



CHAPTER MANUAL

This Chapter Manual supports the mission and goals of the American Public Works Association

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INTRODUCTION

The purpose of this manual is to provide an overview of the Arizona Chapter and its general operating procedures according to the Chapter's Bylaws. The branches of the Arizona Chapter are subject to their respective bylaws which must follow and are governed by the operating procedures of the Arizona Chapter.

NAME AND JURISDICTION

The Arizona Chapter (Chapter) of the American Public Works Association (APWA) is organized and covers all the State of Arizona. The Arizona State Chapter covers all Counties within the State. The Arizona Chapter also currently has two branches: Southern Arizona (established in 1991) and Northern Arizona (established in 1992). The Southern Arizona Branch is centered in Pima County and includes Cochise, Greenlee, Graham and Santa Cruz counties. The Northern Arizona Branch is centered in the Prescott/Flagstaff area and includes Apache, Navajo, Coconino, Mohave, Yavapai and La Paz counties.

All members of the Arizona Chapter of APWA can participate and attend functions in any of the Branches of the Chapter as full-fledged members in good standing. An Arizona Chapter Member can be designated as a member of more than one Branch within the Arizona Chapter.

MISSION AND PURPOSE

The purposes of the Chapter are to educate, effect, advocate and celebrate the mission of Public Works with our community. This includes the advancement of the practices of the design, construction, maintenance, operation, rehabilitation and administration of public works facilities and services. It is accomplished by the dissemination of information and experiences; the promotion of improved practices in public works administration; adherence by all member public works officials to high professional and ethical standards; and the professional and social improvement of its members as set forth in the "Rules Governing Chapters of the American Public Works Association."

The Chapter shall engage in a program of activities designed to further the purposes of APWA within its jurisdiction including, but not limited to, the scheduling of regular meetings of its membership.

The Chapter is not organized for profit, and earnings shall not directly benefit any Chapter member or Officer except as compensation for services rendered or for reimbursement of necessary expenses incurred.

MEMBERSHIP

Members of APWA residing in the Arizona Chapter territory shall be members of the Chapter and shall hold the same type of membership in the Chapter that they hold in APWA. Members

of APWA residing outside the Arizona Chapter territory may elect to be members of the Arizona Chapter and shall hold the same type of membership in the Chapter that they hold in APWA but shall be a member of only one Chapter. Members of APWA residing in the Arizona Chapter territory may elect to be a member of a Chapter other than the Arizona Chapter but shall be a member of only one Chapter.

Criteria for and grades of membership shall be as prescribed by the Bylaws of the American Public Works Association.

FISCAL AND ADMINISTRATIVE YEARS

The fiscal year and the administrative year of the Chapter shall be from July 1 through June 30.

CHAPTER BOARD OF DIRECTORS

The governing body and voting members of the Chapter is the Board of Directors, consisting of:

- Officers - President, President-Elect, Secretary, Treasurer, Immediate Past President;
- Six Chapter Directors;
- A Chapter Delegate; and,
- Branch Presidents or their designees.

Chapter officers are elected annually in April by the membership and serve a 1-year term for the following fiscal year. Directors are elected for 2-year alternating terms. The Chapter Delegate is appointed by the Board of Directors and serves a term of 3 years. The current officers for the Arizona Chapter are listed on the Chapter website: <http://arizona.apwa.net>. The Chapter Alternate Delegate is appointed by the Board of Directors and serves a two-year term.

The Immediate Past President also serves as a voting member of the Board of Directors. The duties of each Chapter Officer are identified in the Chapter Bylaws and are summarized with additional detail on the following pages of this document.

Chapter President

The President shall be the Chief Elected Officer of the Chapter and shall serve a term of one year. The President shall:

- Manage the affairs of the Chapter.
- Chair the Board of Directors.

- Establish the agenda and serve as presiding officer over Chapter and Board of Directors meetings.
- Ensure that all meetings of the Chapter, including those of the Board of Directors, may not be called with less than five days' notice.
- Issue the call for regular or special Board of Directors meetings.
- Appoint Chairs to all standing and special Committees and be an ex-officio member of each Committee.
- Ensure that all Committees function properly and cooperate with Committee Chairs to that end.
- Perform such other duties as may from time to time be assigned by the Board of Directors.
- Notify the APWA Executive Director and the APWA Regional Director of the Chapter's representatives on or before June 30 each year.
- Prepare a President's Report for monthly newsletters.
- Invite city, state, national and international dignitaries to Chapter events.
- Draft and send letters of response from the Chapter on various issues.
- Arrange for procurement of an engraved gavel for presentation to the incoming Chapter President at the final Chapter meeting of the administrative year.
- Request a proclamation from the Governor for National Public Works Week.

Chapter President-Elect

The President-Elect, who shall have previously served as an Officer or Director, shall be elected annually to serve a term of one year and shall:

- Act as the President in the President's absence or when the President is unable to perform the duties of the office, as determined by the Board of Directors.
- Assume the office of President upon the completion of the term of office of President-Elect.
- Responsible for arranging the program of activities for the current fiscal year as liaison with the Program Committee.

- Function as the contract administrator for the Chapter Administrator.
- Responsible for arranging for a Master of Ceremonies to perform the duty of administering the oath of office to the incoming Board of Directors at the last meeting of the administrative year.
- Perform such other duties as assigned by the President or the Board of Directors.
- Coordinate and conduct Chapter Committee Chair Orientation and Kick-off Meeting.

Chapter Secretary

The Secretary shall be elected annually to serve a term of one year and shall:

- Manage Chapter communication; this may include using a Chapter Administrator to assist with communication as required.
- Prepare a written record of the proceedings of the Board of Directors and any formal proceedings of the Chapter.
- Prepare and submit to APWA such reports as may be required.
- Obtain from APWA any certificates of appreciation, service pins, etc., for the current President for presentation at the last meeting of the administrative year.
- Coordinate annual sponsorship solicitations for newsletter & directory, corporate and calendar, and branch sponsorships.
- Serve on the Communication Committee.

As outlined in the Rules Governing Chapters, specific guidelines have been established to outline the responsibilities of the Chapter Secretary in monitoring meeting conduct. Specific criteria must be met by officers when calling and conducting Board of Directors meetings as follows:

- No official meeting of APWA Chapters may be called on less than five days' notice.
- All meetings must follow a published agenda that includes the main items of business to be discussed as sent to the Board of Directors.
- Ensure all meeting notices be sent to both Chapter members and APWA National simultaneously, using email and website postings.

- Minutes must be kept of all meetings, to include the resolution of all agenda items, names of active meeting participants (as opposed to observers), including agency/company identifications when appropriate.
- All Chapter officers and meeting Chairs must be aware of, and acknowledge basic antitrust provisions affecting associations.
- All meeting minutes (both draft and approved versions) must be filed with APWA within thirty (30) days of the meeting date.
- A simple majority of the Board of Directors constitute a quorum for conducting official Chapter business.

Chapter Treasurer

The Treasurer shall be elected annually to serve a term of one year and shall:

- Sign all checks and vouchers together with appropriate officer(s).
- Obtain signature cards from financial institutions maintaining Chapter funds, obtain signatures from the incoming President, Secretary, Treasurer and signatures from APWA National Director of Finance and National Treasurer and file the executed signature cards with the appropriate financial institution(s) by July 1 each year.
- Ensure compliance with all APWA financial policies.
- Review all financial reports provided to the Board of Directors by the Chapter Administrator.
- Coordinate with Branches to ensure accuracy of Branch financial reports and compliance with APWA financial reporting deadlines.
- Serve on the Finance/Budget Committee.
- Ensure all checks valued at \$5,000 or more must be signed by two officers.

Chapter Immediate Past President

The most recent Past President shall be an ex-officio member of the Board of Directors and shall:

- Serve in an advisory capacity to the President and the Board of Directors.

- Preside at meetings of the Chapter and the Board of Directors in the absence of the President and President-Elect.
- Attend Board of Directors meetings to serve as a liaison to past activities.
- Chair the Nominating Committee.
- Chair the Past President's Advisory Council.
- Chair the PACE Award submittal.
- Chair the Audit Committee
- Submit annual audit to APWA.

Directors (6) of the Chapter

Six members of the Chapter in good standing shall be elected to serve as Chapter Directors and serve a maximum of two 2-year terms. Three of the six Chapter Directors shall be elected on alternate years to provide direction continuity. Chapter Directors shall:

- Present progress reports of any assignments.
- Represent Chapter Committees as directed by the Chapter President.
- In the event a Director cannot complete their term, a replacement shall be selected from the candidates in the previous election and the person currently not serving having the highest vote total offered the option to be the replacement.

Chapter Delegate

The APWA National Council of Chapters is comprised of Delegates from each Chapter. The Arizona Chapter has one Delegate. The Delegate is the Chapter's representative to the APWA Council of Chapters. The Delegate shall be appointed by the Chapter Board of Directors to serve a three-year term, with a maximum two term limit. The Chapter Delegate shall:

- Represent the Arizona Chapter to the Council of Chapters, attending regional and annual meetings of the Council of Chapters, bringing Chapter concerns to their attention, and informing the Chapter of Council of Chapters' activities.
- Act as a liaison between Chapters, their Regional Directors and the APWA Board of Directors in its implementation of the Association's strategic plan; between all Chapters

of the Association; between Chapters and their branches; and between Chapters and the APWA volunteer structure.

- Serve as an information source and point of Chapter contact at local, regional, and national levels while identifying dedicated and committed members for promotion and active participation within the Association.
- Prepare and submit to APWA and the Arizona Chapter Board of Directors such reports as may be requested.
- Attend and participate as a member of the Arizona Chapter Board of Directors with voting privileges.
- Have an active interest in local, regional and national public works affairs.

The Chapter Delegate shall be appointed by the Board of Directors based on a board-approved selection criteria and process. This includes a recruitment process and criteria definition to select the Chapter Delegate best suited for the needs of the Chapter as well as the Chapter Alternate Delegate.

Chapter Alternate Delegate

The Arizona Chapter Alternate Delegate shall be appointed by the Board of Directors to serve for a two-year term and:

- Shall be selected for the position using the same criteria and process as the Chapter Delegate.
- Shall attend or phone in to the monthly Board of Directors meeting so to stay abreast of chapter activity.
- Shall fulfill the Delegate's responsibilities acting for and on behalf of the Chapter Delegate in the event of the Chapter Delegate's absence or inability to perform the duties of this position.
- Shall have the same responsibility and authority as the Chapter Delegate at any regional and annual meeting attended in the absence of the Chapter Delegate and be funded in the same manner as the Chapter Delegate at the Board of Director's discretion.
- May attend regional and annual meetings as a non-voting observer together with the Chapter Delegate. The Board of Directors may elect to approve funding for the Chapter

Alternate Delegate to various District/National Events; otherwise, the Chapter Alternate Delegate will need to provide their own funding to attend the District/National Event(s).

Since there is a potential for the Delegate to serve two-three-year terms, it is the intent to appoint three separate individuals to fill the role of Alternate Delegate matching the Delegate's term. This will provide three individuals the opportunity to gain an understanding of the Delegate role and be better prepared when the Chapter Delegate position is open.

In the event that the Alternate Delegate is not able to fulfill these requirements on a permanent basis or has agreed to fulfill a vacated Delegate position, the Nominating Committee would conduct a search for a new Alternate Delegate.

Branch Presidents

The APWA Arizona Chapter has two branches, a Northern and Southern Branch. Each year the Branches shall elect their Branch President to lead the Branch and shall then be part of the Board of Directors or appoint a designee of their choosing.

CHAPTER ADMINISTRATION

The Chapter shall hire a Chapter Administrator to perform administrative duties as outlined below. This shall be a contractual agreement that is compensated by the Chapter. The contract shall be managed by the President Elect and an annual review shall be performed, and a recommendation made for staffing the position.

Chapter Administrator

The Chapter Administrator will perform services on behalf of the Chapter and Branches with respect to matters relating to or affecting the Chapter as follows:

1. Chapter Newsletter editor and coordinator.
 - a. Assist Chapter Secretary, or designee, in mailing annual solicitations for newsletter & directory sponsorship and receiving such payments.
 - b. Conduct calls for articles from Committee Chairs, Branch Officers, Board Members and members at large.

- c. Compile and edit articles.
- d. Format and publish monthly newsletters.
- e. Coordinate newsletter printing, posting to website & emailing.

2. Chapter Historical Record keeper:

- a. Maintain storage in the name of APWA Arizona Chapter.
- b. Retrieve and coordinate delivery of requested record materials by authorized Committee Chairs, Branch Officers or Board Members within 72 working hours of request.
- c. Coordinate and provide support for the Chapter History Committee.

3. Chapter Meeting and Special Event Coordination:

- a. Coordinates Monthly Membership Meeting including preparation, registration, on-site check in, compiling luncheon attendee's lists, reconciliation, banking, billing and collections.
- b. Coordinates Monthly Board Meeting preparation and attendance including ensuring room availability and distribution of agenda and financial reports at least forty-eight hours prior to the scheduled date.
- c. Coordinates Annual Statewide Conference registration, on-site check in, attendance, compiling attendee and exhibitor lists, reconciliation, banking, billing and fee collections. Coordination includes special mailings or web postings and announcements. Administrator will arrive as directed by the Conference Committee Chair. Administrator will remain through the Conference closing day, 3 days maximum. Room and Board at the Conference will be provided for the Administrator (1 person only).
- d. Coordinates with appropriate Committee Chairs, Branch Officers or Board Members for Special Events including workshops, educational seminars, and special presentations. Coordination may include special mailings or web posting announcements and forwarding web-based registrations to the event coordinator. Additional Special Event Services include on-site check in, compiling attendee lists, reconciliation, banking, billing and fee collections may be provided at an additional fee charged to the requesting event. The fee will be as outlined under "Additional Special Event Services" in Section II – Payment of the Administrator's contract."

- e. Provides Branch support including: Send out bi-monthly notices to entire membership at least 3 times (once when originally sent out and then 2 reminders, initiated by the Branch Board of Directors); ensure communication is linked between the Chapter and the Branches with the newsletter and website postings of meeting announcements, etc.; and, provide statewide communication through electronic media for the Branch Board of Directors to be passed on to members at bi-monthly meetings. Branches shall produce all original documents for their communication needs.
- f. Provides support to the AUCC for web related document posting, document storage, document retrieval and incidental general administrative services. AUCC shall produce all original documents for Committee use.

4. Chapter and Branch Bookkeeping:

- a. Provides consolidated bookkeeping for all APWA Chapter and Branch accounts and supplies any needed reports to APWA upon request. Day to day bookkeeping and accounting responsibilities for Branches shall be performed by the respective Branch Treasurers.
- b. Provides collection for past-due accounts receivable. Accounts are considered past-due when not paid for 30 days.

5. Chapter Potential Member Database:

- a. Maintains Potential Member database and updates monthly.

6. Chapter General Administrative Support:

- a. Coordinates monthly update of Chapter website with APWA Webmaster. Updates include such items as Meeting Minutes, meeting and event announcements, newsletters, job postings for member companies and agencies, Chapter documents and photos provided by Chapter Officers and Committees.
- b. Sends requests to APWA to update names of Board Members and Committee Chairs.
- c. Retrieves and distributes US mail, minimum 3 times per month.
- d. Meets with Treasurer as necessary to receive APWA rebate checks as required by Treasurer.
- e. Provides support to members and potential members via US mail, email, phone and/or facsimile.

- f. Purchases Annual appreciation gifts for Chapter President and APWA President.

COMMITTEES/SUBCOMMITTEES

The primary function of a Committee is to contribute to the efficient operation of the Chapter. In most cases, Committees are concerned with communicating information and assisting Chapter leaders in the decision-making process. The findings of a Committee have a direct impact on the decisions made by the Board of Directors. Committee work can directly influence the direction of the Chapter. Committee Chairs shall be responsible for monitoring and regularly reporting Subcommittee activities to the Board of Directors.

Committee Chairs

Responsibilities of Committee Chairs are defined in relation to each specific Committee and must be Chapter members. The Chair's role will normally change as the work of the Committee changes. However, there are general responsibilities which are common for all committee Chairs, which include:

- a. Develop and maintain the Committee organization and structure.
- b. Schedule meetings.
- c. Prepare and/or approve agendas.
- d. Preside at meetings.
- e. Make committee and individual assignments.
- f. Review and approve Meeting Minutes.
- g. Submit Meeting Minutes to Chapter Secretary
- h. Oversee the activities of the Committee.
- i. Prepare the Committee's budget.
- j. Prepare financial reports after each event.
- k. Identify insurance needs for each event.
- l. Provide information for use on the Chapter website and newsletter before and after an event.

Committee Chairs should clearly discuss expectations for the Committee with its members, the time commitment necessary to achieve success and execute the specific duties required during the year. Each Committee Chair should:

- a. Establish goals and schedules and monitor these throughout the year.
- b. Begin Committee meetings on time.
- c. Conduct meetings from an agenda which has been previously distributed to Committee members.
- d. State the reason for the meeting at the beginning.
- e. Review the Committee's objectives relative to the Chapter's objectives.
- f. Ensure Meeting Minutes are created and distributed.
- g. Report the activities of the Committee to the Board of Directors.
- h. Invite Director liaison to attend meetings,
- i. Attend Board of Directors meetings.

Committee Members

The composition of each committee is specific to the needs of the Committee. Some members of each Committee will automatically be members because of their position as an officer of either the Chapter or a Branch.

Unless otherwise noted in the Chapter Bylaws or Committee organization, Committee Chairs and members are appointed for one-year terms. Committee Chair appointments are made by the incoming President generally in April or May for the following fiscal year. It is desirable to have Committee Chairs participate in the Chapter Committee Chair Orientation and Kickoff Meeting. Incoming Committee Chairs should develop an activity Work Plan for their committee-plan to be considered at the June Board of Directors Meeting. Work Plans should be based on achieving the goals the Chapter established at the Chapter Strategic Planning Meeting. The Committee Chair shall submit a written report summarizing the committee activities at fiscal year-end.

Committees are made up of a balance of experienced and new members. Chapter Committees include the following:

Description of Committees/Subcommittees

The following list is a summary of the current Arizona Chapter Committees. The Chapter website provides a current list of Committees, Chairs and Committee members. Branches may choose to emulate this list.

Agency Advisory Committee

The Agency Advisory Committee is responsible for the coordination of ongoing dialogue with public/private groups impacting Arizona agencies. The committee is responsible for developing a resource plan to provide outreach and assist agencies and the general membership in the resolution of key issues.

Arizona Utility Coordination Committee - AUCC

The AUCC provides technical outreach and coordination of utility / agency related issues including discussion of current and planned Capital Improvement Projects within public rights of way and publishes the Public Improvement Project Guide (PIPG). The PIPG is available on the Chapter website at <http://arizona3.apwa.net/news/aucc/>.

Audit Committee

Together with a committee chosen by the President, performs the annual audit of the Chapter.

Awards Committee

The Awards Committee is responsible for the coordination of award submissions to various organizations on behalf of the Arizona Chapter. The Awards Committee is also responsible for the coordination of awards distributed by the Chapter to Chapter members.

Communications Committee

The Communications Committee is responsible for ensuring that Chapter information and other relevant information is shared with the general membership in a timely and efficient manner. The Committee oversees the management of the Chapter website, Social Media Accounts, and Chapter newsletter. The Secretary is a member of the Communications Committee.

Conference Committee

The Statewide Conference Committee is charged with holding of a successful annual Statewide Conference. Duties include identifying a location, conference logistics, outreach to potential sponsors and exhibitors, coordination of workshops, and providing networking opportunities to participants.

Events and Community Service Committee

The Events & Community Service Committee is responsible for Chapter community service, and outreach activities by coordinating events within local communities allowing members to

participate in non-profit benefit activities such as serving in charity food kitchens, graffiti removal projects, Habitat for Humanity, etc.

Diversity and Inclusion Committee

The Diversity and Inclusion Committee is charged with placing value on all individuals and different perspectives of individuals in Public Works through APWA by coordinating mentoring and awareness opportunities for youth, college students, professional societies, and organizations interested in learning more about the Public Works field. These include outreach such as the Future Cities Competition.

Professional Development Committee

The Professional Development Committee provides outreach and coordinates learning and professional development, education and training programs. The Professional Development Committee has oversight of the Public Works Institute (PWI).

Finance Committee

The Finance / Budget Committee oversees all Chapter internal financial controls and fiscal responsibilities. These include review of financial policies and reporting requirements with the Chapter and Branches, providing monthly or quarterly financial statements to the Board of Directors and developing and submitting the annual operating budget to APWA.

Future PWX Committee

The Future PWX Committee plans the necessary activities and conducts fundraising for future APWA PWXs in Arizona. This is an intermittent committee activated when seeking/planning for a future PWX.

Government Affairs / Advocacy Committee

The Government Affairs / Advocacy Committee provides outreach and education regarding public works issues to local, state and national legislative leaders.

History Committee

The History Committee is responsible for sustaining the Chapter's rich history through maintaining documents of historical significance and coordination of special projects such as, creating and cataloguing oral histories of influential Public Works figures in Arizona.

Membership and Engagement Committee

The Membership Committee is charged with increasing membership as well as developing programs to attract and familiarize new Chapter members to the APWA. The Committee also coordinates new member orientation, new member networking opportunities, and manages outreach efforts to potential members.

Nomination Committee

The Nominating Committee is chaired by the Immediate Past-President and a committee of three.

Past President(s) Advisory Council

The Past President Advisory Council is chaired by the Immediate Past President and is charged with reaching out to agencies and organizations to help them better understand APWA and encourage agency participation and collaboration with the Chapter.

Programs Committee

The President-Elect is a member of the Program Committee which is responsible for coordinating speakers and educational topics for monthly Chapter events that provide value to members.

Scholarship Committee

The Scholarship Committee is responsible for the coordination of scholarship opportunities for Chapter membership and their families. Duties include promotion of scholarship opportunities, review of applications, selection of scholarship recipients and distribution and announcement of recipient(s) funding to the Chapter membership.

Sponsorship Committee

The Sponsorship Committee will have duties as assigned by the Secretary to coordinate any sponsorship solicitation or activities for the Chapter.

Sustainability Committee

The Sustainability Committee works to develop programs and activities to support sustainability in public works and provide information to the Chapter.

Young Professionals Committee

The Young Professionals Committee assists young professionals to join the organization and to develop and increase their level of professional and technical skills through mentoring and one-on-one exchanging of information, experiences and support. The Committee encourages personal career development and increases confidence levels while working with the Membership Committee to encourage young professionals to join the APWA.

AWARDS

The National APWA Awards Program offers awards in the categories listed below. Many of these awards are made only at the national level in recognition of outstanding individual achievement. A detailed listing of these awards with award guidelines and nomination forms is

available on the APWA website. The deadline to submit nominations directly to APWA varies so refer to the website - <http://www.apwa.net/awards> . It is the Award Committee's responsibility to review awards yearly to determine the set of awards to be advertised at the state chapter level.

The Awards Committee shall work with the Board of Directors to manage the annual award process. The Awards Committee shall recommend the eligible awards from the National Website to be considered for awards annually to the Board of Directors in the second quarter of the fiscal year. Nominations are due to the committee in the third quarter in time to forward approved recommended/ endorsed to the National Awards Committee for due consideration. The Award Committee shall use a documented process to rank and select winners and present recommendation to the Board of Directors for concurrence. Awards are presented at the yearly conference to maximize exposure for the Chapter.

The Top Ten Leadership and the PACE awards are to be overseen at the Board of Directors level. Each year the Board of Directors shall work to determine state leaders in public works who may be interested in the Top Ten Leadership award due to the significance and level of effort required to participate in this award program. Additionally, the PACE award is used by the chapter as a way to measure excellence and conformance with national goals for chapters and shall be pursued each year.

GENERAL INFORMATION GOVERNING CHAPTERS

Maintenance of Member Records

Membership rosters and reports are available through the APWA website. Any Chapter leader can access their Chapter's membership reports at the APWA website, www.apwa.net. Log onto the website and go into the Member's Only section. Select Chapter Leader Resources. You will find a list of reports that are available to Chapters.

Chapter Membership Rebates

APWA provides rebates to Chapters for active members in the Chapter who are on the Chapter's membership roster as of June 30 each year and whose dues are paid in full as of that date. The amount of the rebate is determined by the APWA Board of Directors and is distributed quarterly.

Rebates are currently given for the following types of members:

- 05 - Individual Member
- 04 – Individual Student

- 11 - Agency group member
- 23A - Heritage Corporate group member
- 23B - Prestige Corporate group member
- 23D - Crown Corporate group member
- 31 - Utility group member
- 41 – Student group member
- 51 - One-Call group member

Fiduciary Responsibilities

A Chapter officer is considered a fiduciary, which means that the officer’s legal status is almost the same as if the officer were a trustee. It involves a duty to act for the good of others rather than for one’s own benefit. Consequently, the chief duty of a Chapter officer is to exercise his or her powers for the benefit of the Chapter. An officer must exercise these powers for the benefit of all members, not just some of them and must do so with complete honesty and reasonable competence. Officers can be held personally liable for failing to meet their fiduciary responsibilities and for their direct violation. Most states allow for suits involving “ordinary negligence” in managing corporate affairs. However, barring intentional wrongdoing, the courts have rarely held not-for-profit officers responsible for decisions made in good faith and with prudence, even when they turn out to be bad decisions. Still, it does happen, often with respect to an organization’s personnel actions. For that reason, insurance and indemnification protection is essential. Only Chapter officers are authorized to sign contracts on behalf of the Chapter.

Insurance Liability

APWA maintains a general liability policy that covers Chapter officers’ liability with respect to claims that involve bodily injury or property damage. APWA must be notified a minimum of 30 days in advance of all Chapter/Branch events for insurance purposes. This policy, however, does not include leased or owned automobile-related claims, employment-related claims or claims regarding breach of fiduciary responsibilities. A certificate of insurance will be issued to the Chapter only when required by a written contract. All requests for a certificate of insurance must be accompanied by the event brochure, registration form and the contract language requiring the certificate. A request for a certificate should be made at least 30 days before the event to ensure our insurance company has adequate time to respond to the request. To help mitigate the risk to the Association, the Chapter must obtain a certificate of insurance from

event co-sponsors and exhibitors or a permission slip/release form from participants. If the Chapter/Branch does not wish APWA to secure coverage, the Chapter/Branch shall secure local coverage and provide proof of insurance to APWA at least 30 days prior to an event. If the Chapter/Branch is unsuccessful in obtaining coverage, the event shall be canceled.

Indemnification

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

Banking

The Chapter President, Treasurer and Secretary shall have authority to sign Chapter checks. In addition, Chapter accounts must also have the Treasurer of the APWA Board of Directors and the APWA Director of Finance listed as signatories. The Board of Directors is also responsible for selecting the bank where normal operating funds will be deposited. The retention requirement for bank records is seven (7) years.

Bonding

The Association pays for a “blanket bond” to protect the Association and Chapters against theft or fraud by Chapter Treasurers handling funds. This bond only covers cases of fraud or theft and not cases of “poor judgment.” Bonding of Chapter and Branch Treasurers is required and is administered through and at the cost of the Association. When APWA is alerted that a Treasurer has been selected by the Board of Directors or elected by the Chapter membership, bonding occurs automatically. It is important to note that if the Chapter has elected to engage an individual or organization to perform the financial management duties of the Chapter as Chapter Administrator (and this person does not hold title of “Treasurer”), that Chapter Administrator should purchase insurance as they are not covered under APWA’s policy.

Budgeting

Budget Process Overview

- The Board of Directors makes the final approval of the annual budget.
- The Budget/Finance Committee (Including incumbent Treasurer) is responsible for compiling the budget and presenting the balanced (net zero) budget to the Board of Directors for approval. Approval must occur annually prior to June 15.
- Individual Committee Chairs are responsible for submitting their own Committee’s budget request to the Budget/Finance Committee no later than April 1 of each year.

- Committees are directed to submit a net zero budget.
- All events must be preplanned and approved by the Board of Directors.
- All events planned by individual committees are to be net zero as a minimum. Events and Committee meetings should include appropriate sponsorships to reduce Chapter expenses. Sponsorship information is provided herein.
- Committee meals/refreshments are not considered a normal Committee expense. Committees are encouraged to seek sponsorship for meeting meals or have Committee members contribute to meal/refreshment expenses.
- Individual expenses such as mileage, lodging, printing of committee agendas & meetings, etc. related to committee activities are not reimbursable.
- Printing and production expenses or event supplies incurred by an individual on behalf of a Committee event or major project may be reimbursed provided it is included in the budget and is a reasonable and customary expense.
- All events must be calendared through the Chapter Administrator by the end of each year.
- The Budget / Finance Committee shall coordinate with Committees as needed to develop individual budget components.
- Budgets shall be submitted using the budget input report included on the APWA website.
- Chapter income from membership dues and quarterly Chapter rebates are designated for Chapter administrative expenses.
- Chapter rebates for specific events or purposes as provided by APWA, such as Regional Delegate meetings or Summits may be included as income by the appropriate Committee to offset expenses.
- Approved Committee budgets are as complete as possible at the time of presentation.
- Budgeted activities and expenses must conform substantially to the approved budget with the Committee held strictly to the net revenue or expense approved by the Board of Directors.
- Any net expense variance must be approved by the Board of Directors before that expense is incurred.

Each Chapter must have an annual budget based upon the fiscal year. The budget need not be complicated but shall list all forms of revenue and major expense categories. All budgets are expected to balance each year.

All Chapter budgets for the following year must be submitted to APWA for review by the APWA Director of Finance no later than July 31 of each year. Chapters will be notified of potential problems by August 15 of the year covered by the budget.

Budgeting*

(*Includes excerpts from Quick -Start Guide, A New Chapter Leader's Primer for Chapter Leadership & Management – December 2006- Rules Governing Chapters of the American Public Works Association)

The Board of Directors is responsible for approving an annual budget and establishing policies for the management of Chapter funds. An annual budget facilitates achievement of Chapter goals. The Board of Directors is responsible for approving the expenditures of all Chapter funds. A good budget frees the Board of Directors for more important work at its meetings, as the Treasurer can be authorized to expend any funds included in the budget. **Keep in mind the Meeting Minutes must reflect authorization of all cash disbursements.** The Chapter budget is part of the Chapter's financial files maintained at APWA. A copy of the Chapter budget for the coming calendar year should be forwarded to APWA by July 15th annually.

Goal Setting and Strategic Planning*

The Chapter budget provides for all expenses and revenues expected during the year and is a management tool by which the Board of Directors measures Chapter performance against stated goals. Chapters are expected to at least break even and are encouraged to plan for earnings to fund new initiatives, to establish reserves for contingencies and to fund long-term goals. Chapters are encouraged to have a planning session before the change in officers. Incoming and outgoing Chapter officers should meet to discuss the past year and plan for the next. Chapters are encouraged to use the APWA Strategic Plan when discussing Chapter goals and objectives. Many Chapters work with outside facilitators to do their goal setting and strategic planning. Other Chapters use APWA staff to help facilitate their sessions. Either way, the Chapter is encouraged to plan for the future while meeting its goals for the year.

Tax Deductible Contributions

APWA is classified by the Internal Revenue Service (IRS) as a 501(c) (3) tax-exempt organization. Therefore, contributions may be eligible as a deductible contribution to a nonprofit tax-exempt organization by contributors on their income tax return, subject to IRS guidelines. If your Chapter receives charitable contributions, please contact the national office for further

guidance on IRS regulations related to reporting of contributions and our annual tax return and written acknowledgements of contributions.

Sales Tax Exemption

Chapters may be required to pay sales or use tax on purchases of goods or services. In addition, Chapters may also be required to charge and remit sales or use tax on certain types of sales they make in relation to merchandise, food & beverage, newsletters, registration fees for workshops and conferences, banquets, and fundraising events, etc. Each local, state and provincial government regulations are different, and Chapters will be held responsible for all taxes imposed by various agencies, unless an exemption has been obtained. Chapters should contact their local, state or provincial departments of revenue in their respective areas regarding exempt purchases and sales by 501(c) (3) organizations. The APWA Director of Finance can assist you in researching your options and in completing the exemption application or other forms.

Meetings - Schedule, Format, Sites

The Board of Directors determines the frequency and location of membership meetings. The Arizona Chapter meets on the third Wednesday of each month. All Chapters must hold at least one membership meeting each year. Advance notice of dates and locations must be sent to the Chapter's Regional Director and to the APWA Chapter Relations Department.

APWA's Federal ID

Vendors your Chapter does business with may need the Association's Federal Identification Number., Provide them the following number - 36-2202880 for these inquiries.

501(c) 3 Status

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

Supplemental Allocations for Chapter Support

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

consideration. Requests should be submitted before the beginning of the budget year if possible.

Preparing to Take Office

Chapter officers are required to serve fiscal year terms. In exceptional circumstances and only when it is in the best interest of the Association, the Board of Directors may approve a provision in a Chapter's bylaws whereby the term of office is established to other than the fiscal year. There is normally a period between election and installation. You should take advantage of this transition period to prepare for the upcoming term, to identify what is to be accomplished, and to set goals and objectives. This may include a systematic review of existing programs and examination of how your Chapter is or is not meeting the needs of Chapter members. Survey instruments can be used to assess your members' likes and dislikes, what programs and services they would like to see at your Chapter, and how the Chapter can best meet their training and educational needs. If a new Chapter Secretary and/or Treasurer has been elected (or appointed), an orderly transition is needed to make certain that items such as files, stationery, financial records, and Chapter possessions (such as the banner) are turned over and new officers have the opportunity to be briefed on their duties. In addition, each officer should turn over appropriate correspondence and files to the incoming officers to assist in the discharge of their responsibilities.

Chapter Financial Reports

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

- January 15 IRS Form 1099 MISC
 (Income Paid to Individuals/Contributions - \$600 or more)
- July 31 Chapter Budget for next calendar year
- September 15 Audited Year-End Financial Report

Penalties Concerning Chapter Financial Reports

Failure to submit financial reports on time and as prescribed in these Rules Governing Chapters will result in the automatic suspension of APWA Chapter member rebate payments. Financial reports not filed within 90 days of their due date will result in the forfeiting of that period's rebates and any future rebates. If delinquent financial statements are eventually filed and are up to date, rebates will be reinstated, but any forfeited rebates will not be paid. Current Chapter financial reporting is essential to the association's annual audit and tax statement. The

APWA Board of Directors will be notified of delinquent financial reporting and will review the organizational status of the affected Chapter.

IRS Form 1099 MISC

If a Chapter pays an individual \$600 or more in a calendar year for certain scholarships, services, and/or travel expenses, the APWA must file the information with the Internal Revenue Service on IRS Form 1099 MISC. The most common situation is Chapters compensation to an individual or firm performing the duties of the Secretary and/or Treasurer. Another case might be fees paid to a free-lance editor or designer for Chapter publications. If payment for travel expenses has been a reimbursement for expenses and an expense report and receipts have been submitted to the Chapter, then this amount is not reported and the form not filed. However, if a per diem or fixed amount per day is paid and the person is not required to report how the money was spent, then this amount must be reported to APWA along with the total amount paid. A “qualified scholarship payment” is not considered to be taxable income to the recipient if all three of the following are met.

- The individual is a candidate for a degree at an educational institution;
- The payment is used for tuition or course related expenses; and,
- The scholarship payment is not a payment for services

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

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

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

- expense insurance and travel expenses (or per diem)

Contributions

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

Cash contributions of \$250 or more: A written acknowledgement from the Chapter must be provided to the contributing party for all cash contributions of \$250 or more. The Chapter's acknowledgement must include

- (1) the amount of the contribution;
- (2) a statement whether APWA or the Chapter gave the contributing party any goods or services as a result of their contribution; and,
- (3) a description and good faith estimate of the value of any goods or services provided to the contributing party in exchange for their contribution. Contributions, Sponsorships or Grants of \$5,000 or more: APWA is required to report specific information to the IRS regarding contributions, sponsorships or grants of \$5,000 or more. If your Chapter/Branch has received a payment during the fiscal year that meets this dollar threshold, please contact the APWA Chapter Administrator

Unrelated Business Income

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

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

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

Endowment Funds

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

Use of APWA and Other Logos

APWA maintains control over the use of the APWA and other logos in any format. Use of logos is subject to the written approval of the APWA Executive Director. Guidelines for use of the APWA logo are available on the APWA website.

APPENDICES

1. APWA National Bylaws
2. APWA Arizona Chapter Bylaws
3. APWA Arizona Chapter Annual Budget
4. APWA National Strategic Plan
5. APWA/AZ Strategic Plan/Annual Update
6. APWA Council of Chapters Mission
7. Standards of Professional Conduct
8. Annual Chapter Calendar
9. Board Nomination Timeline
10. Board Nomination Form
11. Chapter Delegate/Alternate Delegate Nomination
12. Installation Ceremony for Chapter Officers
13. Oath of Office for Chapter and/or Branch Officers
14. APWA Arizona Chapter Best Management Practices Chart
15. Chapter Administrator Contract
16. APWA Financial Guidelines
17. Cash Handling Policy-Procedure
18. Chapter Reimbursement Policy
19. Treasurer 101 Manual
20. Secretary 101 Manual
21. President-Elect 101 Manual
22. President 101 Manual
23. APWA Arizona Chapter Board Discretionary Endowment Fund Purpose and Guidelines for Use