

National Financial Policy Handbook

Version 5.0

Prepared by JaRod Collins, National Treasurer

Effective June 2014

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*The National, Regional, and Convention Treasurers are mainly responsible for managing financial processes and procedures of the Society; however, it is important that **all leaders** follow financial guidelines prior to committing NSBE to any financial obligations. These guidelines are for student and professional members and in some cases WHQ staff. These guidelines are subject to modification by the National Treasurer during the operational year, and will be redistributed promptly if done so.*

1) National Finance Zone

(National Bylaws, Ar VI, § 3,4)

Position	Duties
National Treasurer nebtreasurer@nsbe.org	Monitor organization's finances, design and implement financial policy, manages the national operating budget
National Financial Controller nebfc@nsbe.org	Monitor financial policies and procedures as they pertain to Regional and Professional boards.
National Assistant Treasurer for Special Projects nebatasp@nsbe.org	Monitor financial policies and procedures, investment strategy, finance zone liaison to national task forces.
National Finance Chairperson nebfinance@nsbe.org	Identify national funding sources, prepare solicitation packets, research alternative avenues to generate revenue.
National Convention Conference Planning Chairperson 2015 CPC Chairperson ashauer@nsbe.org	Manages Annual Convention programs and activities
National Treasurer Emeritus nebtemeritus@nsbe.org	Advises the National Treasurer and National Finance Zone

National Finance Advisory Board

Name and Position	Duties
Cheryl L. Adams <i>National Advisor to the Finance Zone</i>	Advises the National Treasurer.
Steve Jarrett <i>National Advisor to the Finance Zone</i>	Advises the National Finance Chair.

Professional Executive Finance Zone

Position	Duties
Professionals Treasurer pebtreasurer@nsbe.org	Maintains Professionals Budget and oversees Professionals Financial Procedures

Professionals Finance Chair <i>pebfinance@nsbe.org</i>	Identify funding sources for national Professionals programs and activities; prepare Professionals solicitation packet.
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2) Signature Power

(National Bylaws, Ar IX, § 5, C)

Budget Holders are delegated budgetary signature authority as follows:

Budget Holders	Approved Co-signatures	Budget Authority***	Board/Committee Requesters	Point of Submission
Regional Treasurers	Regional Chair	Applicable Regional Budget	Applicable Regional Board/Committee	National Financial Controller (NFC)
Regional Professional Treasurers	Regional Professional Chair	Applicable Regional Professional Budget	Regional Professional Boards/Committees	National PEB Treasurer
National CPC Treasurer	National CPC Chair	National Convention Budget	National CPC and Sub-committees	National Treasurer
National PEB Treasurer	National PEB Chair	National Professional Budget/Applicable Regional Professional Budget	National PEB Board/Committees	National Financial Controller (NFC)
WHQ Director of Publications	National Secretary*	Publications Budget	WHQ Publications Team	WHQ Director of Accounting
WHQ Director of SEEK	National Programs Chairperson*	SEEK Budget	WHQ SEEK Team	WHQ Director of Accounting
WHQ Director of Accounting	Executive Director	All WHQ Budgets	WHQ Budget Managers	National Treasurer**
National Treasurer	N/A	All Budgets	NEB, NAB, WHQ, Regions and all Board's Committees	N/A

*Co-signatures are needed from the required NEO member if an inquiry exceeds the cost of \$10,000 or if the requested expense was not budget for,

**Budget Holder can process all inquiries without submitting to the Point of Submission unless the National Treasurer restricts processing or if the inquiry is outlined in §13 of this document.

***Budgets, budget types, and how to make the National Budget can be found in the “Budget Management Policy” document.

If the National Treasurer feels a budget is managed improperly at anytime, the National Treasurer can restrict expenditures to that budget.

3) Budget Ownership

The National Budget is not owned by the National Finance Zone, but by its budget holders. Responsible financial actions are the responsibility of the Finance Zone as well as the budget holders.

- a. The Treasurers are the budget holders; the respective boards are the budget requesters and are responsible for being knowledgeable about utilizing it as a financial guide.

- b. **An expense line item in the budget does not necessarily mean that the money is available to spend.** The availability of funds for expense line items is contingent upon the confirmation of receipt of revenue line items within that particular budget. Expense line items are merely a guide for the amount of money that may be spent in a particular area pending availability of the funds.
- c. Budget owners are just as responsible for avoiding overspending as they are for avoiding underspending on expense line items. The inverse is applicable for revenue line items as well.
- d. The most recent financial statements and approved versions of the budget must be made available upon request to the appropriate budget owner by the applicable Treasurer. If not clearly defined, the National Treasurer will determine budget ownership. An acceptable turn-around time for requests is three (3) business days.

4) Budget Modifications

(For the rest of this section, reference §2 for Budgetary signature authority and approval)

All budget modifications must be submitted to the budget holders and submitted to the point of submission for approval.

A **Budget Modification Form** must be submitted under the following circumstances:

Transfer of Funds - a decrease or increase in any one line item or between line items (Please note that if funds are manipulated between different positional budgets, all parties involved must provide approval signatures on the documentation.)

New Line Items – the addition of new line items as a result of a budget modification

The appropriate Board member and/or parties will be notified if a particular line item approaches or exceeds its budget balance so the appropriate action can be taken.

The Procedure

- a. Notify the point of submission, of desire or interest to modify positional budget.
- b. Submit a **Budget Modification Form** to the point of submission with “signatures of authorization” from all parties involved.
- c. The point of submission will notify the requester of denial or approval of budget modification request, and forward documentation to the WHQ Accounting department.
- d. WHQ Accounting will notify all parties involved when budget and/or code changes have been completed within the accounting system; financial requests can be processed according to the adjusted line item(s).
- e. Receipts pertaining to a new line item will not be processed until budget modification approval process is complete, NO EXCEPTIONS.

5) Intent of Expenditures

(National Bylaws, Ar IX, § 3)

In order to receive reimbursements an **Intent of Expenditure Form** must be completed and approved. The intent of expenditure must be submitted at least 45 days in advance of expense, or at the discretion of the appropriate budget holder (reference § 2). Failure to submit an **Intent of Expenditure Form** will result in “NO” reimbursement for unapproved expenditure.

The Treasurer shall not approve any expenditure which would result in a detailed line-item (or a line item, where no detail was approved) being overspent by \$200.00 or 10% of the authorized amount, whichever is greater, unless and until the appropriate budget modification has been approved by the NEB, except under the provisions listed in §3.E of the National Bylaws.

In the event of an emergency where a purchase must be made:

- Voice approval for an intent of expenditure can be granted by the National Treasurer, National Financial Controller, or National Assistant Treasurer of Special Projects.

6) Reimbursements

(National Bylaws, Ar IX, § 5, C)

The Policy

Reimbursements are given only after the approved purchase has been made. Approval of purchases is done through approval of the **Intent of Expenditure Form**.

Receipts

All receipts should be originals and must have itemized detail. Please note that an itemized invoice is an acceptable form of receipt. Quotes and bank statements are not acceptable forms of receipts. Make sure that your name appears on all receipts and highlight or denote the receipt amount. Also, indicate the purpose of the expense or line item on the receipt. Attach all receipts to the corresponding **National Check Request Form**.

Deadlines

Requests for reimbursement must be submitted within thirty (30) days from the date of the purchase. A board member forfeits their right to a reimbursement if the request is not submitted within 30 days.

Expense Guidelines

If the amount of any **individual** purchase exceeds \$100 or **any group of purchases** exceeds \$300, it must be approved **prior to purchase** by the appropriate financial point of submission: National Treasurer (NEB/CPC), National Financial Controller (REB/PEB). If this expenditure is not approved prior to the purchase, the said board member forfeits their right to a reimbursement.

NSBE World Headquarters
Attn: Accounting
205 Daingerfield Road
Alexandria, VA 22314

The Procedure (The entire process should take no more than 28 days)

- a. Requester submits **National Check Request Form** with documentation to the Authorized Treasurer (Section 2). All information on the form should be completed accurately and legibly.

- b. The Authorized Treasurer receives **National Check Request Form** from requester and approves or declines reimbursement.
- c. The Authorized Treasurer sends the request to the Point of Submission (see Section 2) for final approval then processes check request for payment.
- d. The Point of Submission approves/denies the reimbursement requests and if approved, sends to accounting.
- e. All receipts and documentation are reviewed; checks are signed by authorized personnel and mailed directly to the person outlined in the check request document.

7) Meals

- a. Following approved dining, the receipt for the meal must include the names of everyone who dined and must identify the corresponding NSBE activity in the event that a Board member pays for the meal(s) out of pocket.
- b. Unless otherwise previously specified by the Authorized Treasurer allowable dining expenditures per person are \$7.00 for Breakfast, \$11.00 for Lunch, and \$18.00 for Dinner. Prior approval is needed by the financial Point of Submission outlined in §2 for meal reimbursements.
- c. The itemized receipt listing all items purchased must be submitted with the reimbursement request.

8) Travel Policy

The following policies apply to all ticketed travel (i.e. airplanes, trains, and buses). If the advance purchase requirements are not a “feature” of train or bus tickets, adjustments will be made accordingly. If a purchase cutoff date exists, that date applies.

- a. The Authorized Treasurer must complete a **Travel Authorization Form**. The form must have the NSBE account number, requester’s name, requester’s signature, event description, names of persons traveling, points of origin and destination, dates of travel, estimated ticket cost and budgeted amount to be valid.
- b. NSBE will not incur additional costs for side trips. If the traveler wants to change only their point of origin/return after the meeting (not a side trip), this will be allowed if the ticket price remains under the indicated travel authorization price.
- c. Travel agents have been instructed not to process any travel authorization that deviates in time or dates, or exceeds the ceiling price from the approved travel authorization. If the traveler insists on an unapproved deviation, the traveler must pay for the ticket and risks not being reimbursed.
- d. Any traveler making an unauthorized change to a ticket must pay the change fee plus the difference in cost for the flight.
- e. If a ticket amount is more than the estimated price, the traveler must notify their respective Authorized Treasurer. The Treasurer will notify the traveler and NSBE travel team of the decision to approve an increase in the travel authorization. If the traveler books without prior approval, their flight will be cancelled. NO EXCEPTIONS.
- f. If a ticket amount on any travel authorization is more than \$500, the National Treasurer or National

Financial Controller will be notified.

- g. If a traveler is authorized for travel and chooses to make his/ her own travel arrangements, they will be reimbursed up to the pre-approved amount given by the respective Authorized Treasurer. NO EXCEPTIONS.
- h. Stipulations
- a. 'Travel expenses' refers to mileage or ticketed travel
 - i. *Total round-trip travel expense for private vehicles:*
within 250 miles of the destination, reimbursed at the IRS prevailing rate of point-to-point travel, round-trip of approved mileage or sum of fuel receipts, whichever is of lesser value. In the event of carpools, only the driver will be reimbursed.
 - ii. *Total round-trip travel expense for rental vehicles:*
Rental vehicles will be reimbursed for the renter on travel days up to the ceiling price on the travel authorization. Fuel expenses will be reimbursed at an approved rate per mile of point-to-point travel, or the total of fuel receipts, whichever is of lesser value. Tolls shall be reimbursed with proper submission of receipts along point-to-point land routes.
 1. All drivers using rental vehicles are required to accept the full insurance from the car rental agency.
 2. If an accident or damages to a vehicle occur, all charges will be expensed from the budget that paid for the original car rental. Depending on the damage the National Treasurer or the National Financial Controller have the ability to limit or restrict car rentals for a particular budget for the rest of the fiscal year.
 - iii. *Total round-trip travel expense for those flying/training/bussing:*
the sum of ticketed airfare and/or ground transportation, round-trip, for point-to-point travel.
 - c. All travel will be considered 'point-to-point' in order for reimbursement
 - i. On designated or approved travel days
 - ii. To and from submitted origins and destinations
 - iii. Along approved or reasonable travel routes
 - c. Reimbursements will only be issued for ticketed ground travel in the origin city. Return trip ground travel in the origin city will be reimbursed after travel occurs and receipts are submitted. No term parking will be reimbursed.

The following positions are the **ONLY** individuals authorized to submit approved travel authorizations directly to travel agencies:

- **National Treasurer**
- **National Financial Controller**
- **National Assistant Treasurer - Special Projects**
- **National Chair**
- **Executive Director**
- **Executive Assistant**

9) Travel Procedure

For members of all executive and advisory boards along with the CPC.

- a. The facilitator (chair, vice chair, committee chair, etc) must submit a **Meeting Request Form** and **Travel Authorization Form** to their Treasurer by August 1st for all meetings that have dedicated resources in the budget for the upcoming fiscal year.
- b. Each approved meeting attendee will receive an e-mail at least 45 calendar days prior to their

- meeting requesting their travel origin and indicating if they are approved for travel.
- c. The approved traveler then has to reply with their travel origin and do one of following within five (5) business days:
 1. It is presumed that you will use the pre-approved NSBE travel service, or their travel will be arranged by the travel team, or
 2. Inform **your** Authorized Treasurer that you intend to make your own travel arrangements and would like to receive travel reimbursement at the conclusion of the meeting.

PLEASE NOTE: if no response is received within five business days, it will be assumed that you plan to arrange your own travel and be reimbursed for those costs under the stipend amount.

ALSO NOTE: if a traveler's origin is not within reasonable distance of a viable origin airport, s/he may indicate to his/her Treasurer that ticketed ground transportation needs to be arranged to the airport

- d. No later than 45 days before the meeting, your Treasurer will do one of the following...
 1. Submit a **Travel Authorization Form** to their Point of Submission outlined in §2.
 2. Notify you of what your travel cap is if you have chosen to arrange your own travel.
- e. Steps for travelers
 1. **For those utilizing the pre-approved NSBE travel service:** 30 days prior to the meeting/event, the traveler will be given a website where they will be able to select a travel itinerary that is within the travel authorization ceiling price. The traveler should visit the website provided within **48** hours to select an itinerary. Tickets and arrangements within the ceiling price will be sent to the traveler upon booking. If the travel costs exceed the ceiling, the tickets will not be booked and the traveler will be notified.
 2. **For those opting for self-booking and reimbursement:** You will receive a reimbursement check for your out-of-pocket expenses at the conclusion of the conference/meeting. Reimbursement will be pending your attendance for the entire conference/meeting and your submission of proper documentation for out-of-pocket expenses. The reimbursement amount will be the stated ceiling price on the travel authorization, **or** the actual total roundtrip travel expense (whichever is of lesser value).

Following is the standing procedure for NSBE Treasurers to calculate and set travel authorization ceilings for all meeting and event travel.

- a. **At least 45 days prior to the meeting**, send written authorization to all board members approved for travel indicating their authorization and requesting their travel origin.
- b. **Within five business days of sending the written travel authorization**, board members should reply with their intentions (travel agency or their own arrangements) and their travel origins. If no response is received within five (5) business days, assume the traveler plans to arrange their own travel and be reimbursed for those costs under the stipend amount.
- c. Calculate the lowest price of all roundtrip flights from the travel origin to the destination on the meeting dates within the travel restrictions and at the discretion of the treasurer, add up to \$50 in order to determine the travel authorization ceiling price. For ground transportation, an additional \$20 should be added to the average roundtrip flight price in the final determination of the travel authorization ceiling price.

Within 250 driving miles of the destination, the travel authorization ceiling price should be set according to roundtrip point-to-point road mileage.

- d. **At least 30 days prior to the meeting**, submit the travel authorization forms to point of submission person (see Section 2) for approval. The point of submission person will submit approved forms to WHQ Travel Team for those using the travel agent. The treasurer should inform those arranging their own travel of their ceiling price.

10) Contracts and Agreements

Contracts and agreements should fit in one of the two categories below. If a contract or agreement does not fit in one of the below categories, the document must be given to the National Treasurer for approval and signature. The only person given authority to sign documents on behalf of the society is the National Chairperson and should only occur if the National Treasurer is not available or unable to sign the needed documents. The WHQ Executive Director has the ability to sign documents limited to §10, B of this document. No other person has the ability to sign any contract on behalf of the National Society of Black Engineers.

1. Meetings, Conferences, Conventions

The process below should be followed by Regional Chairpersons and Treasurers, Professional Chairperson and Treasurer, along with CPC Chairperson and Treasurer in order to achieve the signing of documents.

- a. Once cities or facilities have been identified, a needs assessment should be forwarded to the point of submission outlined in §2. This can be done by completing a **Meeting Request Form** (MRF) detailing the event, budget, perspective locations, service delivery, etc and submitting the MRF to the point of submission.
 - i. Please reference the **Conference Planning Toolkit** (CPT) for detailed instructions and deadlines associated with contracting for conferences and meetings.
- b. If the point of submission denies the MRF, the document will be returned with information on the corrections that need to be made. If the point of submission approves the document, the document will be forwarded to NSBE Meeting Planning Vendor.
- c. NSBE Meeting Planning Vendor will send out a Request for Proposal (RFP) to selected entity(ies) as indicated on the MRF or as applicable based on the MRF.
 - i. Upon the receipt of proposals, NSBE Meeting Planning Vendor will create a site comparison form and submit it to the applicable chair and treasurer along with an recommendation.
 - ii. The applicable board will use this information to determine which site they wish to pursue for a contract and notify the NSBE Meeting Planning Vendor.
- d. The NSBE Meeting Planning Vendor will work with the selected conference/meeting site to develop a contract in accordance with the MRF submitted.
- e. Once an agreement has been developed, NSBE Meeting Planning Vendor will forward the contract to the applicable Chair and Treasurer, Point of Submission, and the Deputy Executive Director. The applicable Chair, Treasurer and CPC Chair should discuss the contract as well as ask NSBE Meeting Planning Vendor any questions that they may have or any terms in the pending contract that they do not understand.
- f. If the applicable board agrees to the contract. The applicable Chair completes and signs the **Contract Authorization Form** (CAF) and submits to the point of submission. The contract is reviewed by point of submission, and if the point of submission approves it, he/she signs the CAF.
- g. The CAF will be forwarded to the Deputy Executive Director for review and if no discrepancies are found, will be signed by the Executive Director. The National Treasurer can choose to sign the contract at anytime with or without the approval of the Deputy Executive Director or the Executive Director.
 - i. In the event that a discrepancy arises after the CAF form has been signed, all parties involved must meet (applicable Chair and Treasurer, point of submission, and NSBE Meeting Planning Vendor) to come to a resolution..

2. Vendors

Vendors are those contracted to do a service for, or on the behalf of the organization. The process outlined in part A) should be followed by Regional Chairpersons and Treasurers, CPC Chairperson in order to sign a

vendor contract. The process outlined in part B) should be followed by WHQ staff in order to sign a vendor contract.

A) Student Leadership

1. Once a vendor is identified, the Regional Chairperson, Treasurer, CPC Chairperson should review the contract to make sure everything is aligned with their understanding.
2. If the contract is aligned, a **Contract Request Form** (CRF) should be filled out completely and submitted to the point of submission outlined in §2.
3. If the point of submission denies the CRF, the document will be returned with information on the corrections needed. If the point of submission approves the document, it should be forwarded to the National Treasurer or National Financial Controller as specified in §2.
4. The document will be forwarded to the Deputy Executive Director for review and if no discrepancies are found, will be signed by the Executive Director. The National Treasurer can choose to sign the contract at anytime with or without the approval of the Deputy Executive Director or the Executive Director.

B) WHQ

1. Once a vendor is identified and a proposed contract is received. The contract along with a CRF should be submitted to the Deputy Executive for review.
2. If the Deputy Executive Director approves the CRF, the contract can be forwarded to the Executive Director
3. If the contract expenses are less than \$50,000, the Executive Director can choose to sign the CRF and contract. If the contract expenses are greater than \$50,000, the Executive Director must receive approval from the National Treasurer before the contract can be signed. If the National Treasurer is not available or is unable to approve the contract, the National Chairperson or the National Financial Controller can approve. No contract over \$50,000 is to be signed without approval.

11) National and Regional Programs Funds

(National Bylaws, Ar IX, § 5)

- a. The National and Regional Programs Funds are to encourage the implementation of programs that will fulfill the NSBE Vision and/or fall within the intentions of the Strategic Plan, National Directives and/or Seven Key Business Areas. Programs fund line items are included in the National budget. Eligible regional and chapter board members are encouraged to submit proposals for funding.
- b. No single programs funding award shall exceed 25% of the budgeted fund line item.
 1. The Program Fund line-item shall be allocated by either of the methods listed below: A vote of the Executive Board, or
 2. A vote of a committee composed of the Treasurer, Vice-Chairperson and Programs Committee Chairperson.
- c. All transactions related to application, review, and awarding of programs funding shall occur within five business days of each other, initiating with the receipt of the proposal by the National Treasurer.

12) Regional BCA Programs Funds

Each Region shall receive a revenue line item in their budget that is donated by the BCA for the specific utilization on programs expenses as indicated in the Regional Budgets. These funds may not be transferred for expenditure on any other line items in the Regional Budget. Regional Executive Boards should seek to

spend at least 85% of the revenue allocated by the BCA for their Region on the indicated programmatic line items.

In the event that revenue line items in the BCA Programs Fund are not completely depleted in a given fiscal year, the remaining funds shall enter into that Region's reserve account only to be released in the original amount remaining for the originally intended expenditure.

The BCA Programs funds line items are the same for every region and changes are at the discretion of the National Executive Board.

13) Chapter Relief/Support Funds

The National Chapter Relief fund will be distributed by the following criteria:

1. Each Regional Executive Board (REB) will form a committee of their choosing, with the approval of the Regional Chair, to select individual awards per chapter and submit check requests to the Regional Treasurer.
2. Each Region will be entitled to a portion of the National Chapter Relief as determined by the National Treasurer.
3. Once each region has selected the chapters that will receive relief funding, the Regional Treasurer will submit to the National Financial Controller all check requests.
4. All chapters to receive relief funding must be in good standing.
5. Each region will have a separate application and the application process must be approved by the National Treasurer prior to awarding of funds.
6. Once the application is open for Chapter Relief, funds will be awarded on first come, first serve basis throughout the course of the year. The National Treasurer reserves the right to restrict the amount of Chapter Relief awarded per quarter to ensure that funds are available throughout the fiscal year. The National Executive Board would need to have a three-fourths vote to override the Treasurer's decision.

14) Scholarship Awarding & Disbursement

A **Scholarship/Award Recipient Form** should be completed and attached with a completed **National Check Request Form** if a chapter or person is receiving a scholarship/award. The National Check Request Form with the attached Scholarship/Award Recipient Form should be submitted to the point of submission no later than 2 weeks after the first day of the planned event (e.g., Regional conference). The **National Check Request Form** with the attached **Scholarship/Award Recipient Form** should be submitted to the NSBE Accounting Department no later than 2 weeks after the first day of the planned event.

15) Solicitation Guidelines

- b. **Solicitation on all levels, National and Regional is to be approved and/or facilitated by the National Finance Chairperson and the Corporate Relations extension of Headquarters.**

Solicitation includes, but is not limited to the following:

- Initial contact of corporate representatives in an effort to request sponsorship of NSBE events and programs
- Follow-up of ALL corporate contacts provided by any member of NSBE, including chapter, Regional and national members, professionals and WHQ staff, etc.
- The continued request of funds from past sponsors and the acquisition of new resources
- All National and Regional fund-raising efforts

- c. **All documents used for the expressed purpose of soliciting funds for the National Society of Black Engineers must be approved by the National Finance Chairperson prior to distribution, and hard copies must be forwarded to Headquarters and the National Finance Chairperson for documentation.**
Documents include, but are not limited to, the following:
- All National, Regional, and Professional solicitation packets, corporate proposals, corporate partnership packets, etc.
 - Informational brochures and pamphlets
- d. **Any and all contact with Board of Corporate Affiliates representatives/companies is strictly prohibited unless for advisory/mentoring purposes or is undeniably approved by either the National Finance Chairperson or the Corporate Relations extension of Headquarters.**
Contact includes, but is not limited to, the following:
- Written text, verbal conversations and electronic mail communication
 - Sign language and Morse code
- e. The following statement should be printed on all documents that are to be used for the purpose of soliciting funds for NSBE. **The National Society of Black Engineers is a tax-exempt organization under section 501 (c) (3) of the Internal Revenue Code. All contributions are tax deductible.** We as an organization are obligated to uphold the sanctity of the IRS code.

16) Cash Receipts

All funds for the organization are processed via check express. The check is processed and deposited into NSBE checking account. NSBE Accounting Department can access the deposit and check information via an online banking process. At that time the deposit is allocated to the appropriate revenue account and the backup documentation is forwarded to the appropriated person. In addition to the documentation each Regional Treasurer and Finance chair will receive an excel spreadsheet outlining all checks received for their accounts.

This address is used for all checks received for Regions. Within the address please identify which Region the payment is for.

National Society of Black Engineers
 Region X
 205 Daingerfield Road
 Alexandria, VA 22314

This address is used for all other check deposits including – Career Fair, GTA, Magazine Ad, Banner Ads, and Corporate Sponsorships including BCA dues. Within the address please identify what the payment is for. (e.g. GTA or Career Fair etc.)

National Society of Black Engineers
 Region X
 205 Daingerfield Road
 Alexandria, VA 22314

17) Tax Exemption

Tax exempt rules

NSBE Federal Tax ID Number (EIN) is solely for National and Regional activity. This number is issued by the

IRS and is required by most banks when opening a corporate bank account or when applying for grants and contracts.

NSBE Chapters must utilize the Federal Tax ID number (EIN) of the University or College which they are associated with.

NSBE Professional Chapters can choose to apply for an individual Federal Tax ID number (EIN). They are included under the NSBE General Exemption if they are compliant with the rules and guidelines in maintaining the General Exemption status. Chapters opting not to fall under the umbrella of the GEN process are responsible for financial reporting and filing according to IRS policy independently. (See NSBE Professional Treasurer or NSBE Accounting Department regarding the GEN Process if you have further questions)

It is unlawful to distribute this number outside of approved NSBE business transactions. If you receive any questions concerning this issue please forward them to NSBE Accounting Department.

NSBE Sales Tax Exempt

NSBE is tax exempt in various states. The WHQ Accounting Department has an updated list with the current exemptions and denied exemptions. When Regional and National conferences are identified, NSBE Accounting Department reviews the list to see if the organization is tax exempt in those states. If NSBE is not tax exempt, the WHQ Accounting Department applies for sales tax exemption for each state. To receive a listing please contact NSBE Accounting Department.

18) NSBE Property/Equipment

Any equipment received by a board member must be authorized by the National Treasurer. You must complete an **Equipment Release Form**. This form states the following:

I accept full responsibility for the use of the National Society of Black Engineers equipment that is released to me. If this equipment is lost, stolen, damaged, or not returned, I understand that I will be liable for the net present value of the equipment. I further understand that I may be subject to additional fees and penalties until the equipment is returned, replaced, or a reasonable attempt has been made to satisfy the loss of use.

At the end of their terms, board members must return all equipment to WHQ.

Relevant and necessary subscriptions to services may be provided for NSBE equipment in an approved budget.

19) Investment Policy

The National Funds Management Committee, under the leadership of the National Treasurer is responsible for maintaining and adhering to the **National Investment Policy**. The policy's content must address the following areas:

- Applicable types of funds
- Guidelines for investment managers, including diversification and selection
- Investment guidelines indicating acceptable transactions, investments, and holdings
- Guidelines for investment performance review, evaluation, and reporting
- Investment Goals

The purpose of the policy is to provide the management objectives for NSBE's operating (cash) and investment (short- and long-term) accounts. The overriding goals are specific to the type of account, but are a combination of liquidity, capital preservation, and long-term growth while not exceeding a moderate risk position in any particular investment.

Three types of funds are discussed in the National Investment Policy:

- Operating/cash: Account(s) used for the ongoing operating cash needs of the organization;
- Short-term ("rainy day" account(s)) used to cover short-term liquidity needs not adequately addressed by operating/cash accounts;
- Long-term account(s)/assets used to provide investment to supplement current income.

The National Funds Management Committee shall provide a quarterly report on all investments to the National Executive Board.

20) Executive Privilege

Leadership in the National Society is a volunteer duty and may not be compensated for. However, certain exceptions may be made for leaders in the National Society at the discretion of the indicated parties:

- a. Travel – individuals may travel on behalf of the National Society if approved by their Chairperson and/or Treasurer. Provided travel is NOT a guaranteed privilege.
- b. Registration – registration may be waived for NSBE leaders for meetings and events of the National Society. This waiver is at the discretion of the appropriate Treasurer.
- c. Guests of the National Society – Registration waivers may be made for guests of certain leaders pending the approval by the National Treasurer in writing at least 30 days in advance of the meeting or event. All guest registration waivers must be made known to the National Treasurer.
- d. Use of Equipment and Property – please reference the guidelines set forth in Section 16 of this policy handbook

21) Professionals Financial Policies

The following are specific only to Professionals financial transactions.

- a. Regional Professionals Treasurers will be expected to inform the Professionals Chapter treasurers of the current General Exemption Number (GEN) process. The Regional Professionals Treasurer should also monitor and maintain a current listing of the GEN compliant chapters in their region as provided by the Professionals Executive Treasurer.
- b. Regional Professionals Treasurers are responsible for managing and monitoring Professionals line items within the Regional budgets.
- c. Regional Professionals Treasurers should submit the following financial requests to the Professionals Executive Treasurer for approval within two business days of submission. When the following requests are approved by the Professional Executive Treasurer, they should be forwarded to the National Financial Controller for approval/denial.
 1. Budget Modifications
 2. Reimbursements
 3. Travel Authorization
 4. Financial Advance
 5. Check Requests
- d. National and Regional check requests should be submitted at least 3 weeks from required payment date. Approved requests submitted after this period are not guaranteed to be paid

before the due date.

Solicitation of Funds

- a. The Professional Finance Zone solicitation of funds from non-BCA companies for any Professional event should be done via the Professional Solicitation packet approved by the Professionals Executive Finance Chair and National Finance Chair.
- b. The Professional Finance Zone solicitation of funds from BCA companies for Professional Executive events/activities should be handled through the appropriate WHQ CSR or the National Finance Chair.
- c. Regional Professionals solicitation should be part of the Professionals Executive solicitation packet. Professional Development Conference (PDC) solicitation should also be part of the Professionals Executive solicitation packet. The Regional Professionals Treasurer is responsible for drafting content related to solicitation for professional matters in the Professional Corporate Participation Packet. Discrepancies on content shall be mitigated by the National Finance Chair and Professional Executive Finance Chair.
 1. Regional solicitation of funds for Regional Professionals from non-BCA companies should be handled by the Regional Professionals Treasurer/Regional Finance chair, and/or Regional Professionals Chair via the approved solicitation packet.
 2. Regional solicitation of funds from BCA companies for Regional Professionals events/activities should be handled through the Professionals Finance Zone and the appropriate WHQ CSR.
- d. The Professionals Finance Chair will monitor all solicitation packets drafted under the name of NSBE with the intent of soliciting for professional activity.

National Programs Fund

Regional and Chapter Professionals can apply for the National Programs Fund following the guidelines in §11 of this document.

Mitigation

Any discrepancies financial in nature that are not resolved at the budget holders' level shall be mitigated by the National Treasurer, National Financial Controller, Professional Executive Chair/Treasurer.

22) Reserve Funds

In order to utilize budget reserves, the following criteria must be met:

- a. The budget owner must demonstrate that the current budget is insufficient to cover necessary expenditures or that the requested use of funds is necessary to maintain the fiscal integrity of the organization.
- b. The board of the respective budget owner must approve with a majority vote the use of budgeted reserves, with the consent of the Funds Management Committee. A two-thirds vote will be necessary to approve the reserve dollars without consent of the Funds Management Committee along with approval from the National Treasurer. The National Executive Board reserves the right to deny or modify any use of reserve funds, without regard to the budget owner or a subordinate board's affirmative motion to utilize their own reserve funds, with a two-thirds vote.

23) Excess Revenue

If a specific budget obtains revenue beyond the projected amount, the following criteria must be met in order to utilize this revenue:

- a. The budget owner must demonstrate that the current budget is insufficient to cover necessary expenditures or that the requested use of funds is necessary to maintain the fiscal integrity of the organization.
- b. The Treasurer or Chairperson of the respective budget must approve receive approval from the National Financial Controller or the National Treasurer.

24) Endowment Fund

Funds that make up the endowment shall consist of 5% of interest accrued on all investments as of January of the previous fiscal year. Use of the endowment fund shall be based on investment gain over the previous 3yrs. The Endowment Fund will have designated use if and only if the average investment gain over 3yrs has met or exceeded the dollar amount to enter into the Endowment Fund that year.

Use of the Endowment Fund shall solely be based on programming in-line with the Mission and Objectives of the organization to be determined by the National Administrative Zone prior to the start of the fiscal year, August 1st.

Application For Unspent Funds

All budget owners are eligible to use unspent portions of the Endowment Fund for unique and sustainable programming based on a completed Endowment Fund Request application and approval from the National Admin Zone by a majority vote. Endowment Fund dollars are eligible for use until December of the following fiscal year.

Endowment Fund awards shall not exceed 10% of the initial fund amount and shall not be awarded prior the acquisition of funds for

25) In-Kind Policy

Please refer to In-Kind Policy for details that regards to companies donating resources other than monetary donations.

26) Rewards Policy

Please refer to Rewards Policy for details that regards to how the Society will spend any reward points whether it is hotel, or American Express points.

27) Appendix

Financial Acronyms and Definitions

- **Budget Owner**
- **Budget Holder**
- **WHQ: World Headquarters:** Refers to the paid administrative staff of NSBE and/or the facility housing them.
- **BCA: Board of Corporate Affiliates:** A body corporation that provides ongoing, long-term financial support to the National Society through funding of and participation in specific programs that advances the NSBE mission. As a BCA member, a minimum contribution of \$40,000 is required.
- **IDCR: Indirect Cost Recovery:** Procedure for recovering those “administrative” or “programmatic” costs incurred by the World Headquarters while working towards goals and objectives of NSBE, but cannot be easily identified and marked to a specified program, or other developmental activity. Examples of IDCR include, Expenses included in the World Headquarters Budget, Utilities, Mortgages, Salaries and Benefits, Building, Maintenance, and much more.
- **FY: Fiscal Year:** A company's business year, usually a 12-month accounting period which does not necessarily correspond to the calendar year. NSBE's fiscal year is August 1 through July 31.
- **CPC: Convention Planning Committee:** A committee selected annually and led by the CPC Chairperson that plans and implements the National Convention with the assistance of WHQ MEETING PLANNING and other WHQ Staff
- **CSR: Customer Service Representative:** WHQ staff persons responsible for being primary contact to NSBE sponsors
- **EIN: Federal Tax ID Number:** solely for National and Regional activity. This number is issued by the IRS and is required by most banks when opening a corporate bank account or when applying for grants and contracts.
- **GEN: General Exemption Number:** an identification code issued by the IRS to NSBE for the purposes of allowing AE chapters to fall under the umbrella of a tax-exempt non-profit entity. GEN relieves individual AE chapters from the burden of filing its own application for tax exemption
- **NFC: National Financial Controller**
- **NAT-SP: National Assistant Treasurer for Special Projects**

Forms

All National Financial Forms are compiled and distributed by the National Financial Controller (NFC). Please consult your Treasurer or the NFC for these forms.