

THE LINKS, INCORPORATED

Manual of Procedures

FINANCIAL HANDBOOK

REVISED EDITION



Linked in Friendship, Connected in Service

**CONFIDENTIAL
PREPARED EXCLUSIVELY FOR
THE LINKS, INCORPORATED MEMBERS**

THE LINKS, INCORPORATED

The Links, Incorporated
National Headquarters

1200 Massachusetts Avenue NW
Washington, DC 20005-4501

(202) 842-8686

www.linksinc.org

ACKNOWLEDGEMENTS

Special acknowledgments and appreciation are extended to the area treasurers, officers and staff whose contributions were vital in the revision of this finance handbook.

THE LINKS, INCORPORATED EXECUTIVE BOARD MEMBERS

Link Kimberly Jeffries LeonardNational President
Link Ethel Isaacs Williams National Vice President
Link Crystal L. Kendricks.....National Recording Secretary
Link Ethelyn S. Bowers National Treasurer
Link Tyna D. Davis.....National Parliamentarian

THE LINKS, INCORPORATED FINANCE COMMITTEE

Link Ethelyn S. Bowers, Essex County (NJ) Chapter National Treasurer
Link Barbara Smith O’Neal, Dover (DE) Chapter Eastern Area Treasurer
Link Sheila R. Brown, Lake Shore (IL) ChapterCentral Area Treasurer
Link Lonneen M. Brown, Orlando (FL) ChapterSouthern Area Treasurer
Link H. Diane Scott, Pasadena (CA) Chapter Western Area Treasurer
Link Evelyn Rose Coker, Las Vegas (NV) Chapter.....National Financial Secretary
Link Carolyn E. Lewis, Pontchartrain (LA) ChapterImmediate Past National Treasurer
Link Katherine E. Wilson. Bold City (FL) Chapter.....Past National Treasurer

THE LINKS, INCORPORATED – HEADQUARTERS STAFF

Dr. Gwendolyn Boyd, Capital City (DC) Interim Executive Director
Mehari Debas Director, Finance
Hagar Gyan Accounting Assistant

THE LINKS, INCORPORATED FINANCE COMMITTEE

Link Ethelyn S. Bowers
Essex County (NJ) Chapter
National Treasurer and Chair of Finance Committee
ebnationaltreasurer@linksinc.org

Link Barbara Smith O'Neal
Dover (DE) Chapter
Eastern Area Treasurer
Barbaraoneal@comcast.net

Link Sheila R. Brown
Lake Shore (IL) Chapter
Central Area Treasurer
linksheilab@gmail.com

Link Lonneen M. Brown
Orlando (FL) Chapter
Southern Area Treasurer
treasurer@salinksinc.org

Link H. Diane Scott
Pasadena-Altadena (CA) Chapter
Western Area Treasurer
dscott@cadvium.com

Link Evelyn Rose Coker
Las Vegas (NV) Chapter
National Financial Secretary
cok345@aol.com

Link Carolyn E. Lewis
Pontchartrain (LA) Chapter
Immediate Past National Treasurer
linksntlewis@gmail.com

Link Katherine E. Wilson
Bold City (FL) Chapter
Past National Treasurer
KWilsonFL@aol.com

PREFACE

The financial integrity of The Links, Incorporated and its chapters is assured when our financial records affirm our organization's true fiscal accountability. The integrity of the financial records and the use of funds entrusted to our organization are crucial to the credibility of its financial stability. Our members rightfully expect and demand that we manage and report in accordance with generally accepted accounting standards.

The Financial Handbook of The Links, Incorporated is prepared as a guide to chapters to clarify and explain how to comply with certain legal requirements, financial policies and procedures. **The rules and guidelines in the Financial Handbook represent the financial operating procedures of the organization and only are provided as a separate manual from the National Manual of Procedures due to its size.**

Therefore, in selecting a chapter treasurer and financial secretary it is in the best interest of our organization to select someone who is experienced in accounting or financial reporting. We should seek the following qualifications in a treasurer and financial secretary; such as financial literacy, attention to detail, timeliness in completing tasks, neat and accurate record keeping, and a willingness to ask questions.

The treasurer's position is very influential. She is responsible for proper financial management of the area or chapter's resources and thus, also greatly affects our membership and the public's perception, trust, and assurance in the organization's management.

The revised edition of the Financial Handbook of The Links, Incorporated has been reformatted to separate information pertaining to The Links, Incorporated. The forms and procedures previously in use have been updated and/or eliminated due to implementation of the automated systems and will no longer be used for the financial and membership reporting of the organization.

All financial transactions are on-line for The Links, Incorporated. The recommendation is to control the types and the frequency of expenditures. The online system allows for the transmittal of dues and fees to our national headquarters web server. The actual payment of funds for chapter dues and fees may be paid on-line by chapter e-check, as outlined under the Accounting section.

Credit cards are not approved for usage for the Areas or Chapters of The Links Incorporated. Areas and Chapters may use debit cards associated with the area's/chapter's bank account. Violation of this policy will be referred to the Ethics and Standards committee. See page 75 for Appendix A-14 Credit Card/Debit Card Policy for more details.

Kimberly Jeffries Leonard

National President

Ethelyn S. Bowers

National Treasurer

FINANCIAL CALENDAR

September 15

- Deadline for submission of **990, 990EZ, 990 N Tax Form** to the IRS, with a copy to The Links, Incorporated. If an extension is filed, a copy of the extension request is to be forwarded to The Links, Incorporated.
- Deadline for submission of **Chapter Bonding Insurance**, to be processed online. Bonding insurance is due regardless of chapter filing for an extension of Form 990.
- Deadline for submission of **Internal Audit Certification Form**, with **Treasurer Year End Financial Report** attached. (Due September 15, 2016 and every September 15 thereafter)
- Deadline for submission of chapter **external audits**.
- Chapter financial documents transitioned to new chapter treasurer by outgoing treasurer.

November

- Draft chapter budgets presented to membership for review and recommended changes.

November 15

- External audit due for all chapters who were provided an extension from the National Treasurer on or before September 15.

February

- Deadline for all chapter budgets to be approved by membership.

March 15

- Deadline for submission of approved chapter budgets to area treasurer.

April 1

- Deadline for submission of member dues (without payment of dues late fee)
- Deadline for submission of building assessment for new members (third year)

May 1

- Deadline for submission of member dues, with late fee.
- Fiscal year begins.
- Chapters may begin to submit 990 Tax Form to IRS; pay chapter bonding insurance; submit Internal Audit Certification Form and external audits.

June 30

- Deadline for transition of bank accounts to newly elected officers.
- Completion of chapter Internal Audit. (*if an external audit is required*)

August 1

- Completion of Area Audit.

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THE LINKS, INCORPORATED

BUDGET AND FINANCES

Tax Status

The Links, Incorporated is a Section 501(c) (4) organization exempt from Federal taxes under Section 501 (a) of the Internal Revenue Code. All chapters of The Links, Incorporated are granted a charter by The Links, Incorporated and are exempt from federal income taxation. A chapter legally **cannot** provide tax deductions for any donations or contributions received by a donor. **The federal tax exemption does not automatically extend to local and state tax authorities.** Each jurisdiction enacts its own tax laws. You must check with local and state tax authorities to determine their tax implications on your chapter.

The Budget

A budget is a “financial plan of action” approved by the chapter that estimates revenue over expenses anticipated to be incurred during a certain period of time. All chapters must develop a **realistic balanced** budget. The budget must be a zero balance budget. A contingency/reserve line is permissible. (*Sample Budget, Appendix A-1 and A-2*)

The Links’ fiscal policy and procedures, for national, area and chapters requires the use of an operating budget. The operating budget includes national and chapter dues and fees, corporate gift/donations, or revenue generated from other sources. The operating budget also includes general expenses such as programs, special project expenses, and other expenses associated with member activity.

A budget is a guide that must be approved by the chapter or delegates for activity anticipated during the fiscal year. A budget must be realistic. A budget may also cover more than one fiscal year. Budgets can be adjusted to meet the needs of the chapter. The adjusted budget should be presented and approved by the executive council or committee and presented for a vote by the general body. If there is a change in the bottom line (\$) from the original budget, it must be presented and approved by the chapter.

A budget must not be adopted if the bottom line is a deficit.

(A deficit is the amount of money a chapter spends in excess of what it takes in. The main solution to a deficit is to decrease spending and to cut back on previously budgeted amounts.)

Process

Program Budget

List the facet and signature programs (opportunities, activities) that the chapter might undertake for a budget period: one year, two years, etc.

Rank programs, with objectives, from the list. Usually, the execution of at least three objectives is a major step for a chapter. The fewer objectives, the better.

Prioritize objectives.

Compare the cost of the programs/activities in relation to revenue.

Operating Budget

List all operating expenses that the chapter will need to function for the fiscal year. Program funds are not used for operational expenses.

Budget Planning Calendar

In order to determine the chapter membership dues and/or fundraising activities for the upcoming fiscal year, all budgets including these amounts must be presented to the executive committee at least 2 weeks prior to presenting to the chapter. It must be prepared and presented no later than November and approved by the chapter no later than February. **The chapter treasurer must provide the budget approved by the chapter to the area treasurer by March 15.**

Electronic submission of financial documents

A secure file sharing solution, such as Dropbox must be used to send electronic financial documents. See page 18 for more details.

(Please refer to the Financial Calendar for financial timelines on Page 6)

FINANCIAL OFFICERS - NATIONAL, AREA AND CHAPTER

General Information

The financial officers at the chapter level are: president, treasurer and financial secretary. The vice president of membership serves as a financial officer only when she assumes the duties of the president. In addition to these financial officers, a chapter president can appoint an assistant treasurer and/or an assistant financial secretary. The two assistant positions will serve in the absence of the treasurer and financial secretary and support other financial obligations within the delegation of the duties of the treasurer and financial secretary.

Note: Addition of these officers would require a Chapter By-Law change to incorporate the new positions, as well as, these officers would need to be bonded.

Specific duties and responsibilities of the Assistant Treasurer are as follows:

- Collect money in the absence of the Treasurer from the Financial Secretary.
- Provide a report of collected money to Treasurer.
- Assist in preparing of Form 300 to send to the **Lock box** with the Links Incorporated Foundation funds.
- Assist in preparation for internal/external audits of financial documentation.
- Provide other assistance as needed by Treasurer.

Note: The Assistant Treasurer cannot sign checks or make bank deposits.

Specific duties and responsibilities of the Assistant Financial Secretary are as follows:

- Collect money in the absence of the Financial Secretary.
- Support Financial Secretary with collection and receipt of money collected during a fundraiser.
- Prepare and provide receipts to members for money collected.
- Provide a report to Financial Secretary reconciling money collected.
- Give collected funds to Treasurer.
- Assist in preparation for internal/external audits of financial documentation.
- Provide other assistance as needed by Financial Secretary.

The financial officers of the Area are: area director, treasurer and financial secretary. The area vice director serves as a financial officer only when she assumes the duties of the area director.

The financial officers at the national level are: national president, national treasurer, and executive director. The national secretary serves as a financial officer only when she assumes the duties of the national treasurer.

The Links' financial officers have the responsibility to fulfill the overall mission ethically and in compliance with the Links' policies, and laws, regulations, and rules. It is also the responsibility of every officer and member to preserve and use the organization's resources in a prudent manner for their designated purposes, as provided by policy and procedures, law, regulation, rules and contracts, grants and donor restrictions.

All national, area and chapter financial officers, as defined above shall be bonded.

The following guidelines are intended to assist the financial officers in fulfilling their role.

- Ensure the fiscal invoices/expense transactions; has proper authorization; results in no violation of the Code of Ethics and the Conflict of Interest Policy; and adequate funds are available to cover the expense;
- Ensure the fiscal invoice/expense is recorded in the accounting system in a timely manner, and in the appropriate line item and the accounting period to which it relates;
- Maintains up to date files, and original supporting documentation with receipts, for all fiscal transactions in accordance with accounting procedures;
- Provide accurate representation and source documentation related to all fiscal transactions in a timely manner, at the request of the Executive Board;
- Ensure that all fiscal documents are transitioned, in a timely manner, to newly elected/ appointed financial officers.

CHAPTER FINANCIAL GUIDELINES

Finance Committee

The Finance Committee is chaired by the chapter treasurer. The committee shall include the financial secretary, program chair and the immediate past treasurer. The president serves as ex-officio member and appoints other members, as needed. The Finance Committee's responsibilities include the following:

- Consider the financial needs and programs and develop a balance budget based upon the needs of the chapter;
- Prepare the necessary budgets for the ensuing fiscal year which is presented by the Treasurer to the chapter for approval, by February;
- Review and recommend budget modifications, as needed;

Internal Audit Committee

The Internal Audit Committee shall consist of three to five members, appointed by the President, that review the chapter's records annually. These members are not the current financial officers or members of the Finance Committee. They shall have some knowledge of the chapter's fiscal operations (i.e. past financial officers). Immediate past financial officers can be members of the internal audit committee, as long as they are not auditing financial transactions that occurred during their tenure. The Internal Audit Committee must have a chair person. The name of the Internal Audit Committee chair person must be entered into IMIS under Chapter Officers. She is the only member that can complete the Internal Audit Certification Form on line. The Internal Audit Committee shall:

- Recommend an independent auditor for the annual review if applicable, (see guidelines pages 15-16) provide a least 2 bids and propose to the Executive Committee of the Chapter;
- Review the chapter's records and indicate any material weaknesses and propose internal controls;
- Verification of all receipts for the period;
- Verification of all expenditures for the period;
- Verification of balances for all accounts;
- Ensure presence of expenditure documentation (receipts, invoices, etc.);
- Ensure adherence to budget line items;
- Verification of chapter vote in the minutes for increases to budget line items.
- Ensure adherence to separation of fiduciary responsibilities;
- Shall meet with the fiscal officers to present the findings of audit report, prior to submission to the Executive Committee;
- Present the audit report to the chapter, and if needed, the findings/recommendations.

Chapter Audit Guidelines

Each Chapter shall adhere to the following audit guidelines:

Effective Date: May 1, 2017

Gross Receipts	Requirement	Performed By
\$0 - \$50,000	*Internal Audit Certification Form in Appendix A-13 & Annual Treasurer's Report in Appendix A-5	Chapter Audit Committee
\$50,001 - \$150,000	**Review of Financial Statements Internal Audit Certification Form in Appendix A-13 & Annual Treasurer's Report in Appendix A-5	Licensed CPA Chapter Audit Committee
More than \$150,001	***Audited Financial Statements Internal Audit Certification Form in Appendix A-13 & Annual Treasurer's Report in Appendix A-5	Licensed CPA Chapter Audit Committee

***The Internal Audit Certification Form** will be prepared by the chapter internal audit committee and signed by the chapter president online. The form will ask the chapter for certain fiscal/internal control information that would verify that the committee conducted an internal audit of the chapter books and records (see Appendix A-13)

****Review of Financial Statements** – The accountant will apply analytical procedures to management's financial records/data and make inquiries of company management and merely state whether he or she is aware of any material modifications that should be made to the financial statements for them to be in conformity with generally accepted accounting principles (GAAP). (Limited assurance)

*****Audited Financial Statements**- The licensed CPA examines your accounting records and financial statements and conducts an independent investigation to test the accuracy of your accounting records and internal controls. At the conclusion of the audit, the auditor issues a report in the form of a letter stating whether, in the auditor's professional judgment, your accounting records and year-end financial statements fairly represent the nonprofit's financial position according to generally accepted accounting principles (GAAP).

Internal and External Audit Due Date: September 15th (of each year)

Fine for late filing of the Internal Audit form after September 15th: \$500

Fine for late filing of the External Audit after September 15th (Without an extension): \$500

Fine for late filing of the External Audit after the 60-day extension: \$500

Additional Audit Requirements

- When there is a change in chapter Treasurer, an internal audit is required.
- An extension will **NOT** be granted for submission of the Internal Audit Certification Form and Annual Treasurer's Report. If not submitted by September 15, a fine of \$500.00 will be assessed. If not submitted by December 15, the chapter will be subject to disciplinary action including, but not limited to, a fine in the amount of an additional \$500.00, as approved by the Executive Council.
- If an extension is required for chapters that must also file a Review of Financial Statements or Audited Financial Statements, a written request must be postmarked to the National Treasurer by September 15 or e-mailed by 11:59 EST. The maximum period of time for an extension is 60 days.
- If an external audit is required the chapter's Internal Audit must be completed by June 30.
- The Chapter shall not engage an external accountant or licensed CPA who is a Link, Connecting Link, Heir-o-Link or any family member to audit or review the chapter's financial statements.

Chapter Treasurer

The role of treasurer is very important specifically because we are a non-profit corporation with federal tax exempt privileges and non-compliance with accounting standards and reporting may jeopardize our tax exempt status. The officers must inspire confidence with our members and donors. We place a very high level of importance on providing our membership with information that is relevant, reliable and accurate. It is a position that involves proficiency in the preparation of financial reports and managing the membership dues and fees. Most treasurers find that the role and responsibilities requires a significant commitment of time. It is essential for the treasurer to be accountable, accurate, and knowledgeable of standard accounting procedures.

The duties, responsibilities and qualification should be stated in the chapter bylaws.

All chapter treasurers **must** be bonded.

Duties of the Chapter Treasurer

- Receives the audited books and other pertinent materials from the immediate past treasurer;
- Responsible for depositing all funds collected by the financial secretary, giving her proper receipt for all funds received. She shall deposit all funds in a bank maintained in the name of "To Be Named" Chapter of The Links, Incorporated; verifies the total receipts from the financial secretary and makes the deposit to the appropriate bank account within five (5) business days of receiving funds from the financial secretary;

- Chairs the Finance Committee with other members appointed by the president;
- Keeps the official financial records of the chapter;
- Meets regularly with the financial secretary to ensure that records of the two are in alignment;
- Reports the record of monies disbursed, the name of recipient, and the reason for the expenditure. All checks written must be documented with a voucher;
- Reconciles book balances with monthly bank statements; prepares monthly bank reconciliations;
- Provides a complete financial report at each chapter executive board meeting followed by a report at the monthly chapter meeting (*Sample - Appendix 3 & 4*),
- Presents a year-end statement of financial operations at the May chapter meeting (*See Appendix A-5*),
- Chapter financial reports may be sent electronically, but must be provided via a secure file sharing solution, such as Dropbox;
- Submits end-of-the-year books to the chapter's internal audit committee to ensure the internal audit is completed by June 30;
- Prepares fiscal year-end April 30 financial reports for the chapter and its internal audit committee;
- Files the appropriate IRS tax forms (Tax Form 990, 990-EZ or 990-N e-Postcard) with the Internal Revenue Service **before September 15 of each year.**
- Files the bonding insurance by September 15 of each year, regardless of an extension being filed for IRS tax form.

Chapter Outgoing Treasurer

Conducts a transition meeting with the newly elected treasurer. This meeting may include the President, Vice President and Financial Secretary. She confers with the incoming treasurer on all details of operational procedures, reports and budget status. The transition meeting should precede the transmittal of the files.

Gives all audited reports, records and worksheets, including but not limited to Quick Book files, vouchers, receipts, bank statements, deposits and, all tax records, Tax Form 990 or 990-EZ or confirmation on the filing of 990-N (e-Postcard) by September 15 on their last year in office to the new treasurer. **All financial documents (audited books and pertinent financial material) shall be transferred to the new treasurer no later than September 15th.**

- Physically meets with the newly installed financial officers to transition bank accounts and acquire new signature cards no later than June 30;
- Presents a year-end statement of financial operations at the May chapter meeting (*See Appendix A-5*)
- Submits fiscal year-end April 30 books to the chapter's internal audit committee to ensure the internal audit is completed by June 30;
- Prepares fiscal year-end April 30 financial reports for the chapter and its internal audit committee;
- Files the appropriate IRS tax forms (Tax Form 990, 990-EZ or 990-N e-Postcard) with the Internal Revenue Service **before September 15 of each year**;
- Provides the necessary financial information to the new treasurer for filing of the bonding insurance by September 15.

Chapter Financial Secretary

- All financial secretaries **MUST** be bonded;
- Receives all monies (membership dues, assessments including fundraising events, chapter induction fees, etc.) and writes receipts in triplicate, one for the payee, one for the treasurer, and one for her file;
- Reconciles funds to total receipts including the purpose for which funds were received and turns over funds with a set of receipts to the treasurer within 5 business days of receipt.
- Keeps a record of the obligations of the individual members and notifies each of her status in accordance with the chapter bylaws. She also gives each member a personal copy of her record; (*See Sample - Appendix, A-6*) *Note: Appendix, A-8 may be used if the chapter members agree*)
- **Never** signs checks;
- ***Makes a complete financial report to the membership at its regular monthly meetings and year end – See Appendix A-7***
- Chapter financial reports may be sent electronically, but must be provided via a secure file sharing solution, such as Dropbox;
- Prepares a year-end report; (*See Sample – Appendix A-7*)
- Serves as member of the chapter finance committee;
- Submits her books and records to the internal audit committee and/or the external auditors;

- **Transfers all financial documents (audited books and other pertinent financial material) to the new chapter financial secretary no later than September 15;**
- Schedules a transition meeting with the newly elected financial secretary. She confers with the incoming financial secretary on all details of operational procedures, reports and budget status. This should precede the transmittal of all files.

CHAPTER ACCOUNTING PROCEDURES AND PRACTICES

Fiscal Year

The fiscal year of The Links, Incorporated is May 1 through April 30. Chapters and Areas must always use The Links' fiscal year in all reports and financial records.

Chapter Financial Reporting

The financial report presented by the treasurer and financial secretary at each meeting should clearly report the financial status of the chapter – it should account for all income, expenditures and balances in each account. The report should include any liabilities against the cash balances, (e.g. outstanding checks). The report(s) should also include, but not be limited to check number, payee and amount for each transaction.

The Financial Secretary's report should proceed the Treasurer's report during chapter meetings.

At the end of the fiscal year, both the treasurer and financial secretary shall prepare a comprehensive report for the fiscal year. (Appendix A-5 and Appendix A-7).

Checks and Vouchers

A voucher system with invoices and other supporting documents should be used to request disbursements of funds. (*See Appendix A-9*)

All vouchers and checks shall be signed by the chapter president or vice president when she is assuming the role of president and co-signed by the treasurer. In the case of check made payable to the treasurer the chapter president will sign check and chapter vice president co-signs.

Any expenditure in excess of the budget shall be approved by the Executive Board of the Chapter. However, if funds are not available chapters are not allowed **to operate with deficit budgets and must cut expenses to remain in good standing with The Links, Incorporated.**

Bank Accounts

The selection of the chapter's bank must be approved by the membership.

Chapter funds must **NEVER** be deposited or invested in personal accounts.

All checks require at least two authorized signatures for withdrawal of funds.

All bank accounts must have the official name, as provided by National Headquarters and the chapter's Employer's Identification Number (EIN) regardless of the number of accounts. There is only **ONE EIN** per chapter.

All persons eligible to sign checks must be bonded at a minimum of \$5,000 for each chapter officer.

In an attempt to provide security, as well as, diminish the chances of identity theft for the chapter bank accounts, bank statements with the complete account number should never be included when statements are

provided to officers or members in meetings. It is recommended that bank statements or financial reports only show the last four digits of the bank account numbers preceded by xxxxs or just the last four digits.

A copy of bank statements can be provided to the elected officers after the preceding account numbers are blocked out.

The chapters are **NEVER** to invest in equity or debt instruments. Chapters are authorized to use CDs or other interest bearing FDIC Insured accounts.

If the chapter sponsors fundraisers, a separate checking account **MUST BE** established, generally the same as a restricted account. A chapter **must** maintain at least two (2) separate accounts; a Restricted, and an Operating (Unrestricted account). It is easier to keep an accurate account of the income and expenses related to fundraiser if a separate account is used. It is also especially useful in preparing IRS Form 990.

Online Banking

Preamble

Chapters are allowed to use on-line banking.

On-line banking access can only be granted to the Chapter President and Treasurer. All transfers between chapter accounts must have a signed voucher signed by the President and Treasurer prior to the execution of the transfer.

The use of online banking services requires close monitoring of the movement of the chapter's funds. Such movement(s) includes transfer of funds between chapter accounts within the same bank, electronic checks and debit card charges to a third party. All of these debit charges to a chapter's bank account will require prior approval from the chapter president and the chapter treasurer. The approval process will utilize the existing financial voucher system requiring the written approval of the chapter president and the chapter treasurer evidenced by their signatures either on the voucher before any electronic payment can be made. In the event that either officer is not available to sign a chapter voucher, then an email or scanned voucher approval must be obtained from the missing signer.

Any funds moved without the above approvals must be immediately reported via email to members of the chapter's Executive Committee. After the second unsupported voucher transaction, the chapter treasurer must submit details of the policy violation to the Area Treasurer with a copy to the Area Director.

Chapters can accept credit cards through a third party processing agency under the following guidelines:

- 1) All fees associated with the transactions must be absorbed by the chapter and not transferred to the member.
- 2) Fees must be reflected in the Operating budget;
- 3) Square and Pay Pal cannot be used in collaboration with The Links Foundation.

Only Eventbrite can be used in collaboration with the Links Foundation. (Refer to The Links Foundation, Incorporated's financial handbook for more details)

On Line Payment Options

The National Finance Committee has recommended the use of Eventbrite and PayPal. The Committee is aware that there are a number of other options available which it has not researched nor had extensive experience with. While the Committee cannot prohibit a Chapter from exploring its options, it highly recommends that extreme caution and careful record keeping be used with any online system you use, to protect your Chapter accounts and customers. Chapter member approval of the systems and its fees and costs is required.

Be aware that credit card machines may have other expenses that must be borne by the chapter and full disclosure of potential costs and chapter approval is required, before implementation. All security credentials must be kept current. The vendor will provide you with additional information and any possible charges.

PayPal Policy

Overview

More people are using digital means to receive and send payments and to conduct their banking needs. The increased efficiency and security with online transactions, has replaced traditional methods that require paper processing.

There has been an increased demand in The Links, Incorporated for the usage of credit /debit cards and online platforms to conduct business.

While there are many options available, the National Finance Committee is providing the option of PayPal, which is widely known and utilized. This does not prohibit Chapters from researching and vetting other methods, keeping in mind that extreme oversight and security of member funds is utmost.

What is PayPal

PayPal is an online payment and processing platform. More than 192 million people worldwide use PayPal for online purchases and sales.

PayPal offers the same protections as a credit card and has powerful fraud and consumer protections in place.

Benefits of a PayPal Account

- Secure option to process online payments and credit cards
- Has 24/7 fraud detection monitoring with alerts for suspicious activity
- Offers members the option to make online payments
- Administrator can customize the payment/checkout process for tracking purposes,
- Has excellent and detailed reporting features
- Offers online support and training

PayPal Accounts

- All PayPal accounts allow you to send and receive payments.
- A Business Account, versus an Individual Account, is recommended for merchants who operate under a company/group name. It offers additional customized features.

Business Accounts

- Accept all major credit and debit cards
- Accept PayPal payments
- Give customers the flexibility to pay over time
- Customize the checkout experience
- PayPal does not charge a fee to open a PayPal account.

- Monthly fee of \$30.00
- Accounts must be opened in the name of the Chapter - not in the name of an individual.

Approval Process to Open an Account

- The Chapter must approve the establishment of an account by a 2/3 majority vote, with a 48 hour written advance notice, and agree to the payment of the fees associated with it.
- A line item must be established on the budget for processing fees, which cannot be passed on the member.
- The Chapter Treasurer must set-up the account and serve as Administrator.
- It is recommended that the Treasurer designate limited access, for the purpose of reviewing and running reports, to the Chapter President and Financial Secretary, and any other person, as identified.

Account Access and Responsibilities

- A User Agreement must be signed by the Chapter President and kept in a file with the Chapter Treasurer.
- The Chapter Treasurer must be assigned as the Administrator.
 - She must complete a profile with PayPal.
 - She must have full access to manage the account, run reports, problem solve, provide refunds, set-up payment buttons and transfer funds to Chapter Account(s).
 - The Administrator is responsible for providing records and reports to the Chapter and for any audits, (Internal and External) as deemed necessary.
- The Chapter President and Financial Secretary must complete a profile to be given limited access to run reports.
- The Chapter may assign another officer access to the account in the event the Treasurer is not available.
- Only the Treasurer may withdraw funds from the account or provide refunds.

PayPal Fees

- Per the PayPal User Agreement, merchants are not allowed to apply a "surcharge" however, they can apply a "handling" fee. If the web site is stating that they are charging you for their transaction processing fees and/or use the term "surcharge", this is clearly wrong and should be reported to PayPal. Reference -Jul 9, 2014.
- If this policy is violated and a buyer makes a complaint to PayPal, the Agreement between the organization and PayPal may be revoked.
- The fee for each transaction is 2.9% plus \$0.30 USD of the amount remitted.
- There is a monthly account fee of \$30.00, if not set up as Standard Account.
- Always review the PayPal Agreement in full before executing and fully understand the fees and guidelines.
- A Line Item must be part of the budget for processing fees if you choose to utilize PayPal or any platform that has a processing fee.

Withdrawing Money

- Money can be withdrawn from your PayPal account to your bank account at no cost. If you prefer to receive a check, there is a \$1.50 fee. You can also move money to your bank account using an eligible debit card linked to your PayPal account (\$0.25 per transfer). Transfers typically occur within 30 minutes.
- When accepting payments via PayPal, there is a transaction fee and a processing fee for negotiating the credit card. The rate varies based on usage and is about 3%. Fees may not be passed on to the consumer, which would be considered a surcharge, and is against their Agreement.

Note per PayPal:

4.6 No Surcharges. You agree that you will not impose a surcharge or any other fee for accepting PayPal as a payment method. You may charge a handling fee in connection with the sale of goods or services, as long as the handling fee does not operate as a surcharge and is not higher than the handling fee you charge for non-PayPal transactions.

- PayPal will not send checks to the Links Foundation and payments sent via the Chapter PayPal Account are not tax deductible.
- Disclosure statements are required when accepting contributions, so that donors are aware that their contribution is not tax-deductible.

Conclusion

Note that some platforms, such as EventBrite, FundMe, IFundYou, and CVent allow fees to be passed on to the consumer.

Regardless as to the platform utilized for payment transactions, fees may not be added to dues and any other National assessments. The amount requested from members must be the same for every member.

The PayPal website has a large number of resources available and telephone and online support. The URL is:
<https://www.paypal.com>

Chapter Contracts or Letter Agreements

A chapter president may execute a contract for up to \$4,999.00 less without approval of the area director, but in accordance with the chapter bylaws.

In an effort to minimize financial exposure to The Links, Incorporated all chapter contracts greater than \$4,999.00 must be submitted for internal legal review prior to the chapter president affixing her signature on the contract. The chapter president must handle contracts \$4,999.00 or less in accordance with the following guidelines:

- Send contracts and agreements \$4,999.00 or greater to the area director via email. The area treasurer must be copied. The contract is sent to Legal Affairs Committee via dropbox for review. The document will be in legal review for 7 to 10 days. If approved by the Legal Affairs Committee the document will be forward back to the chapter and a copy of the approval to the area director and area treasurer.
- If not approved, the contract will be returned to the chapter for revisions with a copy to the area director and area treasurer. The revised document will be sent back by the chapter to the Legal Affairs Committee for review/approval.
- If the revised document is approved by the Legal Affairs Committee, the document will be returned to the chapter and a copy of the approval to the area director and area treasurer.
- Any questions during the approval process should be directed to the Legal Affairs Committee.

A chapter or contractor is responsible for excess liability over and above the Links umbrella liability and the event liability insurance coverage.

Guidelines for Chapter Fundraisers

- Chapters may have chapter sponsored fundraisers which allows them to utilize proceeds for restricted or unrestricted purposes.
- Chapter sponsored fundraisers are **not tax-deductible**. Funds received can be deposited in the chapter's unrestricted account if the event is not advertised to support any specific programs, i.e., scholarships, etc.
- Any funds received from individuals, corporations and/or the public to support specific programming or a designated purpose, are to be deposited in the Chapter's restricted account. These funds are not tax-deductible. Chapters shall clearly designate on any printed materials, i.e., tickets, brochures, letters or correspondence, that contributions to the event or solicitation are not tax-deductible.
- The goal is to return the net profit to the community as outlined in program plans. However, depending on the program/project year for which funds were raised, and for example, it is a two year program, funds can be held through the completion of the program/project. The chapter must follow through with the commitments and promises made when the money was solicited.
- **For tax-deductible fundraisers, please refer to the Financial Handbook for The Links Foundation, Incorporated.**

Restricted Funds

- Funds received from The Links Foundation, Incorporated for support of the five (5) program facets – Services to Youth, National Trends and Services, International Trends and Services, The Arts and Health and Human Services.
- Funds and/or grants received from The Links Foundation, Incorporated are restricted funds and are tax deductible for contributors. (See The Links Foundation, Incorporated Financial Handbook for processing procedures).
- Donor designated funds derived from the public, individuals or corporations, for program events and grants are restricted funds.
- Restricted funds are not to be retained in the chapter's general bank account. Restricted funds **MUST** be retained in a separate bank account.
- **The only allowable use from a Fundraiser's restricted funds is for the purpose/(s) advertised to the public in the fundraising materials.**
- **10 percent of the Fundraiser's Net Proceeds may be retained in the Restricted Account as "seed money" for the next fundraiser.**

Unrestricted Funds

- Funds that are derived from chapter dues and chapter assessments. Ticket sales for non-charitable events are unrestricted funds. Example: chapter Christmas party, teas, social events and celebrations.

Chapter Assessment

- A chapter assessment is a member's personal responsibility. **The chapter assessment must have been approved and voted on by the chapter.** A chapter assessment is also a personal requirement for continued membership in the chapter and the national organization.
- A 30 day notice is required before a meeting can be held to vote on a chapter assessment.
- A two-thirds vote is required from those present and voting after a quorum has been established
- Any chapter assessment voted on and adopted before a leave of absence request is approved is due from the member *before* returning to active status.
- An assessment that is voted on and approved while a member is on a leave of absence or prior to a transfer into a chapter shall not be that member's responsibility.
- All members must meet their chapter's **financial obligations** and **service requirements** before the member's national dues and assessments are submitted to the national headquarters.
- All chapter assessments and outstanding financial obligations owed to the chapter must be paid before the chapter accepts a member's payment of national dues and assessments.
- Dues and assessments are not tax deductible.
- Use of **money** from another organization or corporate sponsorship to fund a member to meet her individual assessment must be agreed to by the chapter. Without the Chapter approval, a member's personal obligation is not satisfied. Money paid by another organization must be paid by deadline.

New Chapter Obligations and Assessments

Applying Group Application	\$800
Interest Group Processing Fee	\$1,000
New Chapter Chartering Fee	\$1,200

- The applying group is assessed a non-refundable application fee.
- An applying group that seeks consideration as an interest group and eventually for chartering as a chapter of The Links, Incorporated, must accompany its application with the applying group application fee. This fee is non-refundable regardless of the outcome of the application. **The national fee must be paid by the applying or interest group by cashier's check or money order.**

- Upon approval of the Executive Council, an applying group is designated as an interest group and must submit an interest group processing fee. The payment is non-refundable regardless of the outcome during the interest group process and evaluation.
- Upon approval of the National Executive Council, an interest group is eligible to be chartered as a Links chapter, with a payment of a non-refundable new chapter chartering fee. The new chapter fee is in addition to the fees and assessments paid by each new member.
- Bonding insurance is required, at a minimum of \$5,000 for each chapter officer who handles funds. Each chapter is required to bond at least two officers annually.
- An interest group **must** purchase general liability insurance.
- A new chapter, along with all chapters, is required to send a registered delegate to each National Assembly and Area Conference. Failure to have a delegate in attendance at the National Assembly or Area Conference will result in a fine designated by the National Finance Committee and approved by the National Assembly.
- Membership in The Links, Incorporated also includes an obligation to pay \$600.00 to support the Building Assessment Fund. Included in the financial presentation to members in an interest group should be the explanation of the building assessment fund and the interest group member should be encouraged to make a minimum payment of \$100 prior to induction.

CHAPTER ACCOUNTING TO NATIONAL HEADQUARTERS

General Information

The Washington, DC office is the location of the operational arm of The Links, Incorporated and is responsible for the day-to-day operations of the organization. The staff at national headquarters does not make policies for the organization. It develops operational procedures for implementation of policies and procedures as voted and passed by the delegates and membership at the National Assembly as well as policies approved by the Executive Council.

All forms relating to membership are available on-line. The national office uses the IMIS system which is a membership reporting system for use by a chapter to annually submit dues, assessments, bonding insurance and report individual membership changes over the last fiscal year (May 1 – April 30).

National Dues, Assessments and Fines

On-Line Payment of National Dues:

The membership data system (IMIS) **PREVENTS** the submission of dues **BEFORE** Service Hours are entered in the system first by the chapter's membership chair/vice president. Only the membership chair should submit service hours. Only the treasurer can submit dues. **The final step in the member management system (IMIS) is the president's approval to release the report of service hours and dues to complete the process. The president is not to make any changes to information submitted by the membership chair or the treasurer.** (*The paper form for payment of dues and assessments is no longer available.*)

The payment of dues by the chapter must be completed by:

Electronic Submission- e-check – via the Membership Data System

On Line Payment Foundation Dues:

Please refer to the Member Management User Manual in the *Members only* section for The Links Foundation, Incorporated, under Dues and Bonding Insurance.

Affiliate Member Dues

The Service Hour Report must be emailed directly to the national headquarters at membership@linksinc.org. An affiliate member is not in good standing until her Service Hour Report is submitted.

The member must pay her National dues on line by Electronic submission (e-check) via the Membership Data System. The dues for *The Links Foundation, Incorporated* must be submitted in a separate transaction, using the on line system.

Alumna Member

An alumna member may use the mail service if she is not located near a chapter.

MAIL TO:

**The Links, Incorporated
Membership Department
1200 Massachusetts Ave. NW
Washington, DC 20005**

Note:

**Please send SEPARATE checks for The Links, Incorporated and
The Links Foundation, Incorporated**

Due Date of National Fees and Assessments

All dues (National and Foundation) and assessments must be submitted on-line no later than **April 1st**. Failure to submit national dues and assessments by April 1st will result in a fine of \$25.00 per member for The Links, Incorporated and The Links Foundation, Incorporated.. **Dues plus late fees will not be accepted after May 1st.** If a member has not paid her dues by May 1st of the current fiscal year, she must apply for reinstatement.

Failure to Meet Financial Obligations

A member that fails to meet all financial obligations administered through the national office, including dues, assessments, bonding, insurance, fines, and report of service hours shall not be considered active and in good standing with The Links, Incorporated.

NON REFUND POLICY OF NATIONAL DUES & FEES & ASSESSMENTS

The Links, Incorporated and The Links Foundation, Incorporated are private non-profit organizations with exclusive membership rules and requirements. The Links, Incorporated and The Links Foundation, Incorporated releases its Non-Refund Policy to address questions regarding National Dues and Fees and Assessments.

Membership Dues and Fees

The payment of membership dues and fees is made prior to the operational and fiscal year, therefore operating cost is fully provided for by the collection of dues and fees from members. An annual budget for each fiscal year is developed based on anticipated dues and fees; and commitments are made to support programming, community interaction and management of the National Headquarters and its staff. Financial certainty is required to adequately provide for on-going operations.

Chapters and members benefit from the centralized membership and financial records, national focus on civic issues, publications, corporate and community outreach, aligned chapter and programmatic activities based on the mission, vision and goals of The Links, Incorporated and The Links Foundation, Incorporated.

- Contributions to civic leagues or other section 501(c)(4) organizations **are not deductible** as charitable contributions for federal income tax purposes.
- Chapters are to use the on-line payment process for the payment of dues.

National Assessments

National Assessments are instituted by action of the members. Financial obligations are assumed based on the member's pledge to satisfy her portion of the financial obligation. At this point, the credit worthiness and financial viability of the organization is contingent on the reliability of collecting the National Assessment.

A refund will not be granted for national dues and fees, or national assessments irrespective of the circumstance underlying the request for a refund. This 'no refund policy' has not been arbitrarily adopted or applied because the financial stability of our ongoing operations is essential.

Building Fund Assessment

The assessment supports payments for property taxes, license fees, insurance, utilities and maintenance fees associated with the upkeep of our National Headquarters. The need for the Building Fund Assessment and money to pay for the above noted expenditures and/or future capital improvements will be ongoing throughout the life of the building. The Building Fund Assessment is tax deductible and all payments are made payable to The Links Foundation, Incorporated. **The Building Fund Assessment is not refundable.**

FINANCIAL OBLIGATION BY MEMBERSHIP CLASS

Active Members and Members on Leave

Active (including members on attendance sabbatical) members, provisional members and members on leave are responsible for The Links, Incorporated and The Links Foundation, Incorporated, national dues and assessments payable through their local chapter. Active members (including members on attendance sabbatical) must meet their chapter financial obligations and service requirements before national dues and assessments are submitted to the national headquarters. Members on leave are not required to perform service hours; therefore dues for members on leave should be submitted without service hours.

The following are the annual dues and fees for active members and members on leave:

- The Links, Incorporated Dues
- Insurance Fee

Affiliate Member. Affiliate member dues and fees must be submitted on-line. She is responsible for paying all national dues and assessments.

Alumna Member. An alumna member is not responsible for any dues or assessments; but, may participate in chapter, area and national activities provided she pays any fees that may be required. An Optional alumna fee of \$15 for the Links publications is payable by the member either directly to National Headquarters or by the member electronically via the website.

ADDITIONAL MEMBERSHIP CLASSIFICATIONS

Platinum Member is exempt from all national dues and assessments. Chapter dues are exempt at the discretion of her chapter and/or as stated in chapter by-laws.

Transfer Member – a member who transfers from one Links' chapter to another after she has paid her local dues and assessments to her chapter, will have her remaining term of dues transferred by prior chapter on a **pro rata basis to the new chapter**. She is then required to pay the difference, if any in the pro rata portion of the dues set by her new chapter. In the case of a Transferring member, any assessments voted on and approved while she was active in the Chapter are due prior to transfer and remain with the Chapter. She is not responsible for assessments voted on and approved in the transferring Chapter prior to her transfer into the Chapter. Area and national dues and assessments are not refundable.

Returned Check Policy

Chapters and/or individuals will be assessed a fee of **\$50** for returned checks by the bank for non-sufficient fund (NSF). In addition, chapters and/or individual members submitting payments to The Links, Incorporated and The Links Foundation, Incorporated will be required to make payments by money order, certified check or cashier's check after the first (1) NSF check.

Lost Membership Cards

Lost cards may be replaced by National Headquarters upon receipt of a request accompanied with a \$10 fee.

Reinstatement Fee

Former members who are reinstating are required to pay a reinstatement fee. (See Bylaws of The Links, Incorporated, Article I, Section 13): **The reinstatement fee is \$500.**

Current chapter, area and national (The Links, Incorporated and The Links Foundation, Incorporated) dues and assessments must be paid prior to reinstatement.

In addition to all current chapter, area, and national (The Links, Incorporated and The Links Foundation, Incorporated), she must pay the dues and assessment not paid at the time of her forfeiture of membership.

A reinstating member must pay the Building Assessment (\$600.00) in full prior to being reinstated, if not already paid prior to leaving. Credit will be given for any portion already paid.

New Members

The amount of dues and assessments charged shall be as prescribed by the chapter. Candidates shall not be charged an excessive amount above the chapter dues, assessments and national requirements. Per the Bylaws (Article X, Section 5), “the total amount required at the chapter level can be equal to but shall not exceed the amount required at the national level.” The following national dues and assessments shall be submitted on-line to The Links, Incorporated.

- Induction Fee
- The Links, Incorporated Dues
- Insurance Fee
- Technology Fee
- Official Links Pin
- History Book

New members pay the following Links Foundation, Incorporated dues and assessments.

- Grant in Aid
- Capital Endowment
- Program Endowment
- The Links Foundation, Incorporated Dues
- Building Fund Assessment

Newly inducted members shall pay the Building Fund Assessment contribution to The Links Foundation, Incorporated per one of the options outlined on the Building Fund Assessment Contribution Form.

All newly inducted members must satisfy the Building Assessment by April 1st of the third year or less of her membership induction to remain a member of The Links, Incorporated. We highly recommend the building fund assessment is paid at the earliest opportunity.

New members shall pay their *building fund assessment according to the schedule adopted* in a timely manner. **There is no exception to completing a member’s payment in full by April 1st of the third year.**

Note: *The payment of national dues, chapter dues, and assessments is an individual member responsibility, not to be paid from a chapter account.*

Forfeiture of Membership

A member whose national dues and assessments are not paid by May 1st will be considered to have forfeited her membership and her membership is subject to termination. If there are extenuating circumstances, the chapter president and area director must resolve. Issues relating to service hours will follow the same procedure. **National Headquarters will not accept a member's dues after May 1st without approval by the national treasurer.**

ACCOUNTING TO THE INTERNAL REVENUE SERVICE (IRS)

Chapters and Areas

Form 990/990EZ/990N (e-Postcard) Tax Return

General Information

Metered letters will be re-stamped by the U.S. Post Office if the mail arrives at the Postal Office on a date different from the metered date. **The only “official” date is the U.S. Postal postmark.**

Mail dropped in a collection box after the last collection for the day will carry the next day’s postmark. Be mindful of this when meeting deadlines.

The IRS designated the following private delivery services that may be used to meet the “timely mailing rule for tax returns”. The private delivery service will provide you a written receipt as the proof of the mailing date. Below are approved private delivery services includes the following.

- Federal Express (FedEx)
- United Parcel Service (UPS)

The chapter is responsible for providing the correct mailing address to a third party when one is used for preparing and filing tax documents.

Accounting Period

The fiscal year for filing Form 990, Form 990EZ or Form 990N (e- Postcard) is May 1 – April 30. Chapters are not on the calendar year. This accounting period must be used regardless of when the president or treasurer takes office.

Information filed with the IRS on Form 990 should be the same as that submitted to the National Headquarters.

Tax Status and Implications

The Links, Incorporated (and each chapter) is classified by Internal Revenue Service as IRS 501(c) (4) organizations, which means it is exempt from paying federal income taxes. However contributions to The Links, Incorporated and (each chapter) are not tax deductible by the **individual** donor.

Group Exemption Number

The group exemption number for The Links, Incorporated is 1520. It must be shown on all IRS tax forms when filing.

INSTRUCTIONS FOR FILING INTERNAL REVENUE SERVICE FORMS 990 OR 990EZ

Filing Requirements:

All Chapters must file Form 990, Form 990EZ or Form 990N (e-Postcard) regardless of income levels.

For 2010 and later tax years

Chapters with annual gross receipts less than \$200,000 and total assets less than \$500,000 can file either Form 990-EZ or Form 990.

Chapters with gross receipts of \$200,000 or more or total assets of \$500,000 or more must file Form 990.

Chapters with annual gross receipts of **\$50,000** or less may file the Form 990-N (e-Postcard).

See appendix A-10

If a form is received by a chapter from IRS based on prior filings, affix the peel-off address label in the proper space on Page 1 of Form 990 or 990EZ. If the information on label is incorrect, draw a line through the incorrect information and write in the correct information.

- Indicate fiscal year at the top of the form.
- Treasurer signs, dates and mail as shown under Filing Requirements.

It is important to write The Links, Incorporated's **four-digit group exemption Number 1520 on the form.** If the group exemption number is omitted from the form, the chapter will not be included on the IRS printout that is sent to the National Headquarters each year.

Chapters must use their own Employee Identification Number (EIN). The Links, Incorporated EIN cannot be used on chapter's documents.

Email a copy of the completed Form 990, 990EZ or confirmation from Form 990N (e-Postcard or Confirmation from IRS) to the National Headquarters. You may email a copy of IRS tax forms to: Finance@linksinc.org or the chapter may upload a copy on the online Membership Management System.

Always retain a copy of the completed Form 990, Form 990EZ or confirmation from Internal Revenue Service (e-Postcard) for the Chapter.

(Additional information may be obtained by going on-line to Internal Revenue Service irs.gov).

HOW TO OBTAIN A FORM AND INFORMATION ON EXEMPT ORGANIZATIONS

General Information on Exempt Organizations:

The IRS general information number is 1-877-829-5500 available between 8:00 a.m. to 5:00 p.m., (Central Time), Monday-Friday, to request help regarding Tax Exempt Organizations.

Website Information to secure the following form:

Form 990: <http://www.irs.gov/irs-pdf/f990.pdf>

Form 990-EZ: <http://www.irs.gov/pub/irs-pdf/f990ez.pdf>

All IRS Forms: <http://www.irs.gov/forms>

Forms telephone number: 1-800-829-3676, M –F 7AM to 7PM

Where to File

Forms 990, 990EZ and 990N (e-Postcard) must be postmarked on or before **September 15th** of each year and mailed to:

Department of the Treasury
Internal Revenue Service Center
Ogden, UT 84201-0027

A **copy** of Form 990, Form 990EZ and 99-N e-postcard must be postmarked on or before **September 15th** and emailed to finance@linksinc.org or the chapter may upload a copy on the online membership management system.

Regardless of IRS Form used, each chapter **must** file a copy of its Form 990, Form 990EZ or confirmation of Form 990N (e - Postcard) with the National Headquarters, The Links, Incorporated, postmarked on or before **September 15th**.

EXTENSION OF TIME TO FILE AN EXEMPT ORGANIZATION RETURN

- If Form 990 cannot be filed by the due date, a chapter must file **Form 8868, Extension of Time to File**. The Form 8868 is available on the internet www.irs.gov, to attain the automatic 3-month extension of time to file, Complete Part I of Form 8868 for the automatic extension.
- Form 8868 can be filed on-line **by September 15**.
- Use Form 8868 also to apply for an additional (not automatic) 3-month extension if the original three (3) months was not enough time. To obtain the second extension, the Chapter must have had an approved automatic extension and must complete Part II of the Form 8868. The Form 8868 must be filed by **December 15**. The chapter and/or Area must show reasonable cause for the additional time.
- The Extension of Time to file can be filed online or mailed by the **chapter** and/or Area to the Internal Revenue Service Center. A copy of the request must also be sent to The Links National Headquarters. The copy may be emailed to finance@linksinc.org or the chapter may upload a copy on the online membership management system.
- The Chapter must provide a Form 1099 to all vendors (individuals/organizations) that the chapter pays over \$600 for goods or services. The vendor must provide the chapter with a Form W-9 in order to secure their legal name and tax ID number prior to any payment or the issuance of the Form 1099.

Late Filing Penalties

- If a return is not filed by the due date, or the extended due date by the Chapter, IRS imposes a penalty of \$20 for **each day** the return is late, unless reasonable cause can be shown for late filing, not to exceed the smaller of \$10,000 or 5% of the gross receipts or the year.
- It is the responsibility of the chapter to pay all fines assessed by the IRS directly to the IRS.
- The Links, Incorporated will assess a \$100 late filing penalty if Form 990, Form 990EZ, or Form 990N is filed after the **September 15th** due date or the date of the extension.
- Use of a paid preparer does not relieve the chapter of its responsibility to file a complete and accurate report.
- Chapters that file for an extension of the Form 990 **must** submit a copy of the extension request to the National Office by September 15th to avoid the **\$100.00 late fee**. The approved IRS Form 990 Extension must be emailed to finance@linksinc.org.

INSURANCE

Liability Insurance

- Payment of Liability Insurance has been automated. All information is on-line.
- Each chapter shall be covered by liability insurance for all activities and events. Liability insurance is available to chapters through the organization’s umbrella insurance policy. Note: Links Liability insurance does not cover transportation of passengers in personal vehicles.
- Coverage is mandatory.
- Every chapter is assessed \$5 per member for umbrella liability insurance coverage. A Descriptive Memorandum of the Policy is on file. A copy may be obtained from the National Headquarters. The president and recording secretary shall be the responsible officers for securing and safekeeping of this document unless stated otherwise in chapter bylaws. This coverage automatically provides protection, at no additional cost to the chapter, for normal and scheduled events meaning a written or printed plan for date of events, meetings, workshops, etc. held by chapter members.
- The \$5 fee for the chapter insurance includes the National Headquarters administrative cost.
- The chapter is permitted to secure a rider, for additional coverage at a reduced rate, for activities which are beyond the “normal and scheduled” event.
- When the chapter sponsors an event that includes the public, which may generate greater exposure and therefore, increases its risk factor, **or in case of Area Conferences, the Area/ Chapter must contact the insurance agent of The Links, Incorporated.** This includes activities involving transportation. The area/chapter with the agent will determine if additional coverage is necessary. The liability insurance company is: **Professional Insurers & Associates, Inc., (301) 856- 1810.** There may be an additional cost for the coverage. Special events are not covered by the \$5 basic fee.
- A chapter or contractor is responsible for excess liability over and above the Links umbrella liability and the event liability insurance coverage.

Bonding Insurance

As approved at the 28th National Assembly, all chapter and area officers who handle chapter and Area funds must have bonding insurance. The National Headquarters has established an umbrella policy for the purposes of bonding our chapter and area officers. All chapter financial officers, area financial officers and chairs who handle funds are required to be bonded.

The minimum number of individuals that should be bonded is four including the President, Vice President, Financial Secretary and Treasurer. The Chapter has a choice as to whether they will bond the Fundraising Chair person.

The Bonding Insurance has been automated and all necessary forms are available on-line.

The treasurer must make the Bonding Insurance payment on-line in the membership management system or IMIS. **A paper check will no longer be accepted.**

Links elected or appointed officers handling funds in excess of \$50,000 must secure additional bonding insurance.

Chapters may secure bonding for funds exceeding the \$50,000 from a local bonding firm or contact our bonding firm: **Professional Insurers & Associates, Inc., Tel: 301 -856-1810.**

- Each chapter completes the on-line form for bonding insurance that details the amount of insurance required for the chapter. The chapter selects the amount of insurance required, the number of positions to be covered and the amount of coverage necessary. **A minimum of \$5,000 coverage per person.** Positions are defined as president, vice president, treasurer, financial secretary and fundraising chairman, etc. **All signatories on chapter checks must be bonded. A \$500.00 deductible will apply for all insurance claims.** Choose the Gross Income receipts reported on your 990 in the chapter's or area's accounts during the year.
- Chapters are required to complete new forms for bonding insurance each year. **Bonding Insurance Form with payment is due at the same time as the Form 990, September 15; however, if a chapter or area filed an extension for submitting the form 990, bonding insurance shall be paid by September 15.**
- The bonding amount must be the highest amount in the chapter's treasury during the year. For example, if the highest amount in the chapter's treasury was \$22,000 and the chapter's bylaws require that the president and treasurer are bonded, the chapter should bond two positions at \$25,000 each for a total premium of \$120.00.

**** A minimum of two positions must be bonded.**

Chapter's Highest Balance	\$22,000.00
Chapter Bonds two positions	\$25,000.00 per position
Premium is \$60 per position	\$120 total premium

**See Appendix A-12

Penalties for Failure to File and/or Meet Deadline

Payment of chapter and area bonding insurance is due at National Headquarters by **September 15** of each year. If chapters or areas fail to meet the deadline, it will be fined \$500.00. Failure to comply will place the chapter and/or area in violation of requirements for bonding and subject to disciplinary action.

AREA FINANCIAL GUIDELINES

General Information

The Links, Incorporated chapters and members are subdivided into four geographical areas; Eastern, Central, Southern, and Western. Each area has a treasurer who is the official elected officer charged with the responsibility of handling all financial matters of the area.

Area Treasurer

The role of treasurer is very important specifically because the Links, Incorporated is a non-profit corporation with federal tax exempt privileges. Non-compliance with accounting standards and reporting may jeopardize our tax exempt status. The officers must inspire confidence with our members and donors. A very high level of importance is placed on providing the membership with information that is relevant, reliable and accurate. It is a position that involves proficiency in the preparation of financial reports and managing membership dues and fees. The role and responsibilities requires a significant commitment of time. It is essential for the treasurer to be accountable, accurate, and knowledgeable of standard accounting procedures.

All area treasurers **must** be bonded.

Duties of The Area Treasurer:

- Receives the audited books and other pertinent materials from the immediate past treasurer.
- Deposits all funds collected by the financial secretary, giving proper receipt for all funds received.
- Deposit all funds in a bank maintained in the name of “To Be Named” Area of The Links, Incorporated.
- Verifies the total receipts from the financial secretary and makes the deposit to the appropriate bank account within five (5) business days of receiving funds from the financial secretary.
- Keeps the official financial records of the Area.
- Confirms and communicates with the financial secretary to ensure that records are in alignment.
- Reports the record of monies disbursed, the name of recipient, and the reason for the expenditure. All checks written must be documented with a voucher.
- Reconciles book balances with monthly bank statements; prepares monthly bank reconciliations.

- Provides a complete financial report at Area Executive Board meeting, as required. (*Sample - Appendix A - 5*).
- A year-end statement of financial operations at the Area Executive Board meeting, as required. (*See Appendix A-5*)
- Files the appropriate IRS tax forms (Tax Form 990, 990-EZ or 990-N e-Postcard) with the Internal Revenue Service **before September 15 of each year.**
- Files the Area bonding insurance by **September 15** of each year.

Outgoing Area Treasurer

- Conducts a transition meeting with the newly elected treasurer. Confers with the incoming treasurer on all details of operational procedures, reports and budget status. The transition meeting should precede the transmittal of the files.
- Gives all audited reports, records and worksheets, including but not limited to QuickBooks files, vouchers, receipts, bank statements, deposits and, all tax records, Tax Form 990 or 990-EZ or confirmation on the filing of 990-N (e-Postcard) **by September 15** on their last year in Office to the new treasurer. **All financial documents (audited books and other pertinent financial material) shall be transferred to the new treasurer no later than September 15th.**
- Files the appropriate IRS tax forms (Tax Form 990, 990-EZ or 990-N e-Postcard) with The Internal Revenue Service **before September 15 of each year.**
- Provides the necessary financial information to the new treasurer for filing of the bonding insurance by **September 15.**

Area Financial Secretary

The area financial secretary is appointed by the area director and serves to assist the area treasurer. The area director may select an area financial secretary who lives in close proximity to the area treasurer. The area financial secretary shall at a minimum have a proficiency in bookkeeping or basic accounting skills; and experience in preparing financial reports; and must demonstrate a willingness to commit a significant time to the role.

The primary duties of the area financial secretary are:

- Area financial secretary must be bonded;
- Receive non-online monies for Area Leadership Summits and Area Conferences;
- Reconcile funds received and submit to area treasurer for deposit within five (5) business days of receipt
- Provide receipts and report of all receipts from Area Leadership Summits and Area Conferences and fundraisers. Receipts should be prepared in triplicate, one for payee, one for the treasurer and one for her file.
- Submit the financial secretary's ledger and receipts for area audit or if requested for review by the Area Executive Committee.
- **Never** signs checks.
- **All financial documents (audited books and other pertinent financial material) shall be transferred to the new area financial secretary within 90 days of the end of the fiscal year; or at latest no later than September 15th, with permission of the national president or national treasurer.**

Area Assessments for National Assembly Galas

Beginning with fiscal year 2006, the Areas shall not tax (assess) members for financial support of galas for Area Conferences and National Assemblies.

Note: This policy is not applicable to local fund raising activities.

Area Assessments-Clusters

A cluster of The Links, Incorporated is not a legal entity. However, for area or national events a cluster may be organized to handle special events for a specific and limited purpose. Clusters are prohibited from electing officers, and assessing membership dues. **A cluster shall not open a bank account in the name of the cluster.** In cases of Area Conferences or National Assembly, the lead liaison chapter treasurer and chapter president within the cluster shall open an account and manage the funds using the **lead liaison chapter's Tax ID (EIN) number.**

CONTRACTS OR LETTER AGREEMENTS

Area Contracts

All Area contracts greater than \$4,999.00 or greater must be submitted for internal legal review prior to the area director affixing her signature on the contract. The area director must handle contracts greater than \$4,999.00 in accordance with the following guidelines:

- The area director must review all contracts and agreements with the area treasurer for financial review and feasibility.
- The area director will send contracts and agreements greater than \$5,000.00 to the Legal Affairs Committee with a copy to the area treasurer via dropbox. The document will be in legal review for 7-10 days.
- If approved by the Legal Affairs Committee, the document will be forwarded back to the area director, with a copy to the area treasurer as approved, for recording and future processing.
- If not approved, the contract will be returned to the area director and area treasurer for revisions. The revised document will be sent back to the Legal Affairs Committee for approval.
- If the revised document is approved by the Legal Affairs Committee, the document will be forwarded back to the area director and the area treasurer.
- Any questions during the approval process should be directed to the Legal Affairs Committee.
- An area director may execute a contract for \$5,000.00 even or less in consultation with the area treasurer.

Area Budget

Proposed area budget(s) shall be based on area allotment and interest on the allotment; and, prepared and circulated to chapter presidents **45 days prior to Area Conference** at which the vote will be taken.

Budgets should be prepared for two years.

Budgets are projections rather than absolutes. Even though the budget was approved by the appropriate body, the Area Executive Committee shall vote to make appropriate adjustments based on recommendations from area treasurer, when actual available funds in the area's bank accounts are greater or less than the approved budgeted amounts.

Any expenditure in excess of the budget should be approved by the Executive Board of the Area. However, if funds are not available Areas are not allowed to operate with deficit budgets and must cut expenses to remain in good standing with The Links, Incorporated.

AREA ALLOTMENT-ALLOWABLE USE OF FUNDS

The allotment check will be sent directly to the area treasurer, and a copy of the check sent to the area director.

Allowable charges to the area allotment funds shall be governed by the following guidelines:

- Area directors approved expenses in accordance with national policy and procedures related to the transaction of official business with chapters in the area. The national president and national vice president, and any past president(s) shall have paid registration, transportation and hotel accommodation. They shall be provided all courtesies according to the protocol manual.
- Guest area directors may have complimentary registration provided, if the budget permits.
- It is at the discretion of the area director, in consultation with the area treasurer, (provided funds are available) to authorize and reimburse expenses of the Area Conference, National Assembly or Leadership Summit registration fees, to supplement travel, housing and per diem for **elected area officers, appointed officers and committee chairs**. The area director may decide to set a specific amount in lieu of full reimbursement of expenses.
- It shall be at the discretion of the area directors to provide assistance to appointed area officers and committee members on an equitable basis, if funds are available through the budget process.
- The Area is responsible for the area conference registration fees for elected national officers, national parliamentarian, national program coordinator, national program director and executive director of The Links, Incorporated.
- The Areas may approve expenses of area officers to participate in its committee meetings, provided funds are available.
- The area treasurer shall arrive at least one day prior to the area conference and remain one day after the conference to complete financial obligations. These expenses should be paid from area allotment. The area treasurer shall be reimbursed for expenses incurred.
- Reimbursement for use of privately owned automobile when on official business for The Links Incorporated, shall be the same as federal allowance for mileage. Current rates may be obtained on-line www.irs.gov. *If more than one member is traveling in the same car the reimbursement is paid only to driver. We will rely on the honesty and integrity of the member.* If a member is traveling in taxi/van, the actual cost shall be allowed. Receipts are required if the total exceeds \$25.00.
- Communication through external services; such as, telephone, e-mail and fax lines, supplies and equipment needed for transacting Area business.
- The area suite at the National Assembly (occupied by the area director after the Executive Council meeting) and courtesies at the area breakfast.
- Ground transportation allowance for travel on official business for The Links, Incorporated, shall be the same as federal allowance for mileage. Current rates may be obtained on-line www.irs.gov. Use of a taxi/van, the actual cost shall be allowed. Receipts are required if the total exceeds \$25.00.
- All officers with signature authorization for the area shall be bonded at a minimum of \$5,000: area director, treasurer, financial secretary and area vice director, if she is functioning in the absence as the area director, and the chair of fundraising.

AREA ALLOTMENT-NON-ALLOWABLE USE OF FUNDS/EXPENDITURES

- Scholarships
- Monetary Awards
- Donations
- Transfer of funds into other accounts with the exception of:
 - A. Transfer of national and area officers registration fees into conference account.
 - B. Reimbursement of operating funds borrowed from other Area account(s) to be paid back **within thirty (30) days of receipt of allotment**. Restricted funds cannot be used for any purpose other than those named in restricted accounts.

SUMMARY OF FINANCIAL FUNDING FOR AREA CONFERENCE

Sources For Financing Area Conference

Registration fees
Area operating budget
Host chapter support
Sale of tickets to special programs
Grants/Sponsorships/Donations vendors
Souvenir book

Expenses Chargeable To Registration Fees

Badges/Registration supplies
Kits (bags)
Gifts for registrants
Postage

Printing for the following:

Pre-Conference information registration forms
Memorial Service
Plenary sessions
White Rose Banquet
Civic Luncheon
Awards Luncheon
Program book
Conference tickets
Conference committee expenses
Food Events (i.e., Civic Luncheon, Awards Luncheon, White Rose Banquet, etc.)
Transportation – special events when required
Photographer
Exhibit Space for The Links, Incorporated (gratis to the national office), if required

Expenses From Area Operating Budget (Area Allotment)

Special Registrations (area and national officers and/or Area Executive Team/
Committee and/or national chairs)
Area Executive Committee Food Events (meetings)
Program Workshops (Facets)
Operational Workshops: (Finance, Parliamentarian, Membership. Etc.)
Court Reporter (Secretary's Budget)
Awards (plaques & certificates & gifts)
Printing (officers report booklets and the minutes)
Nominating Committee expenses
Election Committee (supplies and voting machines)
Courtesies

Host Chapter (s) Financial Responsibilities

Host chapter(s) shall not make any charges to the Area Conference
Host Chapter(s) sponsored events
Courtesies in room of area and national officers
Materials to be placed in kits
Assist with Hospitality Room during Conference

Note:

The Area shall not assume any financial responsibilities incurred by the host chapter(s) or cluster undertaken for expenditures not authorized or approved during the Area Conference.

Annual Audit Of Area Financial Records

- Annual audited reports are submitted to National Headquarters for fiscal year, **May 1 through April 30**.
- The audit must be conducted by **an independent CPA firm**, not by a member of The Links, Incorporated, a Connecting Link or Heir O' Link or any family member.
- The deadline for submission of the audit **work papers or reports is August 1st or 60 days from close of Area Conference**.
- Area Work Plan from the area director, to include financial goals and objectives are due on **August 1st** in order to receive the first half of the National Allotment.
- Area Audited Financial statements to include IRS Form 990 filing – submitted after September 15th and/or beyond the official extension of time to file Form 990 will be assessed a **fine of \$2,500.00** to the Area.
- Regardless of the date a new area treasurer takes office, the report for the year must cover the period of May 1 through April 30.
- Do not overlap fiscal year expenditures; the area and chapters are on a cash basis accounting system.
- The financial report submitted to the National Headquarters must include all accounts held by Area.
- Do not commingle area allotment monies, Area Conference monies or restricted funds.
- Area treasurers shall file the applicable **IRS Form 990** for the Area with the Internal Revenue Service and email a copy to finance@linksinc.org or may upload to the online membership management system, no later than **September 15th**. A **fine of \$2,500.00** will be assessed after **September 15th** unless **IRS Form 8868**, Application for Extension of Time to File an Exempt Organization Return has been submitted to the IRS with an approved extension to **December 15th or March 15th** whichever applies.
- All area treasurers shall keep in the Area bank account a minimum **\$2,000.00** balance at the end of each fiscal year (April 30). Expenses incurred but not paid from the allotment must be encumbered. Encumbrances include auditing fees and other area expenses. Any other funds remaining shall be allocated to general fund for the incoming area director for the use of the Area.
- Area Accounting Codes may be established for use by area treasurer. Most automated systems, such as QuickBooks and/or Peachtree will include suggested accounting codes.
- Outgoing area treasurers shall have **all books and records** audited by an independent certified public accountant prior to turning books over to the newly elected or appointed area treasurer approximately **90 days from date of election and installation**.
- Conduct a transition meeting with the outgoing area treasurer and the newly elected or appointed area treasurer.
- Financial Report submitted should include: CPA's Professional Opinion; summary statement of income and expenditures; and a copy of the budget. A letter should be written by the area treasurer to accompany the report addressed to the national treasurer, with a copy for the national president, area director and the executive director of The Links, Incorporated.

Issuance of Area Allotments

- The issuance and amount of the Area Allotment is subject to approval of the national president.
- The area director must submit her Area Work Plan or Work Plan Progress Report to the national president prior to the Area Allotment being issued.
- Allotment checks are issued twice within the fiscal year. The first issuance of Area Allotment check will follow bonding insurance payment; receipt of the Area audit; 990 and approved work plan, by the national president. The second issuance will be in January after a work plan progress report is received from the area director by the national president and the financials from the area treasurer.
- At the end of a term the outgoing area treasurer must obtain and submit the Area Audit prior to distribution of the incoming administration allotment check. The Finance Department must also receive a copy of the incoming area director's work plan that is approved by the national president.

FREQUENTLY ASKED QUESTIONS

Building Assessment

Q. Will new members be responsible for paying the Building Assessment?

A. A new member **inducted after July, 2008 is responsible for paying the Building Fund Assessment and should be advised of such during orientation.** She must complete her payment by April 1st of her 3rd year of membership.

Q. Will a reinstating member be responsible for paying the Building Assessment?

A. A reinstating member must pay the Building Assessment of \$600, in full, before her reinstatement is granted, if she did not pay it before she left.

Q. Should a new member's dues be withheld if they have not submitted their Building Assessment Contribution (BAC) form or payment?

A. Completion of the Building Assessment Contribution Form should not interfere with submitting annual national dues and fees. A chapter should have all new members complete the BAC forms immediately after induction. However, if this is her third year and the total of \$600 is not paid by April 1st, dues should not be submitted.

Q. How should Members/Chapters submit their Building Assessment?

A. In order to receive a tax advantage, a member is encouraged to submit her payment online via e-check or credit card. A personal check, money order or Cashier's check, along with the Building Assessment Contribution form may be paid by the member to The Links Foundation, Incorporated. **No chapter checks will be accepted.** Members checks are to be made payable to: **The Links Foundation, Incorporated.** Please include your membership number and write building assessment on the memo line. Mail payments to:

The Links Foundation, Incorporated

Attn: Finance Department

1200 Massachusetts Ave. NW

Washington, DC 20005-4501

Use of Funds

Q. Is The Links, Incorporated exempt from sales tax?

Generally, no! However, each state controls how it will extend sales tax and use tax exemption. The chapters should check with local and state tax authorities where chapter is located. The chapter must disclose to state and local taxing authorities that The Links, Incorporated is an IRS 501 (c) (4) and not an IRS 501(c) (3) organization.

Q. Is a chapter required to secure bonding, if a fundraiser generates more than \$50,000 in gross receipts?

A. Yes. Normal bonding covers chapters up to a maximum of \$50,000. A chapter should secure local bonding to cover funds in excess of the \$50,000 or through the National organization's bonding agent, Professional Insurers & Associates, Inc., at (301) 856-1810.

Q. May restricted funds be used for sending both the delegate and an alternate to Area Conferences and National Assemblies?

A. The chapter is required to send one delegate to Area Conference and the National Assembly in accordance with the Constitution and Bylaws. The 10% restricted proceeds from fundraising **is not** approved by Internal Revenue Service to assist a chapter in handling this cost. The expenses for a delegate to conferences must be placed in the **Unrestricted-Operations budget**.

Q. What can chapters use profits for from fundraisers?

A. The profits or net proceeds from a fundraiser are restricted funds and must be used for programs for which they were raised and that were communicated to the general public.

Membership

Q. May a chapter assess a member a late fee for failure to timely meet the chapter's financial obligations?

A. Yes, provided, the assessment is approved by the chapter and included in chapter's bylaws. The chapter late fee is in addition to the \$25.00 penalty assessed by National.

Q. What is the chapter's responsibility for submitting National dues for members who are non-financial?

A. None, per The Links, Incorporated National Constitution and Bylaws, "Active members shall meet all chapter financial obligations prior to the submission of dues and assessments to National Headquarters."

Q. Should fees for new members be sent to National Headquarters separately?

A. Yes, new member fees must be processed by online submission. The payment must be received **at least 35 days prior to induction**.

Q. Are members on leave responsible for chapter dues?

A. No, they are not responsible for chapter dues. Per the “Manual of Procedures”, “A member on leave has no chapter responsibilities. However she must pay the national dues and assessments through her chapter.

Q. What is the reinstatement fee for former members who have resigned in good standing or forfeited their membership for nonpayment of dues?

A. The reinstatement fee shall be \$500.00 in accordance with the “Manual of Procedures”. The reinstatement fee must be paid in addition to all current chapter, area, national dues and assessments. A former member who resigns in good standing and applies for reinstatement shall be reinstated according to national membership procedures. She shall pay current National and Chapter dues and assessments and a reinstatement fee.

A former member who forfeited her membership for non-payment of dues and applies for reinstatement more than two (2) years after her forfeiture shall be reinstated according to the national membership procedures. She shall pay all current Chapter and National dues and assessments, and payment of all National and Chapter dues and assessments owed at the time of her forfeiture in addition to the reinstatement fee.

All former members seeking reinstatement must pay the Building Fund Assessment before reinstatement is granted.

Q. May a member who moves to another city and maintain her affiliation with her chapter by paying her dues through the chapter?

A. No. A member that has moved is required to request a Transfer Form from the National Headquarters within six months of her move to another locality in accordance with the Manual of Procedures and Constitution and Bylaws and officially transfer her membership to the chapter located in the locale where she moved.

Q. May a member use a fundraiser Sponsorship from their employer or corporate sponsor to satisfy their chapter assessment? Additionally, may the sponsor or member use this as a “tax write off”?

A. Assessment is a member's personal responsibility. When voted and approved by the Chapter, it is a personal requirement for continued membership in the Chapter and the National organization. Dues and assessment are not tax deductible unless the assessment is solely for charitable purposes or a 501 (3) (c) organization and NOT for operating the chapter. Use of another organization helping a member to meet her individual assessment must be agreed to by the chapter. Without the Chapter approval, a member's personal obligation will not be satisfied.

Chapter Liability Insurance

Q. Our chapter has held a luncheon fashion show for the past 10 years, approximately 1200 people attend. This is a regularly scheduled event. Why is there an additional fee for insurance coverage?

A. While this is a normal regular scheduled event in the “eyes” of the chapter, it is an event that includes the public which generates greater exposure and therefore increases the risk factors to the chapter and the national organization. Risk insurance limits any potential damages that might occur as a result of an organization’s activities. Having risk insurance means that a chapter or national can remain financially solvent regardless of what incident occurs.

Q. Define exposure?

A. Exposure is a risk that could lead to a loss/claim against national, a chapter or a member. Chapters are chartered and are a group member of The Links, Incorporated, and as a result any litigation will be borne by The Links, Incorporated if the local chapter cannot satisfy the liability. In fact, the same applies to the areas because they operate under the guidelines approved by The Links, Incorporated.

Q. Our chapter is having a reception and art show at a hotel. Expected attendance is 500 people. Does our insurance cover this event?

A. No. The Links, Incorporated’s general liability insurance coverage does not cover this event. Additional coverage for the reception must be obtained for a small fee. If works of art are not included in any coverage provided for by additional coverage each artist must provide her/his own insurance. The chapter should obtain a “hold harmless” statement from each artist. The Links’ insurance agent will provide a sample “hold harmless” statement.

Q. We are having a Saturday morning workshop for high school seniors. Does our Insurance provide coverage?

A. The location of the workshop is the determining factor and if the workshop is off school property this may expose the chapter to risk. A form must be completed listing workshop activity and location. A determination will be made by the covering agent. Over and above selection of the location is also the potential exposure for volunteers and the safety and well-being to those we serve as well as for our membership. A single incident can cause the public or governmental legal authorities, to lose confidence, and subject the organization, its officers and its membership to litigation for an alleged incident.

Q. How are charges determined?

A. Charges are determined based on amount of exposure, i.e. number of people involved, place, time, type of event.

Q. Do we need to fill out a form and expect to pay a fee for every activity the chapter has?

A. Yes. A form must be filled out, although every activity will not cost a fee. The information concerning the activity determines if a fee is charged.

Miscellaneous

Q. What process should a chapter use to apply for an on-line grant?

A. A chapter should submit an on-line Grant Request Form to The Links Foundation, Incorporated. This form must be completed and submitted to the Foundation for permission to submit an on-line grant application. Please

refer to The Links Foundation, Incorporated's financial handbook for complete details and further guidance.

Q: Does my chapter need to complete an IRS 990 form?

A: Beginning with Fiscal Year 2008, all chapters must file Form 990, Form 990EZ or Form 990N (e-Postcard) regardless of the amount of gross receipts. A copy of the IRS Form 990 must be sent to the national office by September 15. (*See Page 33*)

Q. Is a nonprofit mailing permit available to chapters?

A. Yes. Submit an application to the Postmaster. The post office will want to see a copy of the chapter Constitution and Bylaws. Check with your local postal services for guidelines.

Q. May a chapter have more than one treasurer?

A. Chapters are permitted to have an assistant treasurer. This is an appointed position by the chapter president. Reference Financial Officers – National, Area and Chapter, General Information Section for complete details of this position. All appointed officers and/or persons handling finances must be bonded.

Q. May we have a Cluster?

A. A cluster must be approved by the Area Director or the National President and exist primarily for hosting Area Conferences, National Assembly, Leadership Summits or other approved Area/National activities. A cluster is organized for limited purposes and is not a legal entity. Clusters are prohibited from securing the EIN Number or opening a bank account. A cluster is also prohibited from electing officers and assessing dues or fees. A cluster that requires access to a bank account must open a **new bank account** in the bank of one of the lead liaison chapter and that chapter's treasurer will be the treasurer of the cluster.

APPENDICES

The following forms and reports are: SAMPLES for area/chapter treasurers and financial secretaries.

They may be MODIFIED for the specific needs of the area/chapters.

APPENDIX – A1

TREASURER AND/OR CHAIR, BUDGET COMMITTEE

ANY TOWN CHAPTER of The Links, Incorporated

PROPOSED BUDGET – UNRESTRICTED FUNDS

Projected Income May 1, 20__ - April 30, 20__

Carryover Funds from FY 20_____	\$1,200.00
Chapter Dues—\$200.00 x 35	\$7,000.00
National Dues - \$285.00 x 35	\$9,975.00
Interest Income	\$100.00
Total	\$18,275.00
EXPENDITURES	
National Dues	
The Links, Incorporated - \$200 x 35	\$7,000.00
The Links Foundation, Incorporated - \$85 x 35	\$2,975.00
Total National Dues	\$9,975.00
Officers:	
President	\$500.00
Vice President	\$500.00
Recording Secretary	\$500.00
Corresponding Secretary	\$300.00
Financial Secretary	\$500.00
Treasurer	\$500.00
Archivist	\$300.00
Total Officers Expenditures	\$3,100.00
Committees:	
Membership	\$700.00
Hospitality	\$700.00
Social	\$900.00
Publicity	\$300.00
Total Committees	\$2,600.00
Other:	
Alternate and Delegate-Area Conference	\$900.00
Accountant (Audit)	\$975.00
Bonding Insurance	\$225.00
Contingency	\$500.00
Total Other	\$2,600.00
Total Projected Expenditures	\$18,275.00

*** Recommend using less than \$1,000.00 as carryover or “ZERO “ 0 carryover.**

TREASURER AND/OR CHAIR, BUDGET COMMITTEE

ANY TOWN CHAPTER of The Links, Incorporated

PROPOSED BUDGET – RESTRICTED FUNDS

May 1, 20__ - April 30, 20__

INCOME*

Carryover from March Fundraiser	\$4,800.00
Income from Fashion Show (Projected)	\$6,300.00
Interest Income	\$150.00
Total Income	\$11,250.00

**May include 10% seed money from previous fundraiser*

EXPENDITURES

National Trends and Services	\$1,000.00
International Trends and Services	\$1,000.00
Services to Youth	\$1,300.00
The Arts	\$1,500.00
Program Coordinator	\$500.00
Scholarship Fund	\$5,000.00
Scholarship Committee	\$400.00
Unallocated Restricted Funds	\$550.00
Total Projected Expenditures	\$11,250.00

SUMMARY OF ALL FUNDS

Unrestricted Income	\$18,275.00
Restricted Income	\$11,250.00
Total Income from All Sources	\$29,525.00

Unrestricted Expenses	\$18,275.00
Restricted Expenses	\$11,250.00
Total Expenditures from All Sources	\$29,525.00

TREASURER'S REPORT

ANY TOWN CHAPTER of The Links, Incorporated

UNRESTRICTED**MONTHLY FINANCIAL REPORT**

May 1, 20__ - April 30, 20__

GENERAL CHECKING ACCOUNTING

Balance Forward, May 1, 2012		\$5,143.00
Income		
Deposit	5/15/____	\$250.00
Interest	5/31/____	<u>\$15.50</u>
Total Income and Interest		<u>\$265.50</u>
Total Brought Forward, Income and Interest		\$5,399.50

EXPENDITURES

<u>Voucher #</u>	<u>Check</u>	<u>Payee</u>	<u>Purpose</u>	
			Treasurer	
033	605*	20 Staples	Supplies	\$25.00
034	606	Rainbow Opera Founders Gala		\$100.00
035	607	Void		
036	608*	State Tax	State Filing Fee	\$50.00
037	609	XYZ Accountant Audit		\$825.00
038	610	Minnie Merry Refund Meal		<u>\$10.00</u>
Total Expenditures for Month				\$1,010.00
Balance				\$4,389.50
Less: Bank Charges				<u>\$20.00</u>
Book Balance, May 31, 20				<u>\$4,369.50</u>

OUTSTANDING CHECKS

All outstanding checks should be deducted from the bank statement. After deducting outstanding checks, the bank balance should be the same as the book balance..

TREASURER'S REPORT
ANY TOWN CHAPTER OF THE LINKS INCORPORATED
RESTRICTED
MONTHLY FINANCIAL REPORT
 May 1, 20__ - April 30, 20

GENERAL CHECKING ACCOUNTING

Balance Forward, May 1, 20__	\$	5,143.00
Income		
Deposit	\$	250.00
Interest	\$	15.50
Total Income and Interest	\$	265.50
Total Brought Forward, Income and Interest	\$	5,408.50

EXPENDITURES

Voucher #	Check	Payee	Purpose	Amount
033	605*	Treasurer	Supplies (20 Staples)	\$ 25.00
034	606	Rainbow Opera	Founders Gala	\$ 100.00
035	607	Void		
036	608*	State Tax	State Filing Fee	\$ 50.00
037	609	XYZ Accountant	Audit	\$ 825.00
038	610	Minnie Merry	Refund Meal	\$ 10.00
Total Expenditures for Month				\$ 1,010.00

Balance	\$	4,398.50
Less Bank Charges	\$	20.00
Book Balance, May 31, 20__	\$	4,378.50

OUTSTANDING CHECKS

All outstanding checks should be deducted from the bank statement. After deducting outstanding checks, the bank balance should be the same as the book balance.

TREASURER'S REPORT
ANY TOWN CHAPTER OF THE LINKS, INCORPORATED
ANNUAL REPORT
STATEMENT OF OPERATIONS—(Restricted & Unrestricted)

Balance Brought Forward, May 1, 20____	\$11,950.00
Income—May 1, 20____ - April 30, 20____	
Chapter Dues	\$7,000.00
National Dues	\$5,000.00
Donation-Any Bank USA	\$500.00
Anniversary Assessment	\$2,000.00
Social Committee	\$1,000.00
Walk for Hunger	\$100.00
Interest– General Checking Account	\$50.00
Total Income for Period	\$15,650.00
Transfer from Passport Account	\$10,000.00
Total Income and Transfer	\$25,650.00
Total Brought Forward, Income and Transfer	\$37,600.00
Expenditures-Unrestricted Funds	
Operating Expenses	\$3,000.00
Delegate and Alternate to National Assembly	\$2,250.00
Donations	\$1,750.00
National Dues	\$5,000.00
Miscellaneous Expenditures	\$500.00
Social Committee	\$1,000.00
Transfers: Scholarship Account	\$3,000.00
Total Unrestricted Funds	\$16,500.00
Expenditures-Restricted Funds	
Scholarship Committee	\$250.00
National Trends and Services	\$400.00
International Trends and Services	\$300.00
The Arts	\$750.00
Services to Youth	\$1,300.00
Transfers: Scholarship Account	\$5,000.00
Total Restricted Expenditures	\$8,000.00
Total Expenditures-Restricted and Unrestricted	\$24,500.00
Balance, General Checking Account, April 30, 20____	\$13,100.00

TREASURER’S REPORT
ANY TOWN CHAPTER OF THE LINKS, INCORPORATED
ANNUAL REPORT
STATEMENT OF OPERATIONS—(Restricted & Unrestricted)

SUMMARY OF ALL ACCOUNTS

General Checking Account	\$13,100.00
Scholarship Account	\$5,900.00
Fundraiser Account	\$500.00
Anniversary Account	\$10,500.00
Total All Accounts	<hr/> \$30,000.00

NOTE: A Special year-end report should be made for each of these accounts if reports were not made at the time of activity.

FINANCIAL SECRETARY
 RECORD FOR Link _____
 ANY TOWN CHAPTER OF THE LINKS INCORPORATED
 May 1, 20__ - April 30, 20__

Date	Purpose	Amount	Balance
3/1/20____	Chapter Dues	\$50.00	
3/1/2020	National Dues	\$100.00	
3/1/2020	Grant-in-Aid	\$25.00	
3/1/2020	Assessments	\$25.00	
3/1/20____	Umbrella Liability	\$5.00	

SAMPLE OBLIGATIONS

Chapter Dues	\$ 50.00
National Dues	\$ 100.00
National Assessment	\$ 25.00
Chapter Assessment	\$ 25.00
Umbrella Liability Insurance	\$ 5.00
Chapter Bonding	\$ 30.00
Foundation Dues	\$ 25.00
History Book (New Link Members)	\$ 50.00
Program Endowment	\$ 60.00
Capital Endowment (New Link Member)	\$ 100.00

FINANCIAL SECRETARY
ANY TOWN CHAPTER OF THE LINKS, INCORPORATED
MONTHLY or ANNUAL REPORT
 May 1, 20 __ - April 30, 20 __

INCOME

Chapter Dues	\$6,528.00
National and Foundation Dues	\$7,590.00
Fundraiser (Saks)	\$6,512.00
Sale of Tickets (Youth Program)	\$1,410.00
Assessment from Members (Youth Program)	\$2,550.00
Assessment from Members (10th Anniversary)	\$2,820.00
Social Committee-Christmas Party	\$2,775.00
Assessments-Meals	\$65.00
Luncheon-New Members	\$760.00
Dues and Fees—New Members	\$260.00
Total Income for Period –May1. 2012-April 30, 2013	\$31,270.00

SUMMARY OF INCOME**FUNDS TRANSFERRED TO TREASURER**

General Funds	\$27,040.00
Scholarship Account	\$1,410.00
10th Anniversary Account	\$2,820.00
Summary of all Funds for Period	\$31,270.00

**FINANCIAL SECRETARY
ANY TOWN CHAPTER OF THE LINKS, INCORPORATED
MONTHLY REPORT**

May 1, 20__ - April 30, 20__

Member Name	Chapter Dues	Chapter Assmt	National Dues	National Assmt	Other Fees	Amount Paid	Balance Due

VOUCHER

ANY TOWN CHAPTER OR AREA OF THE LINKS, INCORPORATED

All Receipts must be attached on an 8x11 sheet of paper. Reimbursements must be submitted within 30 days from the date of advance or event.

Voucher submitted by _____ Office/Committee _____ Date _____

Check Payable and mailed to: _____

Street Address _____ City/State _____ Zip Code _____

Purpose _____

Postage	_____	Misc. Office Expenses	_____
Delivery & Courier Service	_____	Misc. Expense Other	_____
Telephone	_____	Software/IT	_____
		Courtesies	_____
Conference Calls	_____		
Office Supplies	_____	Registration Fee:	_____
Travel:	_____		
Air Fare/Tran	_____	Area Conference	_____
Personal Car Mileage	_____	National Assembly	_____
Per Diem	_____	Committee	_____
Lodging	_____	Other (Be Specific)	_____
		Audit Fee	_____
Meals	_____		
Breakfast	_____		
Lunch	_____		
Dinner	_____		
Ground Transportation (tolls etc.)	_____		
Gratuity	_____	Total Expenditure	_____
Stationery/Paper/Envelopes	_____	Total Requested	_____
Professional Services	_____	Net Refunded	_____

Information below this line to be Completed By the Chapter or Area Treasurer

Date Approved _____ Amount _____ Signature _____

Chapter President or Area Director

Date Approved _____ Amount _____ Signature _____

Committee Chair (If Indicated)

Date Approved _____ Amount _____ Signature _____

Chapter Treasurer or Area Treasurer

Check No. _____ Voucher No. _____ Date Check Mailed _____ Hand Delivery Date _____

Distribution: Original-Chapter/Area Treasurer

Copy-Area Director

Copy-Requester

**INSTRUCTIONS FOR IRS FILING
FILING OF FORM 990-N (e-Postcard)**

The “e-Postcard” is due September 15th which is the 15th day of the fifth month after close of your fiscal year. Before attempting to file the e- Postcard, you will need the following information:

- Chapter’s Federal Identification Number (00-000000)
- Tax Year and mailing address
- Legal Name: Any Town Chapter, City and State
- Has your organization terminated or gone out of business – No
- Confirmation that the organization’s annual gross receipts are \$50,000.00 or less (Gross receipts are the total amounts the organization received from all sources during its annual accounting period, without subtracting any costs or expenses.)
- Name and address of chapter’s principal officer – Usually Treasurer
- Website address if the organization has one.

The IRS Form 990-N is to be filed electronically via the Urban Institute website contracted by the IRS.

The web address is: <http://epostcard.form.990.org>

Click on Postcard: file your electronic IRS Form 990 -N

Step 1: Register as a New User

To file Form 990-N (e-Postcard), you must register and obtain a Login ID. Click the link above to request a Login ID. If you have already a Login ID go to step 2.

Step 2: Create your form 990-N e-post card. Once you have a Login ID, you can access the system and create your e-post card. Click the link indicated above on the web page to begin the process.

Step 3: Submit your form 990-N e-post card once you complete your e-post card, click the “Submit Fling to IRS “button.

You will receive a confirmation to notification in your e-mail; Submit a copy of the confirmation via email to finance@linksinc.org or the chapter may upload a copy on the online membership management system by September 15.

FEES, FINES AND ASSESSMENTS

RETURNING MEMBERS FEES AND ASSESSMENTS	
Reinstatement Fee, if left in good standing	\$500.00
Dues – The Links, Incorporated	\$195.00
Umbrella Liability Insurance	\$5.00
Dues – The Links Foundation, Incorporated	\$45.00
Grant-in-Aid	\$40.00
Building Assessment – All Unpaid Amounts Due	\$600.00

LATE MEMBERSHIP DUES	
Dues Received After April 1st – for each member late:	
The Links, Incorporated	\$25.00
The Links Foundation, Incorporated	\$25.00

NEW MEMBER DUES AND FEES – THE LINKS, INCORPORATED	
Induction Fee	\$200.00
History Book	\$75.00
The Links, Incorporated Dues	\$195.00
Insurance Fee	\$5.00
Technology Fee	\$50.00
Official Pin	\$59.00
Total Dues and Fees per New Member	\$584.00

NEW MEMBER DUES AND FEES – THE LINKS FOUNDATION, INCORPORATED	
Capital Endowment	\$100.00
Program Endowment	\$60.00
Grant-In-Aid	\$40.00
The Links Foundation, Incorporated Dues	\$45.00
Total Dues and Fees per New Member	\$245.00

APPENDIX A-11 (contd.)

Lost Membership Cards

Replacement of membership cards \$10.00

USE OF FOUNDATION BY CHAPTERS:

Transaction Fee \$25.00

- Several checks written and distributed at one time are defined as one transaction.
- No fee for deposits
- Allow a minimum of ten business days for processing of program grants, scholarships and other community service programs.

Special Delivery Request Cost paid by Chapter

Overnight Delivery, Express Mail Delivery, UPS: Cost Paid by Chapter

FINES:

Late Filing of Form 990, Form 990EZ and/Confirmation of 990-N	\$100.00
Late Submission of Bonding Insurance (Chapters and Areas)	\$500.00
Late filling of Internal Audit Certification Form	\$500.00
Late filing of the chapter's External Audit	\$500.00
Waiver for less than 35 days filing for induction of new members	\$50.00
Returned Check by Bank for Non-Sufficient Funds (NSF)	\$50.00
Chapter without delegate in attendance at National Assembly	\$1,500.00
Chapters sponsoring fundraisers and use The Links Foundation, Incorporated name but do not deposit funds into the Foundation	\$1,000.00
Chapters that establish a Foundation using the "Links" in its name and/or use wording similar to The Links, Incorporated and The Links Foundation, Incorporated; such as, White Rose, STY, The Arts, National Trends and Services, International Trends and Services, etc.	\$1,500.00
Areas not submitting timely Financial Reports	\$2,500.00

BONDING INSURANCE

Bonding of chapter and area officers who handle chapter and area funds has been a requirement for many years. At the 28th National Assembly, it was adopted that each chapter must acquire bonding insurance. The national organization has obtained an umbrella policy for the purpose of bonding our chapters and area officers. **All Chapters MUST participate.**

1. A chapter must select as many positions and amounts of coverage deemed necessary up to a maximum amount of \$50,000 per position. A minimum requirement of two (2) positions at \$5,000 each must be selected. The rate schedule is shown below.

LIMIT	ANNUAL PREMIUM (per position)
\$5,000	\$15
\$10,000	\$30
\$15,000	\$40
\$20,000	\$50
\$25,000	\$60
\$30,000	\$70
\$35,000	\$80
\$40,000	\$90
\$45,000	\$100
\$50,000	\$110

Choose the “Limit” corresponding to the highest balance in your chapter’s treasury during the year.

2. Positions are defined as president, secretary, treasurer, financial secretary, etc., or a defined position or person(s) handling the chapter finances (i.e. fundraising chairman, etc.)
3. The deductible is \$500.
4. Changes of the position of insured may be made annually in conjunction with the anniversary date of the policy. Chapters will be required to fill out new forms online each year.
5. The amount of bonding insurance coverage must match what was reported on the chapters Form 990.

The Bonding Insurance is available on-line and should be submitted using the IMIS system. **Failure to do so will result in a fine of \$500.00 which must be paid by the chapter before certification for seating at the area or national conference.**

INTERNAL AUDIT CERTIFICATION FORM

20 ____ - 20 ____

Form to be submitted VIA EMAIL, no later than September 15th, along with treasurer's Year End Financial Report.

Chapter: _____

President: _____

Treasurer: _____

Internal Audit Committee Chair:

Gross Receipts: _

Total Expenditures:

Have all deposits, with supporting documentation, in accordance with stated guidelines in the Financial Handbook, been reviewed? Yes____ No____

Were all expenditures paid, utilizing a voucher system, with required receipts, approvals and signatures?

Yes___ No___

If no, explain _____

Were all budget line items adhered to? Yes____ No____

If No, were budget modifications communicated to the financial officers, Executive Committee and Chapter membership?

Yes____ No____

Bank reconciliations were performed by the treasurer monthly? Yes___ No___

If no, explain _____

APPENDIX A-13 (contd.)

Financial secretary and treasurer reports were presented at each chapter meeting?

Yes ___ No ___

If no, explain _____

Were all members notified by the financial secretary of her financial obligations? Yes__ No__

Were all chapter budgets (restricted and unrestricted) prepared and approved by the chapter by February?

Yes___ No___

If no, explain _____

Were all findings of the Internal Audit Committee communicated to the financial officers, Executive Committee and chapter membership? Yes_____ No_____

If no, explain _____

If the chapter has gross receipts of over \$50,001 or over \$150,001, were independent accountants or licensed CPA's recommended by the internal audit committee to the chapter? Yes ___ No ___

If no, explain _____

Signature _____

Chapter President

Signature _____

Internal Audit Chair

Date

Card Card/Debit Card Policies

Policy Statement

This credit card policy is particularly critical for The Links Incorporated and The Links Foundation, Incorporated which frequently has charges similar to those an individual would make for their own purposes — for example, food, travel or supplies. Credit card misuse could jeopardize the tax-exempt status of The Links Incorporated and The Links Foundation, Incorporated and this policy sets forth rules and requirements that make it easier to discern between valid and invalid charges.

National Headquarters

Eligibility.

President, Treasurer and Executive Director are authorized to utilize credit cards. Written approval from the Executive Council is required prior to issuing a credit card to any other users.

Authorized Uses

Authorized uses of the organization's issued credit card are as follows:

All charges must

- Be within the budgeted line item
- Be an authorized expense
- Have documents/receipts for the expense.

Travel costs:

- Airfare
- Lodging
- Shuttle, Car service or Taxi
- Rental vehicles
- Gasoline for Rental Vehicles
- Gasoline for Personal Vehicles when used and documented usage is for official organizations business
- Meals – *(Business and Entertainment meals require documented as outlined in this policy)

Purchases:

- Office supplies
- Other expenses when the Purchase Order process is not possible due to timing
- For the purposes of business and entertainment of the National organization

***Prohibited uses.**

1. Cash advances, bank checks, traveler's checks and electronic cash transfers.
2. May not be used for personal expenses or purchases of alcohol for non-meal entertainment purposes (except for nationally sponsored events) or other items inconsistent with the mission and values of The Links, Incorporated and The Links Foundation Incorporated.
3. Capital purchases-must go through a more significant approval process.

***These guidelines are designed to minimize risk to the organization.**

Reimbursement for returns of goods or services must be credited directly to the card account. The individual should receive no cash or refunds directly.

Spending limits.

The spending limit is \$1,000.00 per month, per person without the approval of the National Treasurer or the National President depending on the user's needs.

International charges/uses.

Explicit pre-approval prior to incurring specific credit card charges may be in order to comply with federal guidelines, such as charges for goods and/or services ordered from foreign countries. An invoice /purchase order system is in place for purchases. Purchases for items, deposits, activities in foreign countries/international requires written approval by the National President and National Treasurer prior to purchase.

Unauthorized credit card purchases or charges without appropriate documentation are the responsibility of the individual, including any related late fees or interest.

Any personal charges, whatsoever, including but not limited to personal meals, personal telephone usage and movie rentals are the responsibility of the user

Documentation.

Individuals must provide documentation — usually the original itemized receipt — to support all charges.

Receipts

Receipts supporting credit card usage **MUST** be attached to the monthly "accounting report" within 15 days from the date of expenditure. The receipts should be stapled to an 8 ½' by 11" piece of paper and attached to the "accounting report". Sufficient description should be provided on the attachment to assist the accounting department in coding the charge to the proper general ledger account.

**Special Documentation for Business Meals and Entertainment Expense Charges*

A separate Business Meals and Entertainment Form (Appendix A14-A) will be completed for each charge. This form requires the following documentation to comply with IRS regulations:

- Payee (Establishment)
- Amount
- Classification as meal or entertainment
- Date
- Time
- Name(s) of Attendee(s)
- Business purpose
- Business relationship between the employee(s), officer(s) and the guest(s)
- Signature of the responsible employee/officer

All of these types of charges must be accompanied by original receipts stapled to an 8 ½” by 11” piece of paper. Receipts must include BOTH the itemized food and beverage receipt, along with the payment receipt (including gratuity).

Failure to follow these documentation requirements will result in the employee/officer being required to reimburse the organization for the charge.

Statement reconciliation.

Card users must submit documentation to reconcile their charges to the monthly credit card statement within 15 days of incurring the charge.

Original receipts are to be submitted to the Finance Department of The Links, Incorporated to expedite processing. The Senior Accountant and National Treasurer should indicate his/her monthly review and approval of the charges by a signature and date on the voucher and credit statement. The National President will review and approve the charges of the National Treasurer by email.

Enforcement.

Violations of this usage policy will result in disciplinary action, up to and including loss of credit card privileges and where appropriate, criminal prosecution and/or termination of employment. Removal from the employment/elected office as determined by the executive committee, legal counsel, Human Resources, Ethics and Standards committee where applicable.

Each credit card holder is to sign the Links Incorporated Statement of Responsibility (Appendix A14-B) that she has read and understands the policy and procedures governing credit card use. The form will be housed at the National Office by the office of the Finance Department.

Chapter

Debit Card Policy Statement

This debit card policy is particularly critical for The Links Incorporated, which frequently has charges similar to those an individual would make for their own purposes — for example, food, travel or supplies. Debit card misuse could jeopardize the financial stability of a chapter of The Links Incorporated, and this policy sets forth

rules and requirements that make it easier to discern between valid and invalid charges.

Debit cards are only card vehicle available for usage to chapters in the Links Incorporated. The debit card is a direct link to the chapter's bank account.

Credit Cards are not approved for usage for chapters in the Links Incorporated

Eligibility

Chapter President and Chapter Treasurer are authorized to utilize the chapter debit card with permission of the Chapter. The Chapter President and Chapter Treasurer are responsible for its protection and custody and shall immediately notify the financial institution and the Chapter Executive Committee if the card is lost or stolen.

The Chapter President and Chapter Treasurer must **immediately** surrender the debit card when her term of office has ended but not later than June 30th to the current chapter Treasurer. If the Chapter President or Chapter Treasurer resigns prior to the end of the term of office she must surrender the debit **immediately**.

Authorized Uses

All charges must

- Be within the budgeted line item
- Be an authorized expense
- Have documents/receipts for the expense.

Authorized uses of the chapter's debit card are as follows:

Travel costs:

- Airfare
- Registration
- Lodging
- Shuttle, Car service or Taxi
- Deposits for meetings
- Rental vehicles
- Gasoline for Rental Vehicles
- Gasoline for Personal Vehicles when used and documented usage is for official company business
- Meals – *(Business and Entertainment meals require documentation as outlined in this policy)

Purchases:

- Office supplies
- Expenses for chapter programming

***Prohibited uses.**

1. Cash advances, bank checks, traveler's checks and electronic cash transfers.
2. May not be used for personal expenses, purchases of alcohol for non- dinner entertainment purposes (except for chapter sponsored events) or other items inconsistent with the mission and values of The Links, Incorporated and The Links Foundation Incorporated.

***These guidelines are designed to minimize risk to the organization.**

Reimbursement for returns of goods or services must be credited directly to the card account. The individual should not receive cash or refunds directly.

Spending limits.

The spending limit is \$500 per month, for budgeted expenses without the approval of the chapter-treasurer. Exceptions can be approved by the chapter treasurer depending on the needs or the chapter.

Unauthorized charges.

Explicit pre-approval prior to incurring specific debit card charges may be in order to comply with federal guidelines, such as charges for goods and/or services ordered from foreign countries.

Unauthorized debit card purchases and or charges without appropriate documentation are the responsibility of the individual, including any related late fees or interest.

Documentation.

Individuals must utilize the established voucher system of two signatures for documented approval of the charge. Charges must be approved by both the president and treasurer. The treasurer, once approval has been provided, can utilize the debit card for the payment.

Signature Protocol for Debit Card Vouchers

Voucher for signatures for Chapter President	Voucher signatures for Chapter Treasurer
Chapter Treasurer	Chapter President
Chapter Vice President	Chapter Vice President

Receipts

Receipts supporting debit card usage **MUST** be attached to a chapter voucher with the appropriate signatures. The receipts should be stapled to an 8 ½' by 11" piece of paper and attached to a chapter voucher. Sufficient description should be provided on the attachment to assist in coding the charge to the proper general ledger account.

****Special Documentation for Business Meals and Entertainment Expense Charges***

A separate Business Meals and Entertainment Form (Appendix A14-A) will be completed for each charge. This form requires the following documentation to comply with IRS regulations:

- Payee (Establishment)
- Amount
- Classification as meal or entertainment
- Date
- Time
- Name(s) of Attendee(s)
- Business purpose
- Business relationship between the officer and the guest(s)
- Signature of the responsible officer

All of these types of charges must be accompanied by original receipts stapled to an 8 ½" by 11" piece of paper. Receipts must include BOTH the itemized food and beverage receipt, along with the payment receipt (including gratuity).

Failure to follow these documentation requirements will result in the treasurer being required to reimburse the chapter for the charges.

Debit Card Statement Reconciliation.

Original receipts are to be used to reconcile with the bank statement. The chapter president and/or the chapter vice president should indicate their review and approval of the Treasurer's charges monthly by a signature and date on the voucher. The chapter Treasurer should indicate her review monthly by a signature and date on the voucher of the President's charges.

Note: The chapter internal audit committee shall review quarterly all debit card charges and report their findings to the Executive Committee and the chapter.

Enforcement.

Violations of this usage policy will result in disciplinary action, up to and including loss of debit card privileges and where appropriate, criminal prosecution and/or removal from elected office as determined by ethics and standards. Any violation must be reported to the Area Director or Area Treasurer.

The debit card holder is to sign the Links Incorporated "Statement of Responsibility" (Appendix A14-B) stating that she has read and understands the policy and procedures governing debit card use. The form will be kept by the chapter secretary.

Area

Debit Card Policy Statement

This debit card policy is particularly critical for The Links Incorporated, which frequently has charges similar to those an individual would make for their own purposes — for example, food, travel or supplies. Debit card misuse could jeopardize the financial stability of an Area of The Links Incorporated, and this policy sets forth rules and requirements that make it easier to discern between valid and invalid charges

Debit cards are only card vehicle available for usage to Area in the Links Incorporated. The debit card is a direct link to the Area bank account, It is extremely important for the Area Treasurer have full knowledge of all debit card expenses prior the execution of the charge.

Credit Cards are not approved for usage for the Areas in the Links Incorporated

Eligibility.

Area Director and Area Treasurer are authorized to utilize the Area debit card. Every usage of the card is to be pre-authorized by the Area Treasurer prior to use. The person issued the card is responsible for its protection and custody, and shall immediately notify the credit card company and Area Director or Area Treasurer if it is lost or stolen.

Authorized Uses

All charges must

- Be within the budgeted line item
- Be an authorized expense
- Have documents/receipts for the expense. Documents are sent 15 days to the Area Treasurer for expenses on the debit card

Authorized uses of the Area issued debit card are as follows:

Travel costs:

- Airfare
- Registration
- Lodging
- Shuttle, car service or Taxi
- Rental vehicles
- Gasoline for Rental Vehicles
- Gasoline for Personal Vehicles when used and documented usage is for official Area business
- Meals – *(Business and Entertainment meals require documentation as outlined in this policy)
- Deposits for Conferences

Purchases:

- Office supplies
- Other expenses as needed

***Prohibited uses.**

1. Cash advances, bank checks, traveler's checks and electronic cash transfers.
2. May not be used for personal expenses, purchases of alcohol for non-meal entertainment (except for area sponsored events) or other items inconsistent with the mission and values of The Links, Incorporated and The Links Foundation Incorporated.

***These guidelines are designed to minimize risk to the organization.**

Reimbursement for returns of goods or services must be credited directly to the card account. The individual should receive no cash or refunds directly.

Spending limits.

APPENDIX A-14 (contd.)

The spending limit is \$800.00 per month, per person without the approval of the Area Treasurer. Exceptions can be approved by the area treasurer depending on the needs of the area. **Prior notification of this expense is mandatory to utilization of the debit card. Failure to do so may result overdraft and bank fees.**

Unauthorized charges.

Explicit pre-approval prior to incurring specific debit card charges are encouraged in order to ensure appropriate expenditure with the Area Treasurer to avoid bank fees and unnecessary overdrafts.

Unauthorized debit card purchases or charges without appropriate documentation are the responsibility of the individual, including any related late fees or interest.

Documentation.

The established voucher system of two signatures for documented approval of the charge must be used. Charges must be approved by both the Area Director, Area Treasurer or Vice Area Director.

Individuals must provide documentation — usually the original itemized receipt — to support all charges.

Signature Protocol for Debit Card Vouchers

Voucher for signatures for Area Director	Voucher signatures for Area Treasurer
Area Treasurer	Area Director
Area Vice Director	Area Vice Director

In the absent of a signed voucher an email authorization from Area Director will suffice. Copy of the email should be attached to a voucher.

Receipts

Receipts supporting credit/debit card usage **MUST** be attached to the area voucher. The receipts should be stapled to an 8 ½ by 11” piece of paper and attached to an Area Voucher. Sufficient description should be provided on the attachment to assist in coding the charge to the proper general ledger account.

**Special Documentation for Business Meals and Entertainment Expense Charges*

A separate Business Meals and Entertainment Form (Appendix A14-A) will be completed for each charge. This form requires the following documentation to comply with IRS regulations:

- Payee (Establishment)
- Amount
- Classification as meal or entertainment
- Date
- Time
- Name(s) of Attendee(s)
- Business purpose
- Business relationship between the officer(s) and the guest(s)
- Signature of the responsible officer

All of these types of charges must be accompanied by original receipts stapled to an 8 ½” by 11” piece of paper. Receipts must include BOTH the itemized food and beverage receipt, along with the payment receipt (including gratuity).

Failure to follow these documentation requirements will result in the officer or member being required to reimburse the Area for the charge.

Debit Card Statement Reconciliation.

Card users must submit documentation to reconcile their charges to the monthly debit card statement within 15 days of incurring the charge.

Original receipts are to be submitted to the Area Treasurer to be reconciled with the bank statement. Area Director, Area Treasurer or Area Vice Director should indicate her review and approval of the charges by a signature and date on the voucher.

Enforcement.

Violations of this usage policy will result in disciplinary action, up to and including loss of credit card privileges and where appropriate, criminal prosecution and/or recommendation for removal from office. Removal from the elected office as determined by the executive committee, legal counsel and Ethics and Standards committee where applicable.

Each debit card holder is to sign the Links Incorporated “Statement of Responsibility” (Appendix.A14-B) stating that she has read and understands the policy and procedures governing credit card use. The form will be kept by the Area Secretary.

Appendix A14-A

Links Incorporated

Business Meals and Business Entertainment Form

Name of the Establishment _____

Payee (if different than the establishment) _____

Classification: Meal Entertainment

Date: _____

Time: _____

Name of Attendees

Table with 8 empty rows for listing attendees.

Table with 8 empty rows for listing attendees.

Business purpose _____

Business relationship between the cardholder and the guest(s) _____

Signature of the cardholder _____

Date _____

Office /Position of the cardholder _____

Telephone number _____

Appendix A14-B

**Links Incorporated
Links Incorporated Foundation
Statement of Responsibility**

The use of the Links Incorporated credit card is an important privilege which is intended to facilitate business by the Links Incorporated and Links Incorporated Foundation. Adherence to this policy is vital in ensuring not only the continuation of this privilege, but also in ensuring that neither you nor the company is subjected to financial hardship or public criticism.

I, _____, have read and understand the responsibilities outlined in this policy. I agree to abide by the provisions in this policy, and understand that violations of this policy could result in disciplinary actions including termination.

I understand the credit card is to be surrender within 30 days at the end of the term of office or completion of employment.

Signature

Date



Linked in Friendship, Connected in Service

The Links, Incorporated
1200 Massachusetts Ave NW,
Washington, DC 20005
P: 202.842.8686 | F: 202.842.4020

