

## **POLICY 2.15.18**

<p style="text-align: center;"><b>La Crosse Neighborhoods, Inc.</b> <b>Policies and Procedures for the Chapter Neighborhood Association Secretary/Treasurer</b></p>
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*La Crosse Neighborhoods, Inc. is a 501(c)3 tax exempt non-profit corporation to advocate for initiatives and programs that protect, preserve and improve all of the neighborhoods in the La Crosse area for all of the residents.*

LCNI, INC. exists to help Neighborhood Associations to process funds & follow tax code – these policies and procedures are developed for that reason. (See Policies clauses as stated in Bylaws)

No partisan political activities, and no endorsing candidates is permitted for Neighborhood Associations.

Please contact the LCNI Secretary/Treasurer or President if you have any questions or need assistance in meeting the following policies and procedures.

Contact President: Jacob Sciammas, [president@lacrosseneighborhoods.org](mailto:president@lacrosseneighborhoods.org), 608-571-LCNI (5264)

Contact Secretary/Treasurer: Deborah-Eve Lombard, [treasurer@lacrosseneighborhoods.org](mailto:treasurer@lacrosseneighborhoods.org)

<b>Chapter Meeting Minutes</b>
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1. Chapter meeting minutes will indicate items with LCNI implications (any financial items utilizing LCNI account funds and any decisions governed by the association/LCNI bylaws – i.e. elections, processes, etc.) & will follow the voting guidelines for those items during the meeting.
2. A monthly bank report will be shared at the meeting and included in the minutes.
3. All minutes of the Chapter’s meetings will be forwarded to the LCNI Secretary/Treasurer in a timely manner. Please email to the LCNI Secretary/Treasurer 2-4 weeks after a meeting.

<b>Dues</b>
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Chapter dues will not be required for membership in a chapter or for LCNI, however voluntary contributions are encouraged.

<b>Funds collected</b>
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1. Each Chapter will maintain their own documentation of funds collected.
2. Any funds collected, on behalf of a Chapter as LCNI funds, are to be documented and deposited at State Bank Financial, La Crosse.
3. Receipts will be issued for all donations over \$5, unless refused by the donor. Chapters may choose to send an email, give a paper receipt or use a carbon-based receipt book provided by LCNI, Inc.
4. All donations must be documented, and a receipt given to the donor. (See Donor Receipt)
5. It is recommended that a donor register is kept and updated regularly.

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### Funds withdrawn

1. Each Neighborhood Association may choose to have a checkbook and account at State Bank.
  - a. An LCNI representative will be listed on your account at State Bank in addition to any additional officers (Chair, Co-chair, Secretary/Treasurer) you would like to have access.
  - b. As Chapter leadership changes, the Neighborhood Association is responsible for updating signature cards for officers listed on your account (Chair, Co-chair, Secretary/Treasurer)
  - c. The Secretary/Treasurer can add or withdraw funds to accounts at State Bank.
  - d. Please forward officer changes to LCNI president.
  - e. Once the Chapter officer has access to the account, it is their responsibility to manage the account and customer service needs.
2. Each Neighborhood Association maintains documentation of deposits and withdrawals.
3. Any funds withdrawn on behalf of a Chapter, are to be dispersed through a State Bank Financial account using a check.
4. A reimbursement form is filled out when a reimbursement check is issued. (See Reimbursement Form)
5. No cash withdrawals are to be made from checking accounts. A check to the Secretary/Treasurer is allowable, but not preferred, and makes them personally accountable.
6. Gift cards for the stated use of specifically budgeted & approved expenses are allowable (requiring receipts for proof of purchases, like always)
7. Checks will have carbon copies.

### Checking accounts

<b>Funds are maintained</b> 		<a href="https://www.statebankfinancial.bank/">https://www.statebankfinancial.bank/</a>	
<b>Phone:</b> (608) 784-4600	<b>Lobby Hours</b> <b>Mon - Fri:</b> 9:00am - 5:00pm	<b>Drive Through Hours</b> <b>Mon - Fri:</b> 8:00am - 5:30pm <b>Sat:</b> 9:00am - 12:00pm	401 Main Street La Crosse, WI 54601

### Annual Budget & Association Operational Expenses

These policies relate to expense reimbursements, financial commitments to ongoing programs, chapter insurance coverage, honoraria for chapter events, supplies and refreshments.

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Who develops the budget, who reviews it, who approves it, and along what timeframe?

1. A budget is a planning tool that reflects a Neighborhood Association's programs and plans.
2. Typically the budgeting process should begin at least three months before the end of the fiscal year to ensure that the budget is approved by the board of directors before the start of the new year.
3. Each Neighborhood Association must submit goals and objectives annually.

### **Changes to Annual Budget & Association Operational Expenses**

Any changes to the budget need to be approved by LCNI – email or mail them to LCNI, INC., Secretary/Treasurer and President at the earliest possible time with the following information:

1. Amount and description of new expense (or increase to the budget) and justification.
2. Source of funds (new money received or expense reduced from another area)

### **8 STEP ANNUAL BUDGETING CHECKLIST RESOURCE**

1. Determine timeline
  - Set target date for board approval
  - Allow time for each step and for review and discussion
  - Approve before beginning of fiscal year
2. Agree on goals
  - Prioritize Neighborhood Association program goals, events and projects
  - Set Neighborhood Association program goals, events and projects
3. Understand current financial status
  - Review current year income and expense compared to budget
  - Forecast programs and events to the end of the year
4. Develop draft expense budget
  - Determine costs (expenses) to reach program goals
  - Determine costs to reach any organizational goals that are not events
5. Develop draft income budget
  - Project income based on current fundraising and revenue activities
  - Project new income based on new activities
6. Review draft budget
  - Verify that the draft meets program and organizational goals
  - Review and discuss all assumptions
  - Make any adjustments, based on goals matching income and expenses
  - Review final draft for all goals and objectives
7. Approve budget
  - Chapter should approve annual Chapter budget
  - Present for approval
8. Document budget decisions
  - Create a budget spreadsheet or file
  - Document all transactions

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## Annual Budget Template

<b>ANNUAL BUDGET</b>			
Neighborhood Association Name:			
	Actual	Budget	Variance
<b>Income</b>			
Contributions			
Grants			
Other			
<b>TOTAL INCOME</b>			
<b>Expenses</b>			
Events			
Office expenses			
Marketing			
Food			
Misc. (<\$100)			
<b>TOTAL EXPENSES</b>			
Excess			

## Donations

### 1. What are Donation Receipts?

A donation receipt is proof that a donor made a charitable contribution to a nonprofit.

### 2. Why are Donation Receipts Important?

Donation receipts are vital for donors wishing to claim deductions on their tax returns.

### 3. When are Donation Receipts Necessary?

- a. Donation receipts are legally required for donations greater than \$250 or whenever a donor requests one.
- b. It is a best practice to provide a donation receipt for every donation over \$5.
- c. A donor must have a bank record or written communication from a charity for any monetary contribution before the donor can claim a charitable contribution on his/her federal income tax return.
- d. When a donor received goods or services in exchange for a single donation greater than \$75.
- e. A charitable organization is required to provide a written disclosure to a donor who receives good or services in exchange for a single payment in excess of \$75.
- f. A donor is responsible for obtaining a written acknowledgement from a charity for any single contribution of \$250 or more before a donor can claim a charitable contribution on his/her federal income tax return

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### 4. What Should be Included in a Donation Receipt?

- a. A donation receipt should include the donor's name, the nonprofit's name, the date & amount of the donation.
- b. Usually a letter or email is sent to a supporter after a donation has been made.
- c. Many nonprofits send receipts out by the end of the year the gift was given or in January of the following year. However, best practice is to strive to send out donation receipts sooner rather than later— donors are more likely to give again if their donations are acknowledged within the first 48 hours.

<b>DONOR RECEIPT</b>
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**LCNI, Inc., EIN#47-4445115**

**PO Box 1661**

**La Crosse, WI 54601**

***La Crosse Neighborhoods, Inc. is a 501(c)3 tax exempt non-profit corporation to advocate for initiatives and programs that protect, preserve and improve all of the neighborhoods in the La Crosse area for all of the residents.***

Donor name:

Date of the donation:

Amount of money or a description: (...but not the value of the item(s) donated. The donor, not the nonprofit, is responsible for assigning a cash value of donated items or in-kind contributions).

A statement indicating whether any goods or services were provided in exchange for the donation:

- If no goods or services were given to the donor in return for the contribution, the nonprofit must say so.
- If the gift was \$75 or more, and the nonprofit provided something in return (i.e., tickets to an event), then the organization must provide a good-faith estimate of the value of the goods or services provided to the donor (in this case, the market value of the event tickets).

LCNI, Inc. President or Chapter Officer: (Name of authorized representative)

Signature:

Required Disclosure Statement (to be included verbatim): Pursuant to Wisconsin State Statute 202.12(6m)(b): A financial statement of the charitable organization disclosing assets, liabilities, fund balances, revenue, and expenses for the preceding fiscal year will be provided to any person upon request.

(You do not need to include a donor's social security number or tax ID number.)

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### **Grants**

1. Chapters will inform the Corporation's Secretary/Treasurer of any potential grant applications as soon as possible.
2. Completed grant applications will be submitted by the Chapter to the Corporation's Secretary/Treasurer as soon as possible for consideration and approval.
3. Chapters will keep a copy of the completed grant application on file and provide a copy to the LCNI Treasurer as well.
4. Chapters will include the LCNI Treasurer and President in all correspondence or actions regarding the grant
5. As with all Chapter financial issues, Chapters will vote to approve the grant before funds can be accepted (even if it is after the fact of being awarded).

### **General organizational operations**

1. La Crosse Neighborhoods, Inc., is a not-for-profit tax-exempt corporation—the fiscal year runs from January to December.
2. The general financial responsibilities of the Secretary/Treasurer for each Neighborhood Association/chapter are to maintain records, follow policies and provide documentation.
3. All Chapters may make recommendations to the LCNI, Inc. Board and recommend new members.
4. An LCNI meeting is held approximately once every 1-2 months.
5. Chapters will make a report at the LCNI meeting and a bank statement for each Chapter will be shared for approval. Any changes that do not reflect the Annual Budget for the Chapter will need additional steps for approval.

### **EIN# & 501c3 use policy**

EIN# and 501c3 can only be used by the Chapter Officers or LCNI officers for pre-approved uses and proof of status needs when requested.

### **Sales Tax exemption form & use**

The Sales Tax exemption form can only be used by the Chapter Officers or LCNI officers (on behalf of a Chapter) when needed.

### **Paypal use and needs**

Contact LCNI president, if you would like assistance in identifying resources or for your Chapter. Paypal will be set-up on an individual basis, like with State Bank Chapter Checking Accounts.

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### **Name tags, Business Cards & Yard Signs**

Contact LCNI president, if you would like assistance in purchasing these items for your Chapter or Neighborhood Association

### **Web presence & access, Facebook, Nextdoor**

Contact LCNI president, if you would like assistance in identifying resources or for your Neighborhood Association.

Chapters are provided, upon request, an LCNI Chapter-specific webpage. Developing, managing & maintaining the Chapter page is the responsibility of the Chapter. It is recommended that Chapters identify members or officers with experience who can take on those duties as a regular function of their role.

### **Software access**

Contact LCNI president, if you would like assistance in identifying resources or for your Neighborhood Association. Word, excel, publisher, etc. are examples of some of the free software packages available to qualified non-profits once set-up for use.

### **PO Box 1661 is available for Neighborhood Association use**

1. Contact LCNI president, if you would like to use the PO Box for your Neighborhood Association business.
2. The PO Box is checked weekly and mail can be picked-up/forwarded wherever is convenient for your Chapter.
3. Keys for the PO Box are available at the cost of the US Postal Service rate

### **Chapter policy clauses that shall be stated in each Chapter's bylaws, as stated in LCNI bylaws.**

6.3 Chapter bylaws shall include the following:

- a clause that the Chapter subscribes to and supports the Corporation's bylaws, and will adhere to the Corporation's bylaws, that apply to the Chapters, specifically Article IV Purposes, Article XII Prohibitions and Article XIII Statement of Inclusiveness, Openness and Transparency, and Article XII Statement of Non-Discrimination, as well as the policies established by the Board
- a clause that the dues shall not be required to be members of the Chapter, however voluntary contributions shall be encouraged.
- a clause that any funds collected on behalf of a Chapter, by the Corporation, shall be held by the Corporation at no cost to the Chapter.
- a clause that the Chapter agrees to fundraise and assist the Corporation with the annual administrative and insurance assessment

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- a clause that in the event the Chapter is in arrears of the annual administrative and insurance assessment, disbands or fails to remain active as required by these bylaws, any and all funds and receivables held by the Corporation for the Chapter shall have the choice to return all remaining monies to their original source (such as individuals, foundations, etc.) or donate to the Corporation
- a clause requiring a minimum of three (3) Officers consisting of a Chair, Vice-Chair or Co-Chair (or comparable titles) and a Secretary/Treasurer.
- a clause requiring a minimum attendance of at least (2) meetings within a year for all neighborhood association members to be able to vote at Chapter meetings regarding Corporation matters and hold office (for example: members are able to vote at the second meeting they attend)
- a clause requiring a quorum of at least seven (7) members qualified to vote for any officer elections, bylaw amendments, policy changes or financial actions on behalf of the Chapter
- a clause requiring the Chapter to inform the Corporation's Secretary/Treasurer of any potential grant applications, that involve the Corporation, as soon as possible and to submit a photocopy of the completed grant application to the Corporation's Secretary/Treasurer for consideration and approval in a timely manner.
- a clause requiring the Chapter to give all monies, for the Corporation, directly to the Corporation's Secretary/Treasurer in a timely manner; all monies, for use by the Corporation and its Chapters, must also be written out to LCNI and given to the Corporation's Secretary/Treasurer for deposit.
- a clause requiring all minutes of the Chapter's meetings shall be forwarded to the Corporation's Secretary/Treasurer in a timely manner



