

**United States Army
Warrant Officers Association**

USAWOAM 400-2



NATIONAL HEADQUARTERS FINANCIAL MANAGEMENT MANUAL

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FOREWORD

This manual was developed under the direct authority contained in the USAWOA Bylaws and approved by the National Board of Directors with an effective date of _____.

This manual is designated to unify the Association and serve to answer any director's questions about the operation and meeting procedures of the National Board of Directors.

This manual is binding on all members, chapters, regions, members of appointed committees and councils, National Headquarters staff, contractors, consultants, Executive Director, all elected officials, or other individuals or any companies under contract with USAWOA. The USAWOA legal counsel will ensure that all contracts and/or agreements contain provisions for compliance with appropriate sections.

Amendments and additions to this manual are encouraged and should be addressed to the Executive Director, USAWOA, 462 Herndon Parkway, Suite 207 Herndon, Virginia 20170-5235.

BY DIRECTION OF THE NATIONAL BOARD OF DIRECTORS

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SECTION 1. DUES:

a. The National Board of Directors shall determine the amount of annual dues payable to the Association by its members. Changes in the amount of dues presently in effect shall call for an amendment to this manual by the National Board of Directors. Prior to any change in the amount of dues presently paid, the National Board of Directors shall take the following actions:

(1) Publish in the Association publication a statement to the fact that a dues rate change is under consideration. This statement shall include as a minimum:

- (a) A synopsis of all statistical data that necessitates the dues rate change.
- (b) The proposed dues rate including the specific area(s) that will be affected by the dues rate change (increase or decrease);
- (c) The exact date on which the National Board of Directors takes action shall not be less than sixty (60) days from the date of publication.

(2) Ensure that any change in the membership dues does not become effective until at least ninety (90) days after final action by the National Board of Directors and that each copy of the next three (3) issues of the Association publication contains the membership dues change.

b. Individual membership dues in the Association, including associate membership, shall be paid in the amounts and for the period specified below:

(1) Regular Member/Associate 1-Year for \$45.00, 3-Years for \$126.00, 5-Years for \$200.00.

(2) Regular Member, introductory rate free (applicable only to WO1's/CW2's where applicable at no cost joining at time of, or within 60 days following, appointment.)

(3) Retired Member 1-Year for \$30.00, 3-Years for \$84.00, 5-Years for \$130.00.

(4) An additional fee of \$12.00 per year will be added to members' dues if they choose to receive hard-copy distribution of the USAWOA Newsliner Publication and are not Life Members or members with 25 years or more with the Association. This fee is to cover the cost of a hard copy Newsliner. This fee is not charged for an electronic version of the Newsliner, which remains free to all members.

(5) Life Member Age. The dues for USAWOA Life Membership are graduated based on the age of the member when he or she applies for life membership. The rates are:

Age 30 and under:	\$1000.00		
Age 31-35:	\$960.00	Age 51-55:	\$570.00
Age 36-40:	\$860.00	Age 56-60:	\$485.00
Age 41-45:	\$765.00	Age 61-65:	\$400.00
Age 46-50:	\$665.00	Age 66 and over:	\$325.00

Members may make one single payment by cash or charge. Members may also authorize USAWOA to place a charge against a regular credit card for up to a ten-month period. Members who have a Pentagon Federal Credit Union account (Share, Money-Market, Pen-Check, or PFCU-USAWOA Affinity Visa credit card) can authorize a charge to their account for ten (or fewer, as arranged) equal payments for the Life Membership.

(4) Corporate Partner Membership Levels:

- a. Corporate Partner (full page): \$10,000 – Partner entitled to monthly full-page ad in *Newsliner*, 15 associate memberships, and complimentary display table at AMMs.
- b. Corporate Partner (half page): \$5,000 – Partner entitled to monthly half-page ad in *Newsliner*, 10 associate memberships, and complimentary display table at AMMs.
- c. Corporate Partner (quarter page): \$3,000 – Partner entitled to monthly quarter-page ad in *Newsliner*, 6 associate memberships, and complimentary display table at AMMs.
- d. Corporate Sponsor: \$1,600 – Partner entitled to quarterly quarter-page ad in *Newsliner*, 6 associate memberships, and complimentary display table at AMMs.

(5) Small Business Proprietor-Level Membership for \$80.00. This will cover membership of business and one member. Entitled to business card ad in *Newsliner*.

(6) Small Business Partnership-Level Membership for \$140.00. This will cover membership of business and two members. Entitled to business card ad in *Newsliner*.

c. No region or chapter shall collect dues other than those listed above from its members.

SECTION 2. MEMBERSHIP BENEFITS:

The Executive Director and the BOD Executive Committee shall continually seek to develop a number of desirable benefits available to the Association members. Such benefits may include, but not be limited to the following: a periodic publication; financial services and programs; insurance supplement programs; discount programs for commercial products and services; etc. The National BOD, or its Executive Committee, shall approve the acceptance of, and the withdrawal from, such programs.

The BOD, EXCOM (and/or appropriate committee) will establish the benefits that shall be made available to Corporate Affiliation Members at the corporate level.

SECTION 3. DUES REBATES TO CHAPTERS:

a. Chapters will receive a dues rebate according to the following schedule and procedures:

(1) No rebate will be made for introductory (no-cost) memberships.

(2) No rebate will be made for individuals who select Member at Large status (no chapter affiliation).

(3) Newly activating/reactivating chapters will receive a rebate of \$5.00 for each regular (\$45.00) membership and (\$3.00) for each retired (\$30.00) membership (both initial and renewal) processed for that chapter during each calendar quarter. This rebate amount will be received for the initial 24 months of the chapter's existence.

(4) Established chapters will receive a rebate of \$2.50 for each regular membership and \$1.50 for each retired membership (both initial and renewal) processed for that chapter during each calendar quarter.

(5) All chapters will receive a rebate of \$15.00 for each Small Business Proprietor-Level membership and \$20.00 for each Small Business Partnership-Level membership (both initial and renewal) processed for that chapter during each calendar quarter.

(6) In accordance with the rebate schedule above, a one-time rebate will be paid for each Lifetime membership. Payment of this rebate will be based on the calendar quarter in which the first payment toward the life membership is received.

(7) All rebates are subject to the following provision: There must be at least one business meeting of the chapter during the quarter, and copies of the minutes and financial statement thereof be forwarded to the National Headquarters by no later than the fifth working day of the new quarter.

b. Rebates will be paid by the National Headquarters within sixty (60) days of the new quarter, but only after receipt of the aforementioned minutes and financial statement. The above-mentioned documents must be received by the fifth working day of the new quarter to receive the full rebate. If the required documentation is received in the timeframes listed below the rebate will be paid as indicated:

POSTMARKED	FORFEITURE
No later than the 5 th working day after the end of the quarter	0%
6 th working day to 30 calendar days after the end of the quarter	25%
31-45 calendar days after end of quarter	50%
45 or more calendar days after end of quarter	100%

SECTION 4. DISTRIBUTION OF DUES REBATES TO REGIONS:

a. Active Regions will receive a dues rebate of \$1.00 for each membership (both initial and renewal) processed during each calendar quarter for that region. These rebates are subject to the following provision: There must be at least one business meeting of the region during the quarter, and copies of the minutes and financial statement thereof be forwarded to the National Headquarters by no later than the fifth working day of the new quarter.

b. No rebate will be paid/earned for introductory memberships.

c. Rebates will be paid by the National Headquarters within sixty (60) days of the new quarter, but only after receipt of the aforementioned minutes and financial statement. It is the responsibility of each Chapter and its officers to submit their minutes in a timely manner. No notice will be provided by the National Headquarters. If the required documentation is received in the timeframes listed below the rebate will be paid as indicated:

POSTMARKED	FORFEITURE
No later than the 5 th working day after the end of the quarter	0%
6 th working day to 30 calendar days after the end of the quarter	25%
31-45 calendar days after end of quarter	50%
45 or more calendar days after end of quarter	100%

d. Rebates will not be distributed to regions not formally organized. Instead, the budget committee will determine an amount, based on projected region membership, to

be budgeted for reimbursement of Region Directors. In amounts not to exceed the approved operating budget, the Region Director may request, through the Executive Director, reimbursement of personal expenses incurred in performance of Association and/or region business. Such amounts so budgeted and managed will not “accrue”; but must be used within the budget year in which they would have been paid. Such unused funds will become general operating monies for the Association.

SECTION 5. DISTRIBUTION OF MEMBERSHIP DUES:

REGULAR MEMBERSHIP (\$45.00) (or multiple derivatives thereof.):	
Chapter Rebate (<i>None for Members at Large</i>)	\$2.50 or \$5.00 as appropriate.
Region Rebate FUND	\$1.00
Operating FUND (<i>see budget for details</i>)	\$39.00
TOTAL	\$45.00

REGULAR MEMBERSHIP (\$45.00) (or multiple derivatives thereof.):	
Chapter Rebate (<i>None for Members at Large</i>)	\$2.50 or \$5.00 as appropriate.
Region Rebate FUND	\$1.00
Operating FUND (<i>see budget for details</i>)	\$39.00
TOTAL	\$45.00

INTRODUCTORY RATE MEMBERSHIP (Free):	
Region Rebate.	\$0
Operating FUND	\$0
TOTAL	\$0

RETIRED MEMBERSHIP (\$30.00) (or multiple year derivatives thereof):	
Chapter Rebate (<i>None for Members at Large</i>)	\$1.50 or \$3.00 as appropriate.
Region Rebate	\$1.00
Operating FUND (<i>see budget for details</i>).	\$26.00
TOTAL	\$30.00

LIFETIME MEMBERSHIP	
Chapter Rebate* or \$5.00 as appropriate. (<i>None for Members at Large</i>)	\$2.50
Region Rebate*.	\$1.00
Operating FUND* (<i>see budget for details</i>).	\$39.00 or \$26.00 as appropriate.
Lifetime Reserve FUND	(1-time deposit). See Note

SMALL BUSINESS PROPRIETOR-LEVEL MEMBERSHIP	
Chapter Rebate* (<i>None for Members at Large</i>)	\$15.00
Region Rebate*	\$2.00
Operating FUND* (<i>see budget for details</i>)	\$63.00
TOTAL	\$80.00

SMALL BUSINESS PARTNERSHIP-LEVEL MEMBERSHIP	
Chapter Rebate* (<i>None for Members at Large</i>)	\$20.00
Region Rebate*	\$3.00
Operating FUND* (<i>see budget for details</i>)	
TOTAL	\$140.00

Note: Deposit will be the amount of the dues less the deductions prescribed above.

**For Members at Large, the chapter rebate amount (\$5.00; \$3.00; \$2.50, or \$1.50; is retained in the National Headquarters Operating FUND.*

SECTION 6. USAWOA FUNDS:

a. Lifetime Reserve FUND (hereinafter “the FUND”): The purpose of this FUND is to provide the Association with long-range reserves. With the exception of the first-year dues payment, this FUND shall contain all FUNDS received as payment of membership dues for lifetime and honorary members. Investment of FUND monies will be pursuant to the rules described herein below, in SECTION 22.

b. Expenditures from the FUND are limited to:

(1.) On an annual basis, prior to the 31st Day of January, the treasurer, in conjunction with the USAWOA Bookkeeper will “harvest” ten percent of the “excess value” of the FUND and add it to the General Budget of the association for that year. Such “excess value” shall be calculated by subtracting the amount of such monies necessary to meet the original requirements set for the FUND from the total real value of the FUND, and multiplying the product of this calculation by ten percent. Here is the formula: **(Total Value – LM Requirement) X 10% = Annual Addition to General Budget**. This calculation shall be made using account values as of the 31st day of the immediately preceding December. This “harvesting” of the FUND was approved by the BOD, by unanimous vote, on 24 April 2010, at the Mid-Year BOD Meeting.

(2) Use of interest as approved in the fiscal year budget to cover expenses of servicing the lifetime and honorary members.

(3) Expenditures as otherwise authorized by the National Board of Directors.

c. Operating FUNDS: This FUND shall contain those FUNDS deducted from membership dues to defray the operation and maintenance expenses of the

Association. The Treasurer (or assistant treasurers) is authorized to disburse monies from this FUND according to the approved fiscal year budget or as otherwise authorized by the National Board of Directors. As deemed necessary for efficient financial management and/or fiscal control, the Treasurer, in conjunction with the USAWOA Bookkeeper may establish "sub-accounts" (to include, but not mandated, separate bank accounts) within the Operating FUND, i.e. a separate account to manage "memorabilia" income and expenses.

d. Special Activities FUND: This FUND shall contain only those FUNDS raised through specific FUND-raising projects and other activities as authorized by the National Board of Directors or its Executive Committee. The Treasurer (or assistant treasurers) working in conjunction with the USAWOA Bookkeeper is authorized to disburse monies from this FUND according to the approved FUND budget and as otherwise authorized by the National Board of Directors. Any funds to be paid out in support of the fund raiser will be fully explained and agreed upon prior to contact negotiations.

SECTION 7. POLICY REGARDING THE COMMITMENT OF USAWOA FUNDS:

a. The National Treasurer working in conjunction with the USAWOA Bookkeeper, (if the position is filled) has the overall responsibility for control of USAWOA FUNDS subject to the provisions of this section.

b. Preparation of the Budget: The National Treasurer has overall responsibility for preparation of the annual budget. The following principles will be observed:

(1) The budget must portray the objectives and goals of the Association in monetary terms.

(2) The budget must be well conceived, requiring maximum participation by directors and staff and coordination with appropriate committee chairpersons.

(3) The budgeting process must appropriately interface with the USAWOA long-range programs and plans.

(4) The budget will be prepared no less than ninety (90) days prior to the Annual Meeting of the Members as outlined in Bylaw X, Section 8.

(5) The completed budget will receive preliminary review by the Executive Committee prior to consideration by the National BOD.

c. Execution of the Budget: The Budget will be used by directors and the Executive Committee as a primary tool for controlling the financial posture of the Association.

(1) The Budget will be broken down into periods corresponding to the periodic financial statements.

(2) Periodic comparisons of budgeted amounts to actual expenses will be made by the Treasurer and distributed to the members of the National BOD.

(3) Directors' expenses may exceed budgeted amounts at the detailed element of expense level no more than ten percent, provided that the aggregate budgeted amount is not exceeded.

(4) The Executive Director may, with concurrence of the Executive Committee, exceed budgeted amounts by no more than ten percent, provided that the overall budget is not exceeded.

d. The Executive Director, in coordination with Executive Committee (EXCOM) must be prepared to take action where the comparison with the Budget indicates a significant deviation and/or when budgeted amounts have been exceeded above tolerances specified in paragraph

SECTION 8. POLICY REGARDING THE ACQUISITION OF PROPERTY, EQUIPMENT, AND/OR SERVICE(S):

a. The Executive Director is responsible for the advance planning, cost analysis and subsequent acquisition of property, equipment, and/or service subject to provisions of this section.

b. Acquisition is defined as the act of coming into possession of, by any means. There are three methods by which the authority for acquisition of property, equipment, and/or services maybe funded.

(1) The National BOD may grant the Executive Director, by a majority vote, acquisition authority for specified items through approval of the annual budget containing adequate funding for such specified items.

(2) The National BOD may grant the Executive Director authority, by majority vote, for the acquisition of property, equipment, and/or services not included in the annual budget by a majority vote of the National BOD.

(3) As an alternative, and at the time of the Annual BOD meeting, the BOD may grant the National President or the Executive Director one-year "blanket" authority for the acquisition of property, equipment, and/or services not included in the annual budget. This is providing that the aggregate cost of such items, including pertinent accessories, does not exceed a cumulative total of \$ 5,000, and does not commit USAWOA resources of subsequent fiscal years. Typically, acquisitions of this type will be paid for from any reserve FUNDS available for use through the general budget. If the said President or Executive Director believes that otherwise committed FUNDS

(such as the Life Members FUND) must be accessed to effect such purposes, this power, while effective, becomes null and void, and he shall seek such funding only with the concurrence of the BOD.

c. The Executive Director and Executive Committee share the joint responsibility for determining the appropriate method for acquisition (i.e., rent, leases, purchases, etc.)

SECTION 9. EMPLOYEE WITHHOLDING TAX (STATE AND FEDERAL):

The USAWOA Bookkeeper shall ensure that applicable state and federal taxes are withheld from the salaries of paid employees of the Association. Said taxes to be withheld at the current rate as specified in tax laws and promptly paid to the proper accounts.

SECTION 10. EMPLOYEE AND USAWOA CONTRIBUTION TO SOCIAL SECURITY:

The USAWOA Bookkeeper shall ensure that applicable social security tax is withheld from the salaries of paid employees of the Association; said taxes to be withheld at the current rate as specified in tax laws and together with the required (USAWOA) contribution, promptly paid to the proper account.

SECTION 11. USAWOA ANNUAL REPORT TO IRS:

The National Treasurer in conjunction with the USAWOA Bookkeeper shall ensure that all reports required for submission to IRS are prepared and presented to that agency within the proper time limitations as specified by the agency.

SECTION 12. ANNUAL AUDIT:

a. Conduct of Audit: It is recommended that the accounts of the Association elements (chapter, regions, and National) shall be audited at least annually in accordance with generally accepted auditing standards by one or more disinterested parties. This audit will normally be conducted immediately after end of each calendar (fiscal) year. The audits shall be conducted at the place or places where the accounts of the Association are normally kept.

b. All books, accounts, financial records, reports, files, and all other papers, things, or property belonging to or in use by the Association and necessary to facilitate the audits shall be made available to the person(s) conducting the audits. Full facilities for verifying transactions with the balances of securities held by depositories, fiscal agents, and custodians shall be afforded to such person(s).

c. Reports to National BOD: The report of each audit shall be submitted to the National BOD not later than ninety (90) days following the close of the fiscal year for which the audit was made. The report shall set forth the scope of the audit and include such statements as are necessary to present fairly the Association's assets and liabilities, surplus or deficit with an analysis of the changes therein during the year. The report will also be supplemented in reasonable detail by a statement of the Association's income and expenses during the year including the results of any commercial type endeavor carried on by the Association together with the independent auditor's opinion of those statements. The approved report shall be published and made available to the membership.

SECTION 13. PERIODIC PUBLICATION:

The National Headquarters shall publish and distribute a publication containing information pertaining to matters that are of general interest to the membership of the Association. In exceptional circumstances, the BOD may approve the suspension or consolidation of one or more months of the publication.

a. Advertising. Advertising, not to exceed one-half of the total publication, may be solicited to assist in defraying the cost of publication and distribution of the publication to the membership. Rates for advertising shall be competitive as determined by the Executive Director or the Editor through study of rates for similar publications. Rates for the following year will be approved by the National BOD each year during the meeting held immediately after the annual meeting of the members and reviewed during the semiannual BOD meeting.

b. Preparation, Publication, and Distribution. The preparation, publication, and distribution of the publication shall be the responsibility of the National Executive Director under supervision of the National President.

SECTION 14. INVESTMENT OF LIFETIME RESERVE FUND:

The Life Members Reserve FUND ("FUND") shall be invested in a professionally managed, well-diversified investment portfolio subject to the following:

a. On at least an annual basis, the Treasurer will review the asset allocation model employed in the FUND, to ensure appropriate diversification by asset class, industry, and other measures.

b. The account should be managed by a Registered Investment Advisor, preferably compensated by fees versus trades. Advisor must be licensed to trade in a range of securities, to include mutual FUNDS, stocks, bonds, exchange-traded FUNDS, etc.

c. Investments shall never include commodities or FUNDS that utilize them (except investments in metals, as inflation hedges).

d. Investments in options shall only be employed as “hedge investments”.

e. The USAWOA Bookkeeper will maintain all financial statements and reports, provide them to the Treasurer, who will in turn provide regular updates at EXCOM meetings as a part of his/her normal reports (and on an annual basis to the USWOA Board of Directors).