective chapter for their portion of the income tax. This process will ensure that taxes are paid on a timely basis and that only APWA and those chapters generating an income tax liability pay the tax.

Chapter Committees

A committee can be one of the most productive tools your chapter has. Your position as a chapter leader requires you to create and charge committees to carry out the work of the chapter. Whether you are president, chairing a committee, or are a committee member, you face the challenge of getting involved in the work your committee was formed to accomplish. Your leadership of the chapter will be greatly enhanced by deploying the committees that are required and that serve to meet the strategic objectives of the chapter.

Functions of a Committee

The primary function of a committee is to contribute to the efficient and effective operation of a chapter. In most cases, committees are concerned with communicating information and assisting chapter leaders in the decision-making process. The findings of a committee have a direct impact on the decisions made by the officers and the Board of Directors of the Association. Committee work directly influences the chapter's direction. Whether you create a standing committee (delineated in your chapter bylaws), special committee, or task force, all are equally important to the chapter.

Role of the Committee Chair

Even with capable members on the committee, a firm goal to achieve, and the support of chapter leaders, a committee without strong leadership is disadvantaged. Responsibilities of committee chairpersons are defined in relation to a specific committee. The chairperson's role will normally change as the work of the committee develops.

There are general responsibilities, however, common to all committee chairpersons.

- committee organization and structure;
- scheduling meetings;
- preparing and/or approving the agenda;
- presiding at meetings;
- making committee and individual work assignments; and
- reviewing and approving of minutes.

The success you achieve as a chapter leader is directly correlated with your selection and assignment of committee chairs.

Committee Members

The composition of various committees, primarily standing committees, may be provided for within the chapter's bylaws or the *Rules Governing Chapters*. It is more likely though, that the chapter President will work with the committee chairperson to appoint committee members.

When choosing members for a committee, Chapters should balance the selection of successful, experienced members with those that are new to the chapter. Newer

members will provide a fresh outside perspective while experienced members provide guidance and history. It is always to the committee chairperson's benefit to appoint members who are knowledgeable or interested in the committee's area of activity. The chairperson should provide members with background information that will help the committee function more effectively. For instance, alert members to the specific responsibilities of the committee and the past performance of the committee.

Examples of Chapter Committees

Chapters have the opportunity to structure their committees in the best way to meet the needs of the chapter, the members, and the Association. While the *Rules Governing Chapters* notes the need for standing committees, there are several areas where committees can lay much of the foundation upon which the chapter will accomplish its goals and objectives. The following are examples of committees that you may wish to incorporate into your chapter.

Audit Committee

The chapter Audit Committee should address itself to the chapter's books at the end of the calendar year. The committee also reviews and certifies the annual chapter financial report as prepared by the chapter Treasurer. The committee is comprised of at least three chapter members who are appointed by the chapter President. *NOTE: Any chapter officer with the authority to sign checks should NOT serve on this committee.*

The chapter audit committee examines at least the following documents:

- checkbooks, ledgers, and other books of accounts;
- bank statements, receipted bills for expenses, and authorizations for the expenditures;
- pertinent papers and documents, letters of transmittal, and an inventory of the chapter's physical property.

The responsibilities go beyond checking the Treasurer's addition and extend to a thorough and necessary review of the chapter's financial record-keeping and control systems.

The audit functions are essential to the effective operation of your chapter. The duties of the committee include:

- Examination of canceled checks, accounting for numerical sequence, and examining endorsements;
- Review of bank statements and reconciliations; and
- Examination of documents supporting disbursements.

The committee chairperson submits a final report to the chapter executive committee outlining the committee's procedures and findings. This audit is attached to the annual financial report and forwarded to headquarters. See section 12 – Audit Committee in the *Rules Governing Chapters*.

Awards Committee

The chapter Awards Committee proposes and documents nominations for both chapter and national awards. The committee's recommendations are given to the chapter executive committee for approval and then forwarded to headquarters for review by the appropriate committee. A chapter and their branches are encouraged to submit nominations to APWA National.

This is a great tool to recognize your chapter members for their outstanding contributions to the chapter and the profession of public works. Developing nominations and planning the chapter awards ceremony is a good project for the Awards Committee. Criteria and forms can be found on the APWA website at www.apwa.org.

Deadlines for APWA national awards are listed below. All nominations are submitted electronically thru the APWA website

- February 1 – Excellence in Snow and Ice Control Award
- March 1 – nominations due for all awards excluding Presidential Award for Chapter Excellence (PACE) and Excellence in Snow and Ice Control Award
- June 1 – Presidential Award for Chapter Excellence (PACE)

Bylaws Committee

The Bylaws Committee recommends changes to the chapter's bylaws and ensures that all necessary steps are taken to obtain approval by the chapter's membership and national. Your chapter is encouraged to review your bylaws annually to ensure they reflect any changes within your chapter or at the national level. Upon changing your bylaws, submit them to staff for review. Chapter bylaws templates can be found on the APWA website in the Chapter Leader Resource area and more information can be found in the Rules Governing Chapters, section 5.

Continuing Education and Training Committee

Activities of this committee include assessment of chapter members' continuing educational and training needs, sole or joint sponsorship of continuing education programs within the chapter, sponsorship of Association continuing education programs, and maintenance of good relationships with area educational facilities.

Chapter programs may range from a luncheon meeting with a speaker to a multi-day conference with an exposition. APWA has developed training courses that can be purchased by chapters. The courses are designed to allow chapters to deliver workshops to members in a variety of subjects.

Responsibilities include:

- market surveys of member needs to include prospective members;
- choose subjects for technical sessions, determine format, and consider coverage of the functional area of public works;
- select and invite presiding officers, toastmasters, and discussion leaders for each program;

- arrange times and places for meetings, including meeting rooms, registration activity, sleeping rooms, meal functions, receptions, tours, and equipment displays;
- prepare introductions of speakers for presiding officers and arrange to meet and greet speakers when they arrive; and
- solicit participation by commercial firms in an equipment display if one is scheduled, organize available space to best accommodate exhibitors, and carry out other responsibilities concerned with assuring the success of the equipment display.

Government Affairs and Advocacy Committee

The focus of the Government Affairs committee is to stay abreast of the activities of the national Government Affairs committee and to look at opportunities for your chapter to participate in national programs. The committee is also responsible for forging close working relationships with state/province leagues and other local partners and fostering a regular flow of information between APWA national and the chapter.

Membership Committee

The chapter Membership Committee is responsible for all membership campaigns, identification of prospective members, and evaluation of the relevance of programs and services to the needs of members and prospective members. The committee is also often responsible for member retention activities, which may include corresponding with members whose dues are in arrears.

Because of the close relationship between membership and record maintenance, the chapter Secretary is often a member of this committee. In many chapters, the membership committee also monitors member attendance at chapter activities to measure their effectiveness and to identify retention problems. Additionally, they may create a Welcome committee to ensure that all guests and new members are included and feel welcome.

National Public Works Week Committee

The chapter National Public Works Week (NPWW) Committee encourages the efforts of individual members in their own communities, member and nonmember agencies, as well as appropriate chapter-level activities to engage in the promotion of NPWW. The committee helps to inform citizens about the magnitude and complexity of public works operations to insure public support for adequate employee compensations, equipment replacement costs, preventive maintenance, and other necessary public works expenditures.

The focus of NPWW is at the local level, and its success each year depends on the efforts of chapters, agencies, individual, and corporate members. Every year a poster is designed to depict that year's theme and is sold from APWA National. The Association also provides comprehensive informational packets to assist with the promotion of NPWW. The materials vary each year, but may include such items as an overview of the

origin of NPWW, logos, letterhead, direction on how to plan a promotion and other special events, and sample TV spot announcements.

Newsletter Committee

Chapter newsletters provide yet another means of exchanging information. They are especially valuable in order to maintain contact with members in chapters that meet infrequently or encompass a large geographical area.

Possible items to include in a chapter newsletter:

- President's message;
- Synopsis of Executive Committee actions;
- Reports on chapter committees;
- Chapter members in the news;
- Highlights of past chapter meetings and notice of upcoming meetings and activities;
- Surveys and questionnaires;
- Directory of chapter officers and committee chairpersons;
- List of new members; recognize members who have reached a membership anniversary, such as 10-, 15-, or 20-year milestones;
- Abstracts of technical papers, excerpts from professional journals or newsletters;
- Reports on Association events;
- Honors, awards, scholarship programs;
- Educational opportunities (workshops, programs, teleconferences, etc.);
- New publications available, book reviews;
- Reports from chapter Delegate and/or Regional Director; and
- Short reports from agencies on new ideas being implemented, constructed, etc.

Nominating Committee

The chapter Nominating Committee is responsible for identifying and recommending to the chapter executive committee members for leadership positions in accordance with the chapter's bylaws. Membership on this committee should include respected chapter members who are not being considered for nomination to chapter positions. Criteria for nominations should be based on objective evaluations of leadership ability, experience, and professional reputation. The nominating committee is generally comprised of chapter Past Presidents.

Partnership Committee

One of the purposes of APWA is to promote cooperation among public and private sector personnel, firms, corporations, utilities, and agencies with interests in the field of public works. This is achieved in part through the formation of joint cooperative committees with other organizations such as the American Society of Civil Engineers,

Associated General Contractors of America, American Consulting Engineers Council, American Road and Transportation Builders Association, the National Association of Schools of Public Affairs and Administration, and Society of American Military Engineers.

The Partnership Committee also encourages chapter and member participation in National Engineers Week, MATHCOUNTS, Job Shadow Day, etc.

Chapters are encouraged to form partnership committees with the local counterparts of these and other partnering organizations. Cooperative activity provides additional financial and “brain power” resources and helps to eliminate duplication of efforts. Such committees develop programs designed to consider problems common to local organizations and make pertinent recommendations for the chapter executive committee to consider. Some joint chapter-level committees have been instrumental in publishing standard specifications, model ordinances and other references, and sponsoring workshops, seminars, award programs, and other joint meetings.

Past Presidents’ Advisory Council

The chapter Past Presidents’ Advisory Council provides an opportunity to retain an active volunteer that has acquired knowledge and experience that can prove to be an asset to your chapter. Consider assigning various tasks to the past presidents to help keep them involved.

Publicity/Public Relations Committee

The chapter Publicity/Public Relations committee has the overall responsibility of publicizing chapter activities such as a press release announcing the newly elected officers, the scholarship program, chapter conference and expo, awards program and any other events as necessary. This committee may also arrange for or provide a photographer at every chapter event.

This committee develops publicity materials such as news releases, photographs, and announcements and is responsible for maintaining liaison with press, radio, TV, and publications of municipal leagues and other associations and organizations. It coordinates this effort with the chapter executive committee and committee chairpersons and, in general, ensures the chapter’s activities are well publicized in its area.

Scholarship Committee

A good Scholarship Committee will not only administer the chapter’s scholarship program, look for avenues to promote the chapter and public works, but they will also look at ways to assimilate younger members into their chapter and the Association. Chapters should continually evaluate traditional scholarship programs and consider using scholarship funds for intern, student, and continuing education programs.

Student Membership Outreach

There are various ways to successfully bring in student members to your Chapter.

One way is to utilize a volunteer to set up an informational session with students at a local college or university. It is imperative that the members have or establish some sort of relationship with the engineering, public administration, planning and/or construction trade faculty. Having a “champion” is vital to the success of any student outreach. The volunteer member can arrange to have public works professionals speak to the students. It works best to have some professional from the private side and one from the professional side. The two share their passion for their jobs, explain what they do, and highlight some of the projects they work on. There is also time for the liaison to introduce the students to APWA. Student membership is only \$30.

Research has shown that those members of a Student Chapter are likely to join APWA as a regular member when they graduate.

Young Professionals

It is important that your Chapter reach out to and engage some younger APWA members.

The Young Professionals represent the future for APWA and the Chapters. There is not a strict definition of Young Professionals, but the segment is generally accepted to be public works professionals who are age 35 or under, and/or with less than five years of experience in the public works profession.

There is also a steering group within APWA – the Young Professionals Network. This is an active, engaged group of younger public works professionals who get together via conference calls monthly and exchange ideas and best practices from what has worked to attract younger members to APWA and to the Chapter. The members of the Young Professionals Network are charged with taking back what they learn from the conference call meetings and from the minutes that are distributed, back to their Chapter leadership.

Many younger members are eager to get involved in APWA. Short-term, one-time volunteer efforts are a good way to utilize younger people and give them responsibility while recognizing that many of them have job responsibilities that would limit volunteer time. Community Service projects, meetings held in conjunction with social or recreational events, and holding at least some Chapter events after regular work hours are some of the ways to engage young professionals.

Leadership Fast Facts

Chapter Governing Body - The Executive Committee

The governing body of each chapter is the Executive Committee. The executive committee is comprised of chapter officers and other members (Directors, Delegate, Past-President, etc.) in accordance with the chapter's bylaws. The Executive Committee is responsible for the management and conduct of chapter affairs and for the supervision and care of all chapter property. It should meet regularly to carry out its responsibilities as defined in the chapter's bylaws.

Each chapter must have, as a minimum, a President, President-Elect and/or Vice President, Secretary and/or Treasurer, and Delegate. It is important to note that all chapter officers must be members of APWA at the national level. For issues pertaining to governance, members of the Executive Committee will want to reference the following documents.

- APWA Bylaws
- Your Chapter Bylaws
- Rules Governing Chapters of the APWA
- Best Practices for APWA Chapter Capacity Building

President

The chapter President is the chief elected officer of the chapter and presides at all meetings of the chapter membership and executive committee. The President normally appoints committee chairpersons and members and serves as an ex-officio member of these committees. Other responsibilities may be assigned to the chapter President by the executive committee and may be described in the chapter bylaws.

Executive Committee Meetings

The President's responsibilities in conjunction with the Executive Committee meetings are twofold—to establish the agenda and to serve as presiding officer. Keep in mind that all meetings of the chapter, including those of the Executive Committee, may not be called on less than five days' notice. The Executive Committee meeting should follow a published agenda that includes the main items of business to be discussed.

The agenda should include, at least, the following items:

- call to order;
- roll call;
- approval of minutes;
- officer reports;
- committee reports (preferably by chairperson);
- reports by branches (if applicable);
- special reports;
- old business;
- new business;
- announcements;
- date/site of next meeting; and
- adjournment.

Committee Appointments

There are two types of committees: standing and special. Standing committees are committees such as membership, program, nominating, and audit. The function of standing committees is usually described in the chapter bylaws. Special committees or task forces are normally appointed by the President to perform specific functions, study current issues, or serve special interests of members.

Committees perform a necessary function in chapter operations. They provide a cross-section of experience and knowledge that allow for continuity of thought and cooperation. Committee work serves as an excellent training ground for future chapter leaders. The opportunity for an individual to participate in committee work, and the challenge it provides, enhances the feeling of belonging, of playing a significant role in the chapter, and increases loyalty to the Association.

President-Elect (Vice President)

Most chapter bylaws provide that the basic responsibility of the chapter President-Elect is to perform the duties of the President in their absence. Should the President resign or be unable to complete the term of office, the President-Elect will assume that office. In many chapters, the President-Elect is the next President, thus the term as President-Elect should be spent actively participating in chapter program planning.

Immediate Past President

The chapter Past President can be a valuable advisor to the chapter executive committee. Since the Past President normally chairpersons the nominating committee, this individual needs to remain active in the chapter in order to identify potential candidates for chapter office.

Delegate

The Council of Chapters is comprised of one Delegate from each chapter. Chapters may appoint an alternate delegate as well. The chapter Delegate acts as a liaison between chapters, their Regional Directors, and the APWA Board of Directors in its implementation of the Association's strategic plan; between all chapters of the Association; between chapters and their branches; and between chapters and the national volunteer structure.

The chapter Delegate also serves as an information source and point of contact at the local, regional, and national levels while identifying dedicated and committed members for promotion and active participation within the Association. The chapter executive committee (depending on its bylaws) shall either elect or designate the Delegate to represent the chapter.

Criteria to be used in the appointment/election of the chapter Delegate:

- be willing to serve a minimum three-year term;
- expect to attend and participate as a member of the chapter executive committee with full voting privileges;
- attend the two Council of Chapters meetings a year as well as participate in periodic conference calls;
- have an active interest in local, regional, and national affairs; and
- have experience in the chapter volunteer structure.

Alternate Delegate

Chapter executive committees are encouraged to designate an Alternate Delegate. The executive committee should designate an alternate whenever its Delegate is unable to attend the annual or regional meeting. Alternates have the same responsibility and authority as a Delegate at any meeting attended in the absence of the chapter Delegate.

Secretary/Membership Chair

The chapter Secretary is the focal point of internal and external communication. The Secretary prepares correspondence as requested by the executive committee and/or chapter membership and notifies the officers, nominees, and committee members of their nomination, selection, and/or appointment. The Secretary keeps records and conducts correspondence. The Secretary is responsible for recording meeting minutes and sending copies to APWA National as outlined in the Rules Governing Chapters.

Chapter Meetings

As outlined in the Rules Governing Chapters, specific guidelines have been established to outline the responsibilities of the chapter Secretary in regard to conducting meetings. Specific criteria must be met when calling and conducting meetings.

- no official meeting of APWA chapters may be called on less than five days notice;
- all meetings must follow a published agenda that includes the main items of business to be discussed;
- all meeting notices and agendas must be mailed to APWA National simultaneously with their mailing and/or use at chapter meetings;
- minutes must be kept of all meetings, to include the resolution of all agenda items, names of active meeting participants (as opposed to observers), and agency/company identifications when appropriate;
- all chapter officers and meeting chairpersons must be aware and acknowledge basic Antitrust provisions affecting associations; and
- all meeting minutes (both draft and approved versions) must be filed with APWA National within thirty (30) days of the meeting date.

Maintenance of Member Records

If the chapter does not have a Membership Chairperson, the chapter Secretary typically maintains the chapter membership roster. Current, accurate records will help the chapter effectively serve and retain its members. Membership rosters and reports are available to the chapter through the APWA website.

Any officer or chapter/branch leader can access their chapters membership reports on the APWA website at www.apwa.org. You would log into the website and go into the member's only section. Select "Chapter Leader Resources" from the list on the left of screen. Near the bottom left of the next webpage is a list of links to chapter management forms and reports; select the "Chapter Membership Activity Reports." On this page you will find a list of reports that are available to chapters such as:

- Membership Status Report by Chapter;
- Chapter Activity Report – Delinquent Members (Detailed);
- Chapter Activity Report – New Members;
- Chapter Activity Report – Dropped Members;
- Chapter Activity Report – Reinstated Members;
- Chapter Activity Report – Prospective Members;

- Chapter Membership Profile Change Report;
- Group Membership Vacancy Report;
- Membership Statistics Report – Top Percentage Gainers;
- Membership Statistics Report – By Chapter Size (all chapters);
- Membership Statistics Report – By Percentage Gain/Loss (all chapters);
- New Memberships Expiring in 6 months; and
- Never-been-a-member Recruit Memberships Expiring in 3 months or less.

Chapter Administrator

Many chapters contract with an individual or service provider to execute the administrative functions of their chapter. These chapters are charging their Administrators with such duties as maintaining the membership roster, program development, membership recruitment and retention, and maintenance of financial reports.

If your chapter is considering retaining a chapter administrator, you will need to send the contract to APWA National for review before one is signed. A final, executed copy must be sent to APWA National. A sample contract can be found on the APWA website, Chapter Leaders Resources under Chapter Management. More information can be found in Section 14 of the Rules Governing Chapters.

Treasurer

APWA is classified by the Internal Revenue Service (IRS) as a 501(c) (3) organization. Association auditors review chapter funds as well as those of APWA National. The accuracy of chapter financial records and prudent management of these funds are essential and reflect well upon the responsible stewardship of those who have been entrusted with care and custody of the members' funds.

The chapter Treasurer must maintain files and records in accordance with generally accepted accounting principles, including records documenting unrelated business income, (advertising income) and filing required reports to APWA headquarters on a timely basis. Chapters generating net unrelated business income will be responsible for paying income taxes. Bonding of the chapter and branch treasurer is done through APWA headquarters and occurs automatically when the treasurer takes office. **NOTE:** Headquarters must be notified of the change in officers in order to institute the bonding of a chapter Treasurer. Please keep in mind, this coverage does not extend to any other officers of the chapter or branch, nor the chapter administrator.

The Chapter Treasurer is responsible for chapter and branch funds—their receipt, safekeeping, and disbursement. All chapter bank accounts, including branch accounts and special events accounts, must be managed by and be the responsibility of the chapter Treasurer. Accounts must have the Association's IRS identification number (36-2202880), and be listed as "American Public Works Association, (insert chapter name) chapter."

Chapter accounts must have at least three current chapter officers listed on the signature cards and include the signatures of the APWA Director of Finance and Treasurer of the APWA Board of Directors. Branch accounts must have two branch officers, the chapter Treasurer (or other designated chapter officer), the APWA Director of Finance, and the Treasurer of the APWA Board of Directors. Each chapter and branch account must be listed with the Association's Director of Finance, including the location and most recent end-of-year account balance. Independent contractors (i.e.

Chapter Administrators, meeting planners, etc.) should not be included as authorized signatories on association bank accounts.

The chapter Treasurer maintains records of financial transactions of the chapter, prepares periodic financial reports as may be required by the chapter executive committee, and prepares financial reports as required by APWA headquarters. The Treasurer's books are kept open at all times for inspection by the chapter executive committee.

The chapter Treasurer reconciles receipts from ticket sales, registrations, exhibit space sales, etc. While much of this may be handled by a local committee/meeting host, it remains the Treasurer's responsibility to reconcile receipts with such things as attendance figures. The Treasurer works with the local committee to establish procedures for meeting receipts and expenses.

Significant disbursements must be made by either check or chapter credit card. Checks and charges more than \$5,000 must be signed by two chapter officers, and checks in any amount made out to the Treasurer must be signed by another chapter officer. Checks and charges more than \$10,000 must be approved by resolution of the chapter executive committee. The executive committee can, however, authorize the Treasurer to expend funds within an established budget. The chapter Treasurer must prepare a list of cash disbursements, showing check number, date, payee, and amount, with explanations where appropriate, for approval by the chapter executive committee at its regular meetings.

Chapter Membership Rebates

The Association provides rebates to chapters for active members in the chapter who are on the chapter's membership roster as of December 31 of each year and whose dues are paid in full as of that date. The amount of the rebate is determined by the APWA Board of Directors and is distributed quarterly.

Rebates are currently given for the following types of members:

- 05, 05C - Individual members;
- 11, 11C - Agency group members;
- 23A, 23AC - Heritage Corporate group members;
- 23B, 23BC - Prestige Corporate group members;
- 23D, 23DC - Crown Corporate group members;
- 51 - One-Call Center group members

Fiduciary Responsibilities

An officer of the chapter is considered a fiduciary, which means that one's legal status is almost the same as if one were a trustee. It involves a duty to act for the good of others rather than for one's own benefit. Consequently, the chief duty of a chapter officer is to exercise their powers for the benefit of the chapter. An officer must exercise these powers for the benefit of all members, not just some of them and must do so with complete honesty and reasonable competence. Officers can be held personally liable for failing to meet their fiduciary responsibilities and for their direct violation. Most states allow for suits involving "ordinary negligence" in managing corporate affairs. Generally speaking, however, barring intentional wrong-doing, the courts have rarely held not-for-profit officers responsible for decisions made in good faith and with prudence, even when they turn out to be bad decisions. Still, it does happen, oftentimes with respect to

an organization's personnel actions. For that reason, insurance and indemnification protection is essential.

Insurance Liability

APWA maintains a general liability policy that covers chapter officers' liability with respect to claims that involve bodily injury or property damage. The APWA policy does not include coverage for claims related to use of a personal automobile, employment, or any claim resulting from the negligence or willful misconduct of a third-party. A certificate of insurance will be issued to the chapter only when required by a written contract. All requests for a certificate of insurance must be accompanied by the event brochure, registration form, and the contract language requiring the certificate. A request for a certificate should be made at least 10 business days before the event to ensure our insurance company has adequate time to respond to the request. To help mitigate the risk to the Association, the chapter must obtain a certificate of insurance from event co-sponsors, subcontractors, and exhibitors or a permission slip/release form from participants.

Indemnification

The association carries a policy that covers indemnification insurance and protects chapter officers from personal liability for legal expenses incurred in their role as a chapter officer of the Association, so long as they have not intentionally broken the law and have acted in good faith. Since chapter officers are rarely found personally liable when acting in good faith, legal expenses may constitute their entire exposure.

Banking

At the first meeting of each year, the chapter executive committee must decide which officers will have authority to sign checks. Checks usually carry a single signature with two or more officers authorized to sign. In addition, chapter accounts must also have the Treasurer of the APWA Board of Directors and the APWA Director of Finance listed as a signatory. The executive committee is also responsible for selecting the bank where normal operating funds will be deposited. The retention requirement for bank records is seven years.

Bonding

The Association pays for a "blanket bond" to protect the Association and chapters against theft or fraud by chapter treasurers handling funds. This bond only covers cases of fraud or theft and not cases of "poor judgment." Bonding of chapter and branch treasurers is required and is administered through and at the cost of the Association. When APWA National is alerted that a treasurer has been selected by the executive committee or elected by the chapter membership, bonding occurs automatically. Individuals or organizations contracted to perform the financial management duties of the Chapter as Chapter Administrators should carry their own insurance pursuant to the services provided to the chapter.

Budgeting

The executive committee is responsible for approving an annual budget which includes all chapter activities and establishing policies for the management of chapter funds. An annual budget facilitates achievement of chapter goals. Most chapters use a small committee rather than the entire executive committee to prepare the budget. The budget committee may involve the President, immediate Past President, Treasurer, and former Treasurer.

The executive committee is responsible for approving the expenditures of all chapter funds. A good budget frees the executive committee for more important work at its meeting, as the Treasurer can be authorized to expend any funds included in the budget. Keep in mind that the meeting minutes must reflect authorization of all cash disbursements. The chapter budget is part of the chapter's financial files maintained at APWA headquarters. A copy of the chapter budget for the next calendar year should be forwarded to headquarters by January 15th.

Best Practices, Strategic Planning, and Leadership Training

The chapter budget provides for all expenses and revenues expected during the year and is a management tool by which the executive committee measures chapter performance against stated goals. Chapters are expected to at least break even and are encouraged to plan for earnings to fund new initiatives, to establish reserves for contingencies, and to fund long-term goals. These are a few of the APWA Best Practices for Chapter Capacity found under the Chapter Leaders Resource website. Chapters are encouraged (required for PACE award submittal) to annually complete this self-review checklist. Chapters are encouraged to have a planning session before the change in officers. Incoming and outgoing chapter officers should meet to discuss the past year and plan for the next.

Chapters are encouraged to use the APWA Strategic Plan when discussing chapter goals and objectives. Chapters can work with outside facilitators to do their goal setting and strategic planning or contact national staff to help facilitate their sessions free of charge. Either way, the chapter is encouraged to plan for the future while meeting its goals for the year.

Tax Deductible Contributions

APWA is classified by the Internal Revenue Service (IRS) as a 501(c) (3) tax-exempt organization. Therefore, contributions may be eligible as a deductible contribution to a non-profit tax-exempt organization by contributors on their income tax return, subject to IRS guidelines. If your chapter receives charitable contributions, please contact the national office for further guidance on IRS regulations related to reporting of contributions and our annual tax return and written acknowledgements of contributions.

Sales Tax Exemption

Chapters may be required to pay sales or use tax on purchases of goods or services. In addition, chapters may also be required to charge and remit sales or use tax on certain types of sales they make in relation to merchandise, food & beverage, newsletters, registration fees for workshops and conferences, banquets, and fundraising events, etc. Each local, state, and provincial government regulations are different and chapters will be held responsible for all taxes imposed by various agencies, unless an exemption has been obtained. Chapters should contact APWA National regarding the exemption and permit application process as filings impact the association as a whole.

Meetings - Schedule, Format, Sites

The executive committee determines the frequency and location of membership meetings. Some chapters meet annually, others meet monthly. All must hold at least one membership meeting each year. Advance notice of dates and locations should be sent to the chapter's Regional Director and to the Chapter Relations Department.

APWA's Federal ID #

Vendors your chapter does business with may need the Association's Federal Identification Number. For these inquiries, provide them the following number: 36-2202880.

501(c) 3 Status

The documents from the U.S. Treasury Department are forms that your chapter may need to provide to document the Association's not-for-profit status. Some common instances when this is necessary are when receiving an exemption from sales tax or when applying for a bulk-mailing permit. Copies of these letters are located under U.S. Treasury/IRS Letters on the APWA website.

Appointments

Depending on individual chapter bylaws and policies, the executive committee may appoint members to positions of significance such as Secretary and/or Treasurer, or chapter delegate. The committee may confirm Presidential committee appointments as well.

Supplemental Allocations for Chapter Support

Occasionally, APWA will approve allocations to chapters for funding worthwhile projects for which the chapter does not have ready investment capital. Requests for allocations must include a determination of actual financial need and project worthiness. These requests are submitted to the APWA Board of Directors and must contain enough detailed information for the board to judge the merits and risks of the project. (See *Rules Governing Chapters* for items to include with these requests.) Chapter commitment, a willingness to share project cost, and tying the project into the Association's strategic plan are key ingredients in the board's consideration. Requests should be submitted before the beginning of the budget year, if possible.

Preparing to Take Office

Chapter officers are required to serve calendar year terms. In exceptional circumstances and only when it is in the best interest of the Association, the Board of Directors may approve a provision in a chapter's bylaws whereby the term of office is established to other than the calendar year. There is normally a period between election and installation. You should take advantage of this transition period to prepare for the upcoming term, to identify what is to be accomplished, and to set goals and objectives.

This may include a systematic review of existing programs and examination of how your chapter is or is not meeting the needs of chapter members. Survey instruments can be used to assess your members' likes and dislikes, what programs and services they would like to see at your chapter, and how the chapter can best meet their training and educational needs. If a new chapter Secretary and/or Treasurer has been elected (or appointed), an orderly transition is needed to make certain that items such as files, stationery, financial records, and chapter possessions (such as the banner) are turned over and new officers have the opportunity to be briefed on their duties. In addition, each officer should turn over appropriate correspondence and files to the incoming officers to assist in the discharge of their responsibilities.

Chapter Financial Reports

The chapter Treasurer is responsible for completing the following reports and forwarding the reports to APWA National by the corresponding dates. You can access a printable copy of the chapter treasurer checklist and all financial forms on the website at www.apwa.org— Members Only Section – Chapter Leader Resources. Be sure that all accounts of the Chapter/Branch have updated signature cards including the signature of the APWA Director of Finance and the Treasurer of the APWA Board of Directors.

January 15: IRS Form 1099 MISC (Payments greater than \$600)

April 15: Audited Year-End Financial Reports

August 15: Semi-Annual Financial Reports

January 15: Chapter Budget for next calendar year

Penalties Concerning Chapter Financial Reports

Failure to submit financial reports on time and as prescribed in these Rules Governing Chapters will result in the automatic suspension of APWA chapter member rebate payments. Current chapter financial reporting is essential to the association's annual audit and tax statement. The APWA Board of Directors will be notified of delinquent financial reporting and will review the organizational status of the affected chapter.

IRS Form 1099 MISC

If a chapter pays an individual \$600 or more in a calendar year for certain scholarships, services, and/or travel expenses, the Association must file the information with the Internal Revenue Service on IRS Form 1099 MISC. The most common situation for chapters is compensation to an individual or firm performing the duties related to chapter administration, event management, and entertainment or bookkeeping services. Another case might be fees paid to a free-lance editor or designer for chapter publications, website design, etc. If payment for travel expenses has been a reimbursement for expenses and an expense report along with original itemized receipts have been submitted to the chapter, then this amount is not reported and the form not filed. "Original, itemized" means that each item purchased is identifiable on the receipt. Receipts reflecting a credit card total are not acceptable. However, if a per diem is paid and the person is not required to report how the money was spent, then this amount must be reported to APWA headquarters along with the total amount paid.

A "qualified scholarship payment" is not considered to be taxable income to the recipient if all three of the following are met.

- The individual is a candidate for a degree at an educational institution;

- The payment is used for tuition or course related expenses; and
- The scholarship payment is not a payment for services.

The amounts representing “qualified scholarship payments” are not subject to employment tax withholding or reporting requirements (unless made to nonresident aliens). However, no amount of a scholarship made to a non-degree candidate is considered “qualified.” If the payment is being made and the recipient is required to perform some additional service as a condition to receive the award, then the payment represents another situation where it is not considered to be a “qualified” payment. Scholarship payments that are not considered to be “qualified” payments should be reported to APWA National so that we can forward this information to the IRS on form 1099-MISC.

For each individual who receives at least \$600 as outlined above, APWA requires the following information:

- Name;
- social security number;
- home address (including city, state, zip);
- total amount paid; and
- description of services provided, fees paid

Contributions

Anyone can contribute to a chapter of APWA. The Association is a 501(c) (3) organization and as such can accept tax deductible contributions. Both individuals and organizations, members and nonmembers alike, are encouraged to support APWA and its chapters. It is important to note that if the contributor is an individual, that individual’s name can be listed as a “supporter” in the chapter newsletter or magazine. However, the individual’s company cannot be listed. If a company is making the contribution, that company cannot be acknowledged for their contribution or sponsorship in the chapter newsletter or magazine.

Cash contributions of \$250 or more:

A written acknowledgement from the chapter must be provided to the contributing party for all cash contributions of \$250 or more. The chapter’s acknowledgement must include (1) the amount of the contribution; (2) a statement whether APWA or the chapter gave the contributing party any goods or services as a result of their contribution; and (3) a description and good faith estimate of the value of any goods or services provided to the contributing party in exchange for their contribution.

Contributions, Sponsorships or Grants of \$5,000 or more:

APWA is required to report specific information to the IRS regarding contributions, sponsorships or grants of \$5,000 or more. If your chapter/branch has received a payment during the fiscal year that meets this dollar threshold, please contact the Chapter Financial Specialist.

Unrelated Business Income

APWA is required by the IRS to report all unrelated business income and related expenses and is liable for income tax on the net income from those activities. Under IRS regulations, revenue sources such as advertising, label sales and leases, or rental income are considered taxable income. In order to reduce our tax liability, APWA needs to also identify the costs associated with generating the revenue. Therefore, all chapters

are required to report to APWA National at the end of each fiscal year all unrelated business income and expense.

If the chapter acknowledges a company for a contribution in their newsletter, the entire payment is considered advertising income per IRS regulations. The payment becomes taxable income to the chapter and does not qualify as a charitable donation by the company.

If your chapter has generated any unrelated business income during the fiscal year, please contact the Chapter Financial Specialist for more information on how to properly capture and report revenues and expenses.

Endowment Funds

Many chapters have established an endowment fund for the purpose of funding an educational scholarship program or are interested in doing so in the future. There are significantly different accounting principles that apply to endowment funds depending upon whether the chapter established the fund with existing chapter assets (designate) or solicited funds (restricted) from the public for the endowment fund and whether the chapter is administering the fund or has set up the fund with a community (or private) foundation. Any chapter wishing to establish an endowment fund should contact the APWA Director of Finance for direction. Any contracts related to the establishment of an endowment fund with an outside party should be submitted to the APWA Director of Finance before the contract is signed to ensure that all custodial and fiduciary roles are properly outlined.

Chapter Diversity Liaison

APWA Chapter Diversity Liaisons are very important to APWA's work in valuing the differences in our membership and in creating and maintaining the feeling of inclusiveness for each of our members. In your chapter, Diversity Liaisons should recognize people for their unique talents and skills and take advantage of those talents and skills through their volunteerism. Managing diversity is certainly not new. However, handling certain differences of individuals needs to be done sensitively.

This is where the Diversity Liaison's role is so important in the chapter as this person can be the turning point for a member feeling included and valued. Diversity Liaisons function as an advocate for diversity. Liaisons take responsibility for reaching out to new members through mentorship programs, phone calls, welcoming letters, new member packets, and invitations to participate on committees or task forces. These efforts are encouraged at the branch level as well.

FAQ's

1. **Are chapters required by APWA National to share their chapter rebates with their branch?**
Answer: No – APWA does not require a chapter to share its rebates with their branches. It is up to the chapter whether they do so or not.
2. **Does APWA charge the chapter to collect chapter dues?**
Answer: No, it is a service provided by national to make it easier for both the chapter and national to keep track of the member's obligation to pay both membership and chapter dues to retain their membership. The chapter receives their funds quarterly.
3. **How do you become a life member?**
Answer: Life membership entitles you to all of the privileges of APWA membership and membership dues are waived. Members may become life members when any one of the following requirements are met:
 - * Continuous membership for 30 years.
 - * Continuous membership for 20 years and age 70.
 - * Continuous membership for 20 years, age 65 and fully retired from active service.
4. **How do I order prospect packets and other membership material from national?**
Answer: Online in the Chapter Leader Resource Area you will find a Materials Request form that is easy and simple to complete. We ask you give national at least 7 business days to fill your request.
5. **I have been laid off and I have received an invoice from national for my membership dues. Is there any program to help me remain a member during this difficult time?**
Answer: Yes, contact a membership assistant at APWA National and they can give you a one-time extended membership of 6 months at no extra cost.
6. **Does the March 1st deadline for awards mean postmarked or does the nomination have to arrive on March 1st?**
Answer: The award submittal must arrive on or before March 1st. If the award is postmarked on the first of March, your submittal will not be considered as it would have arrived too late.
7. **How many awards must a chapter submit to qualify for the PACE (Presidential Award for Chapter Excellence) award?**
Answer: A chapter that has more than 500 members must nominate at least one individual to receive the Top Ten Public Works Leaders of the Year and nominate at least one individual/group for any three other national APWA awards to be eligible. Any chapter with less than 500 members or less requires only one national award nomination for any category.

NOTES