

***United States Army
Warrant Officers Association***

USAWOAM 200-2



**NATIONAL HEADQUARTERS FINANCIAL MANAGEMENT
MANUAL**

Revised 31 August 2023

FOREWORD

This manual was developed by the United States Army Warrant Officers Association (USAWOA) National Board of Directors with the direction of the members of USAWOA under the authority contained in the USAWOA Bylaws and approved by the National Board of Directors with an effective date of 31 August 2023

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.

This manual is designated to unify the Association and serves to answer any director's questions about the financial operations USAWOA.

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

BY DIRECTION OF THE NATIONAL BOARD OF DIRECTORS

OFFICIAL:



Michael Dye
CW5, MI
President, USAWOA



Louise C. Lingenfelter
CW4, USARNG
Vice President, USAWOA

DISTRIBUTION: May be made electronically

- 1 copy to each Chapter
- 1 copy to each active Region Headquarters
- 1 copy to each Elected and Appointed National Official
- 1 copy to each National Staff Member
- 1 copy to the Webmaster to be posted in PDF format

SUMMARY OF CHANGES

- Updated Names of Corporate Sponsorship Levels to meet requirements in recent changes to Internal Revenue Service codes regarding nonprofit unrelated business revenues.
- Increase hardcopy Newsliner magazine distribution fee (for non-lifetime members) to better reflect the current cost of producing and distributing a copy of the publication (action approved by the BoD in June 2023)
- Change chapter rebate check distributions from quarterly to annually, saving administrative costs of our association
- Revised rebate business rules, such that if no quarterly minutes are received within 10 working days of the following quarter, rebates are null and void (cost saving to the association)
- Removed tables (section 3 and 4) specific to forfeiture of rebates
- Change the annual audit requirement to a minimum requirement of once every three years.
- Adjusted verbiage throughout to reflect USAWOA Bookkeeper in conjunction with the Treasurer

Remainder of Page Left Intentionally Blank

NATIONAL HEADQUARTERS FINANCIAL MANAGEMENT MANUAL

Table of Contents	Page
FORWARD:	i
SUMMARY OF CHANGES	ii
SECTION 1: DUES	1
SECTION 2: MEMBERSHIP BENEFITS	3
SECTION 3: DUES REBATES TO CHAPTERS	3
SECTION 4: DISTRIBUTION OF DUES REBATES TO REGIONS	5
SECTION 5: DISTRIBUTION OF MEMBERSHIP DUES	6
SECTION 6: USAWOA FUNDS:	8
SECTION 7: POLICY REGARDING THE COMMITMENT OF USAWOA FUNDS	9
SECTION 8: POLICY REGARDING THE ACQUISITION OF PROPERTY, EQUIPMENT, AND/OR SERVICE(S)	11
SECTION 9: EMPLOYEE WITHHOLDING TAX (STATE/FEDERAL)	12
SECTION 10: EMPLOYEE AND USAWOA CONTRIBUTION TO SOCIAL SECURITY	12
SECTION 11: USAWOA ANNUAL REPORT TO IRS	12
SECTION 12: ANNUAL AUDIT	12
SECTION 13: PERIODIC PUBLICATION	13
SECTION 14: INVESTMENT OF LIFETIME RESERVE FUND	14

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 at 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-days (60) 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 Member: 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 \$36.00 per year will be added to members' dues if they choose to receive hard-copy distribution of the USAWOA Newsliner Publication if not a Life Member. Footnote Any members with 25 years or more with the association as of has been grandfathered in (**as of 31 August 2023**) This fee is to cover the production/ mailing 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 at time of application 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

c. 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.

d. Corporate Sponsorship (Membership) Levels:

(1) Platinum (full page): \$10,000 – Entitled to monthly full-page ad in *Newsliner*, 15 associate memberships, and complimentary display table at AMMs.

(2) Gold (half page): \$5,000 – Entitled to monthly half-page ad in *Newsliner*, 10 associate memberships, and complimentary display table at AMMs.

(3) Silver (quarter page): \$3,000 – Entitled to monthly quarter-page ad in *Newsliner*, 6 associate memberships, and complimentary display table at AMMs.

(4) Bronze (quarter Page): \$1,600 – 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 year in December (**change**).

(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 year in December (**change**).

(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 tenth working day of the new quarter. **(change)**

b. Rebates will be paid by the National Headquarters each December of the year, based on receipt of the aforementioned minutes and financial statement. The above-mentioned documents must be received within ten (10) working days of the new quarter to receive the full rebate. **(change)**

Remainder of Page Left Intentionally Blank

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 year (annually) for that region. These rebates are subject to the following provision: There must be at least one business meeting of the region during each quarter, and copies of the minutes and financial statement thereof be forwarded to the National Headquarters by no later than ten 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 in December of each year , 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.

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.

Remainder of Page Left Intentionally Blank

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.*

Remainder of Page Left Intentionally Blank

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.

b. Expenditures from the FUND are limited to:

(1) On an annual basis, prior to the 31st Day of January, the USAWOA Bookkeeper in conjunction with the Treasurer will “harvest” ten percent of the “excess value” of the FUND and add it to the General Budget of the association for that year. 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 shall calculate such “excess value”. 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 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 USAWOA Bookkeeper in conjunction with the Treasurer 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 USAWOA Bookkeeper working in conjunction with the Treasurer 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 fundraiser will be fully explained and agreed upon prior to contact negotiations.

SECTION 7. POLICY REGARDING THE COMMITMENT OF USAWOA FUNDS:

a. The USAWOA Bookkeeper in conjunction with the National Treasurer has the overall responsibility for control of USAWOA FUNDS subject to the provisions of this section.

b. Preparation of the Budget: The National Treasurer in conjunction with the USAWOA Bookkeeper 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 IX, 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 the Directors and the Executive Committee as a primary tool for controlling the financial posture of the Association and will use The Budget.

(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 USAWOA Bookkeeper/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.

(5) The Executive Director, in coordination with Executive Committee 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 above.

Remainder of Page Left Intentionally Blank

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 may be 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 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 they 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.)

Remainder of Page Left Intentionally Blank

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 USAWOA Bookkeeper in conjunction with the National Treasurer 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: Accounts of Association elements (chapter, regions, and National) shall be audited in accordance with generally accepted auditing standards by one or more disinterested parties. If an audit is not conducted annually, it must be approved by the President (National and Chapter) and captured in official minutes stating the reason. Further, no more than 36 months shall elapse between the conduct of official audits. This audit will normally be conducted immediately at the end of each fiscal year (September). The audits shall be conducted at the place or places where the accounts of the Association are normally kept. **(change)**.

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. The National BOD each year during the meeting held immediately after the annual meeting of the members and reviewed during the semiannual BOD meeting will approve rates for the following year.

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.

Remainder of Page Left Intentionally Blank

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 USAWOA Bookkeeper/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 USAWOA Board of Directors).

Remainder of Page Left Intentionally Blank