

This document explains the policies that guide the financial transactions of the NCCNA Support Groups. These policies are put in place to ensure that state and federal regulations are followed by NCCNA, and sound fiscal management is practiced.

### Section I – Revenue

- 1) Each support group is allocated a percentage of the dues paid by each of the group's members, whether the member is attending the meetings or not. These funds are called the dues “rebates.” The percentage of the dues that are rebated to the support groups is determined by the NCCNA Board of Directors following a comment period. The rebates are retained in the NCCNA bank account under the individual support group sub-account names. Rebates are credited to the individual accounts after the end of each quarter. By October 2009, if not sooner, rebates will be credited as soon as the dues are deposited.
- 2) Support groups may have a petty cash fund to which participants can voluntarily contribute small sums at the meetings. This money might be used for refreshments, photocopies, postage and supplies, or any number of incidental expenses. All funds received and expenditures made must be documented (see Section VII).
  - a. Funds received by a support group and retained by the support group *are not tax-deductible to the contributor*. Support groups may not imply that these contributions are deductible, nor may they issue receipts indicating deductibility.
  - b. If the support group accumulates a significant amount of money (\$100-200) in its cash fund, the support group can send the money via a check or money order to the NCCNA to be kept in the group's individual sub-account. Once the money is in the group's sub-account with the NCCNA, the group will need to follow the established procedures for payment or reimbursement of expenditures to access those funds.
- 3) People may also choose to contribute funds to the NCCNA for the benefit of a specific support group. Checks or money orders with such contributions must be made out to the NCCNA. These may be sent directly to the NCCNA or be forwarded from the support group. Money donated for a specific group must be clearly designated as such, and those funds will be credited to the group's sub-account. Contributions submitted to the NCCNA are tax-deductible as allowed by law, and will be acknowledged with an appropriate receipt letter.

### Section II – Sub-Accounts

- 1) Monies from the dues rebates, from designated contributions, or those forwarded to the NCCNA on behalf of the group will be kept in a sub-account within the NCCNA corporate bank account. All credits and debits to the account will be fully documented.

- 2) These funds are considered to belong to the support group, and may not be appropriated for the NCCNA general fund. In the event of a fiscal emergency, the board of directors of the NCCNA may need to access the funds temporarily, but will do so only after consulting with the leaders of the support group and with a fully-documented plan of repayment in place.
- 3) The NCCNA will provide a monthly report to each support group to keep the group informed of the balance and activity in their account, or will provide access to an online system for the group to get its own report. The report will include details of the transactions during the report period and a current balance.
- 4) Any errors made in calculating rebates or otherwise administering the account which will reduce the account balance when corrected must be corrected within six months of the date the error occurred; otherwise, the group may keep the additional funds.
- 5) Any errors made in calculating rebates or otherwise administering the account which will increase the account balance when corrected must be corrected within twelve months of the date the error occurred or the date it was discovered, whichever is later; otherwise, the NCCNA may keep the additional funds.
- 6) Non-profits are supposed to be spending funds in order to fulfill their mission. Groups having funds in their sub-account which total more than two times the annual rebate amount of their current membership will be asked to spend some of their funds, or to give some of the funds away by:
  - a. Transferring them to the NCCNA general fund
  - b. Transferring them to another support group
  - c. Requesting that they be sent to our national group to support research

### Section III – Expenses

- 1) A group may incur both periodic and recurring expenses in the course of carrying out its business and mission as a part of the NCCNA. The group is expected to pay for these expenses out of its sub-account or its petty cash fund.
- 2) Support group leaders and their designees may obligate and expense their funds for the purchase of materials and services which fulfill its business and mission. Payment for these approved materials and services will be made by the NCCNA either directly to the provider per an invoice certified by the group leader and forwarded to the NCCNA, or directly to a person as reimbursement for her/his payment to the provider per a certified invoice or receipt. Requests for payment must be made in accordance with the procedures established.
- 3) Support groups are responsible for knowing they have funds available before incurring expenses. Any reimbursement or payment request which will put the group into a negative balance may be denied by the treasurer. A negative balance may be allowed at the treasurer's discretion as long as the amount is

- small and funds will be coming in shortly. If rebates are pending, the pending amounts will be factored in before denying the reimbursement or payment request.
- 4) Reasonable incidental expenses that cannot be absolutely documented will be reimbursed if the leader or designee certifies the request. This is explained more fully in the reimbursement procedures.
  - 5) In general, any request for payment or reimbursement certified by the leader or designee will be honored. If the Treasurer finds the request questionable, it will be brought to the board of directors for review. The person who certified the request may be asked to provide additional information about the expense.
  - 6) A support group may make a one-time withdrawal up to \$100 from the sub-account to start or supplement a petty-cash fund. This will enable the group to immediately pay for or reimburse minor expenses. These can then be submitted for reimbursement from the group's sub-account, replenishing the petty cash. Requests for reimbursement of expenditures from the petty cash fund must follow the established procedures, including documentation requirements.
  - 7) If a group has regular expenses such as rent, printing, or postage, that cannot be met with its own resources, the group may ask the NCCNA to help pay those expenses from the NCCNA's general fund. The support group leadership may make the request in writing or by person at a board meeting. The board will work with the group to resolve the situation. The board may want to explore with the group less costly alternatives.

#### Section IV -- Combining Income or Expenses

- 1) Two or more support groups may choose to combine their income or expenses at certain times. The groups' individual sub-accounts will not be combined, but the income or expense will be apportioned among the groups' accounts.
- 2) Income or expenses may be apportioned one of three ways:
  - a. In specific amounts.
  - b. By specific percentages.
  - c. By the percentage of the groups' membership.

For example, consider three groups, A, with 50 members, B, with 30 members, and C with 20 members. They elect to hold a combined holiday party and incur \$100 of expenses, which they want to apportion amongst the groups. They could use specific amounts, such as \$44.19 for group A, \$22.74 for group B, and \$33.07 for group C. Or they could decide that group A will pay 40% of the expenses and groups B and C each pay 30%. Or they could ask that the expenses be apportioned based on membership, so group A would pay 50%, group B would pay 30%, and group C would pay 20%. Each of the group's sub-accounts will be debited as requested.
- 3) Each request to combine income or expenses will be treated individually. Groups may elect to apportion different requests by different methods or

- amounts, or to keep some independent. Groups may elect, however, to request a default treatment which will be applied to all transactions unless the transaction is specified otherwise.
- 4) Any request to divide income or expenses must be signed by authorized representatives of each group.

#### Section VI – Dues Payments

- 1) Members may choose to join the NCCNA or to renew their membership at a support group meeting. Support groups should have a supply of current NCCNA brochures and membership forms available for that purpose.
- 2) Payment for dues should be done by check or money order made out to NCCNA. The NCCNA strongly discourages sending cash through the mail. An individual sending cash through the mail assumes responsibility should it be lost or stolen. If a support group accepts and forwards the cash, it would assume that liability. Therefore, groups are not required to accept cash for dues.
- 3) The membership forms and dues payments should be promptly forwarded to the NCCNA at its PO Box. Multiple payments and forms may be submitted in one envelope.
- 4) Membership forms and payments may also be hand-delivered to any board officer. Cash is fine for in-person delivery.

#### Section VII – Documentation

- 1) Groups must keep track of all cash on hand, and log all income received for and all payments made from the cash on hand. The group treasurer may use a handwritten ledger, a computer spreadsheet, or a software program, as long as adequate reports may be produced. The group may also keep track of its cash on hand using that section of the Membership Accounting Management Application (MAMA) used by the NCCNA. If the group uses MAMA, the group will not need to forward reports. Any other system--handwritten or computer--must allow the logging of the transaction date, the amount of income or expense, a description, and what it was for, plus additional notes.
- 2) Groups must log all income received into the cash on hand (even income by check). The log should note the date, the source of the income (such as "advance from sub-account", "reimbursement from sub-account", "contributions at meeting", "gift from John Doe") and the amount.
- 3) Groups must log all expenses made from the cash on hand. The log should list the date, payee, the purpose of the expense, and the amount. (For example: Dunkin' Donuts, donuts for meeting, \$8.95.", "John Doe, printouts for meeting, 30 at 7 cents each, \$2.10", "NCCNA, to put into sub-account, \$50.00") Any receipts, invoices, or other documentation that is not submitted for payment or reimbursement from the group's sub-account should be retained in the group's records.

- 4) At least monthly, groups should make sure that the balance in the ledger accurately reflects the cash on hand.
- 5) Groups must submit their ledger within a month of the end of each quarter of the fiscal year so that the income and expenses are included in the association's financial records for the IRS. If the group is using MAMA as its ledger, no reports need to be forwarded.

If you have any questions regarding these policies, please contact the NCCNA Treasurer.

#### Section V – Tax ID and Exemption

- 1) NCCNA does not authorize the use of its Employer Identification Number (EIN) by NCCNA Support Groups.
- 2) NCCNA Support Groups shall not use any individual's Social Security Number (SSN) as an NCCNA Support Group business account identification number.
- 3) NCCNA Support Groups are tax exempt organizations only as a subordinate part of NCCNA. Therefore, donations payable directly to the support group are not tax deductible to the individual or organization making the contribution. Contributions may be made to the NCCNA for the specific benefit of the support group. Such contributions will be credited to the group's sub-account, and the donor will receive an appropriate acknowledgement.

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