

## Chapter 3

### CHAPTER MANAGEMENT

*This chapter addresses the following topics:*

- Overview
- Managing Chapter Logistics
- Bylaws
- Budget Basics for Chapters
- Membership Applications
- Running Business Meetings
- Planning for Success
- Defining Leadership Roles
- The Vital Role of Committees
- Parliamentary Procedure

## OVERVIEW

Like most good things in life, an effective chapter isn't an accident. It takes hard work, careful planning, and a group of leaders committed to success. That said, there are ways to make the process a little easier and the outcome a bit more predictable.

The local nature of your organization positions your chapter to be most effective in the delivery of education—education that focuses on local problems and local solutions, presented by local speakers who are top in the field.

The chapter is also in a strong position to understand the needs and wants of members. After all, many of the codes and regulations that shape the way ASHE members operate are created at the city, county, and state level. Who better than the chapter to understand the implications of such codes for members?

Research indicates that one of the biggest reasons members join a chapter is the value of the network—the formal and informal exchange of ideas and information that are key to the ASHE experience. Chapters that effectively encourage such a network—through educational programming, publications, and social interaction—will be far stronger than chapters that view such activities as non-productive.

## MANAGING CHAPTER LOGISTICS

### What's the Right Size?

The size of your organization is best driven by two key factors:

1. How far away members can live and work and still actively participate in chapter activities
2. The point at which the number of members makes it impossible to maintain a certain intimacy among the group.

Recognize that there are no right or wrong answers to these issues, but keep them in mind as you work to manage and strengthen the chapter. If you've got 150 on your mailing list, but only 25 are ever active, all the work falls on far too few volunteers.

### When Should You Meet?

This is another question that only you can answer. You will find the right answer with your members. In some groups, a breakfast meeting works best, while others prefer lunch or dinner sessions. Some have speakers, others only provide networking time. There are probably as many variations of what works as there are ASHE chapters. Poll your current members about their preferences.

When deciding when to hold your chapter meeting, be consistent. It's best to schedule the meeting at the same day and time every month (e.g., noon the first Wednesday, 7:00 p.m. the last Thursday, 10:00 a.m. the second Tuesday). Once you have a set day and time, stick with it. The regularity makes remembering and scheduling the meeting easier for your members, which means they are more likely to attend.

Another idea to consider is rotating the schedule to accommodate members with different time availabilities. If you always hold luncheons, try a dinner once or twice a year. Given the complicated nature of your members' jobs it's increasingly difficult for many people to get away from work, so scheduling a few evening events may help keep members involved.

It may take some time to determine what works best for your chapter. Every chapter is different. The decision to meet monthly or bi-monthly is evenly split among ASHE chapters. Whatever works best for your members is the model you should adopt.

## BYLAWS

ASHE and AHA require affiliated chapters to create and follow bylaws. More important, bylaws are the glue that holds your chapter's structure together. Bylaws are legal documents that summarize the chapter's decisions before problems

arise and explains how the chapter intends to deal with them. They document objectives, structures, and programs. However, the language of your bylaws should be your own.

The format for preparing bylaws is fairly simple. Like a report outline, bylaws should be separated into articles (which address a broad area, such as the board of directors) and sections (which detail specifics about how the articles will be administered).

Here's an example of how bylaws can be organized:

Article I, Section 1:  
Chapter Name

Article I, Section 2:  
Mission, purpose, and objectives

Article II  
Membership including in subsequent sections criteria and eligibility

You also need to include articles and sections that cover the following:

- Dues
- Meetings (annual, special meetings, notice of meetings, order of meetings, voting, quorum)
- Board of directors (including eligibility, composition, election and terms of office, forfeiture of and removal from office, powers, vacancies, and meetings)
- Officers (eligibility, offices, election and term, forfeiture of and removal from office, duties, reports, and vacancies)
- Conflict of interest of directors and officers
- Committees
- Amendments

Bylaws shouldn't become doctrine, but they should be referred to whenever and wherever questions of proper operations and process arise. As noted, they are designed to address potential problems before they arise, so that decisions can be made dispassionately.

Bylaws should be reviewed every two years so to ensure that they reflect changes that may affect the way your chapter operates as well as industry changes that may affect the makeup and potential growth of your chapter.

## FINANCIAL MANAGEMENT

### BUDGET BASICS FOR CHAPTERS

If your chapter holds meetings, collects dues, and conduces educational programs, your chapter should have some sort of guideline for operating the chapter and managing funds. Your chapter shall establish a bank account and have all of your officers, especially anyone with the authority to sign checks, bonded and indemnified. That means if the financial officer splits for Bermuda with the bucks, the chapter won't end up out of business.

Whether you choose a cash or accrual system of accounting, certain rules of thumb apply to not-for-profit associations. The chapter is required to be a 501(c)3 or apply for a 501(c)6 tax-exempt status ([See tax laws](#)). That means certain parts of your chapter's income—dues, educational revenue, and income directly related to your purpose—are likely to be tax-exempt. But other income you produce—termed unrelated business income—is subject to taxation. ASHE can help you clarify specific questions, but generally revenue from such programs as advertising sales, insurance programs, and booth rentals from trade shows is categorized as unrelated business income and, as such, is subject to taxation.

Chapters can maintain more money in their accounts—either in cash or investments—than it costs them to operate each year, but regulations limit how much surplus is acceptable. The Internal Revenue Service tends to view more than 6 to 12 months of operating expenses as excessive, and they view anything excessive as fair game.

If you don't have people in your chapter who are comfortable handling money, balancing books, or dispersing funds, consider hiring a small certified public accountant (CPA) firm or local bookkeeper to maintain the books for you. That doesn't relieve the chapter officers of their fiduciary responsibility to ensure sound fiscal practices, but it does ensure your checks won't bounce.

#### Annual Budgeting

A typical chapter budget statement might cover the following areas:

#### Revenues

#### Month

#### Year to Date

- Dues
- Meeting registrations
- Create a spreadsheet
- Exhibit booth sales
- Publication sales
- Advertising revenues
  - Total revenues

#### Expenses

- Administrative (accountants, lawyers)
- Postage
- Newsletter printing
- Telephone
- Supplies
- Liability insurance
- Meeting room rental
- Meal costs
  - Total expenses
- Excess of revenues over expenses

Financial statements, including a treasurer's report and balance sheet, should be prepared and reviewed at each board meeting and at the general membership meeting. The association president should review these reports in detail with the

association treasurer. Reports should provide a monthly or quarterly accounting of the association's revenues and expenses.

The association should have an independent CPA complete an annual audit of the association's finances. Financial statements and association books should be made available to the CPA for this audit.

## CHAPTER TAX FILING

### D&O Insurance

Directors and Officers ([D & O Insurance](#)) extends protection against legal claims for wrongful acts to the directors and officers of an organization in the course of performing their duties.

Wrongful acts include omissions, errors, neglect, and breach of duty, among other things. Policy beneficiaries are directors, officers, or the entity itself. Parties who might sue include employees, suppliers, competitors, or creditors; directors and officers can be personally liable for damages. Three levels of coverage are available:

- **A-side coverage:** directly covers directors and officers
- **B-side coverage:** indirectly covers directors and officers by covering claims paid by the entity on their behalf
- **C-side coverage:** covers entity for claims arising from claims not covered by general liability policies

D&O policies cover claims made during the policy period. It doesn't matter when the wrongful acts occurred. A claim filed in the current year will be covered by the current policy, even if the wrongful act happened in the past.

Some organizations augment D&O policies with employment practices liability (EPL) coverage, which safeguards against claims for wrongful dismissal, sexual harassment, and other violations of employment or anti-discrimination laws. EPL coverage can be purchased as part of a D&O or general liability policy or as a stand-alone policy.

ASHE and AHA requires all chapters to have D&O insurance. Chapters may find that some volunteers are reluctant to serve as directors or officers without protection from lawsuits. Chapters may secure D&O insurance by contacting a local broker for information on rates and specific coverage options.

## MEMBERSHIP APPLICATIONS

Every chapter needs its own version of a membership application, and the more information the form includes, the better. Obtaining a sound demographic profile of your members as they join and updating it regularly will give you a better idea of the types of products and services that will have the greatest appeal.

If you ask age, gender, or race questions, they **MUST** be noted as optional on the application, and you should indicate that you are requesting the information to maintain a demographic profile of members. Due to identity theft issues, it's not a good idea to request a person's date of birth, social security number, or driver's license number.

The application form becomes a permanent record of information about your membership base and helps determine which category of membership a prospective member best fits—or whether they qualify to be a member. If you have different categories of membership, make sure you spell them out on the application form along with the specific requirements for each category and the benefits and services associated with each.

## RUNNING BUSINESS MEETINGS

Every chapter has business information it needs to communicate to members. The report should focus on major actions. The members of your chapter may not be interested in every nuance of every decision the board has made. After all, that's why they elected you. But they are interested in the important issues affecting the industry and the chapter, actions taken by the committee or the board, and the financial health of the organization.

## PLANNING FOR SUCCESS

As noted in the introduction, successful chapters require planning—both on the business side and the operating side. What exactly does that mean?

A business plan designs the financial outlook for the organization—where the money will come from, now and in the future. It considers new markets, new opportunities, where potential members may be found, where other sources of revenue might be identified, and how those sources will be tapped. It is not the same thing as a marketing plan, although a marketing plan may be a component. The business plan examines in what directions the chapter can grow and how to support that growth. This is the closest thing to a strategic plan most chapters will have.

You may choose to begin the planning process by looking at ASHE's [strategic plan](#) and determine what aspects are particularly relevant to your chapter. This will allow you to align your direction with that of the national organization and strengthen both groups simultaneously. Other chapters may be willing to share their plans with you as well.

The operating plan, on the other hand, looks at how the chapter will function over the coming year. If you do nothing else, use the budget as a kind of operating plan, identifying the major areas of work to be undertaken in the coming year, how much you will spend to accomplish them, and how much revenue you expect to have left at the end of the year. Developing such plans creates clear expectations for the program of work ahead and eliminates any surprises for members or board members in terms of expected expenses and revenues.

## DEFINING LEADERSHIP ROLES

An organization's effectiveness is determined in large part by the quality of its leadership. While this handbook contains a section on leadership, its focus is on leadership skills rather than the structure of chapter leadership. A chapter should have a progression of chairs or positions through which leaders proceed as they move up within the organization. This series of steps, which can be informal rather than formalized in your bylaws, serves as a training ground for future commitment. In this way, a new chapter president, having served as treasurer and program chair and president-elect, knows how important each position is and what responsibilities need to be undertaken.

A typical set of officers for an ASHE chapter might include:

- President
- President-Election
- Vice President
- Immediate Past President
- Secretary
- Education/Conference Chair
- PR/Marketing Chair
- Membership Chair
- Awards/Recognition Chair
- District President
- State/District Representative
- Paid Staff/Chapter Administrator
- ASHE Chapter Liaison
- Advocacy Liaison
- Sustainability Liaison

The term of a leadership position within an ASHE chapter will vary from group to group, but a minimum of two to four years is realistic.

### Typical Responsibilities

The advantage of writing job descriptions for each voluntary leader is great. It clearly defines who is responsible for what and eliminates duplication of effort—something that is simply unacceptable in today's environment where leadership time is limited. While job descriptions will vary widely from chapter to chapter, following are some of the responsibilities to consider including for key leaders' roles:

#### Chapter President

The chapter president is charged with the general management of the chapter. They are responsible for seeing that all orders and resolutions from the chapter Board of Directors are put into effect. Duties typically include (but are not limited to):

1. Presiding over all meetings of the general membership and Board of Directors
2. Appointing all committee chairs

3. Acting as liaison to the regional and national organizations
4. Ensuring that the chapter abides by its bylaws in all operations
5. Working in partnership with the Board, scheduling regular chapter meetings and Board meetings
6. Making sure that the Annual Report is submitted each January 31 and the application for the [Chapter Awards Program](#) is prepared and submitted each year along with other required submissions

### **Chapter Secretary**

The Secretary is charged with keeping all records of the chapter (other than financial) as well as mailing lists. Specific duties typically include:

1. Keeping accurate minutes of all chapter meetings, including those of the Board and major committees
2. Keeping up-to-date membership lists and distributing advance meeting notices
3. Keeping mailing list of potential members in concert with the membership vice president
4. Producing chapter letterhead and roster of officers and committee chairs
5. Preparing and submitting the Chapter Annual Report to ASHE by January 1 of each year, along with a copy of the chapter's membership list

### **Chapter Treasurer**

The Treasurer is responsible for keeping chapter funds and records of all financial transactions. Typical other duties include:

1. Collecting all chapter dues as well as any other additional funds raised by the chapter
2. Establishing bank accounts and obtaining signature cards for officers with signing authority
3. Keeping an accurate and timely record of deposits and disbursements
4. Reporting financial status of the chapter to the local board
5. Securing federal and local tax ID numbers and filing tax returns when necessary
6. Preparing a balanced budget for the board to approve and follow
7. Advising the secretary of any delinquent dues payments and dropped members
8. Disbursing accounts payable in a timely manner and invoicing and collecting accounts receivable

### **Membership Chair**

This person is charged with recruiting and retaining members for the chapter. Typically they work with a membership development committee. More information on recruiting and retaining members appears in the chapter on revenue. Membership chair responsibilities typically include the following:

1. Generating revenue
2. Coordinating recruitment/retention activities
3. Annual dues renewal

### **Education/Conference Chair**

This individual is responsible for identifying topics and scheduling programs for the chapter's monthly meetings and/or the annual conference. This position is best handled in conjunction with a committee.

Typical responsibilities include the following:

1. Scheduling education programs
2. Coordinating registration/logistics
3. Securing and working with speakers

## **ASHE Liaison**

Each chapter is highly encouraged to appoint an ASHE Liaison. Ideally, this individual will be a member of ASHE in your chapter who is not your Regional Board Member or another member of the Board. If they have been active in ASHE as a leader, even better. This individual will be an ongoing contact within the chapter for ASHE and will receive copies of all communications ASHE sends to the chapter. Chapter officers change frequently, while the intent is for the ASHE liaison to stay the same for a significant period of time. This provides a more consistent link between ASHE and the chapter. You may want to consider appointing someone from your chapter administrative staff and/or a committed volunteer (maybe a retired member or a chapter past president) who has joint membership in the chapter and ASHE national to serve in this role.

## **Advocacy Liaison**

This individual will be responsible for communicating and advocating on issues specific to the state or local level as well as providing feedback to ASHE on various national codes and standards issues affecting the profession.

## **Sustainability Liaison**

1. The Sustainability Liaison serves and acts as Chapter Champion to raise awareness of chapter members on the value of sustainability
2. The Sustainability Liaison will guide or connect chapter members to resources available from ASHE
3. The Sustainability Liaison will assist and encourage chapter members to maintain engineering criteria to help reduce operational costs and thereby increase the value and profile of their healthcare facilities to stakeholders and to the C-suite
4. The Sustainability Liaison will act as a change agent and data gathering person within the chapter to encourage participation in ASHE's Energy to Care program. He or she will monitor and report chapter participation
5. The Sustainability Liaison encourages the use of the resources of the Sustainability Roadmap to achieve cost savings

## **Sustainability Liaison Job Function:**

1. Serve as a conduit to direct chapter members to ASHE sustainability resources and programs
2. Encourage the chapter education committee to provide opportunities for sustainability speakers to present to chapter
3. Develop, drive, and promote an ASHE Chapter Challenge to encourage savings and present awards for savings achieved
4. Provide updates and communicate success stories, best practices, and case studies from chapter members to ASHE
5. Attend quarterly webinars hosted by the Sustainability Task Force
6. Provide sustainability updates for the chapter newsletter and to ASHE Regional Directors
7. Gather statistics for Energy to Care chapter participation and report them to the Sustainability Task Force quarterly
8. Encourage chapter members to become ASHE members

## **THE VITAL ROLE OF COMMITTEES**

Elected leaders can't do it all, so a healthy organization engages a number of volunteers in active roles. The most common way to do this is through a system of committees. Chapters that fail to establish a strong committee network miss the opportunity to identify prospective leaders, strengthen the network through activity, and tap the skills and talents of a broad cross section of members. Research indicates that the best way to ensure a new member stays a member is to get them involved in the chapter immediately, and committees are the best way to involve large numbers of people in the organizational life of the chapter.

## **PARLIAMENTARY PROCEDURE**

Parliamentary procedure is a set of rules governing the way meetings are conducted. If everyone agrees to the ground rules before beginning, a non-personal operational process exists for addressing disagreements, digressions, or problems.



ASHE recommends that chapters be familiar with [\*Robert's Rules of Order Newly Revised 12th Edition\*](#) or other parliamentary handbooks and assign an individual the role of parliamentarian—the arbitrator of the process. Parliamentary process has an enormous potential for championing the rights of the least individuals and can help ensure a smoothly run meeting.

Every meeting should have an order of business or an agenda. That agenda usually includes:

1. Call to order
2. Reading of the minutes
3. Treasurer's report
4. Presentation of reports
5. Unfinished business
1. New business

A quorum or minimum number of voting members must be present to conduct business legally. This prevents a handful of people from deciding for everyone. NOTE: Your bylaws should state what constitutes a quorum for your chapter.