NATIONAL SOCIETY OF BLACK ENGINEERS

National Financial Policy

VERSION 12

April 2026

Table of Contents

I. Introduction

The National, Regional, and Convention Treasurers are primarily responsible for managing the processes and procedures outlined in this document; however, it is required that all leaders follow these guidelines prior to committing NSBE to any financial obligations. These guidelines apply to all Board and staff members of the organization and are subject to modification by the National Treasurer during the operational year with subsequent National Executive Board (NEB) approval. This policy further prescribes the means and methods that enable the National Treasurer to maintain the organization's financial accounts per the Bylaws. This approach empowers the Treasurer with the latitude to restrict and/or expand transactional movement with the best interest of the society in mind. Failure to comply with the policy will result in the individual(s) being brought up to the Administrative and Personnel Committee, National Executive Board, and/or Standards and Ethics Committee for disciplinary action.

Important Facts

- The National Budget is managed by the National Finance Zone. Responsible financial actions are the responsibility of the Finance Zone as well as the budget managers.
- The Treasurers are the budget managers; the respective boards are the budget requesters and are responsible for being knowledgeable about utilizing it as a financial guide.
- The NSBE fiscal year runs August 1st through July 31st
- All funds will be disbursed strictly in compliance with the expenditure and investment authorization procedures outlined in the National Bylaws.
- Expense line items are a spending guide, but their funding is not guaranteed. The availability of funds can fluctuate depending on incoming revenue and the organization's overall financial state.
- The most recent financial statements and approved versions of the budget must be made available upon request to the appropriate owner of budget line items by the applicable treasurer. If not clearly defined, the National Treasurer will determine budget line item ownership.

Note: For clarification on financial acronyms and definitions, please see the appendix (section XIX).

II. Roles and Responsibilities

National Finance Zone

Position	***Duties***
National Treasurer	Monitor finances, design, and implement financial policy, manage annual budget.
National Financial Controller	Monitor Regions and Professionals financial policies and procedures. Supports WHQ Operations as National Finance Zone representative for Regions and Professionals.
National Assistant Treasurer for Special Projects	Monitors finances for National Programs, Annual Convention & Finance Zone Liaison for special projects and meetings. Supports WHQ Operations as National Finance Zone representative for all else.
National Finance Chairperson	Identify national funding sources, prepare solicitation packets/submissions to Impact Portal
Convention Planning Committee (CPC) Chair	Manages Annual Convention programs and finances.
National Treasurer Emeritus	Advises the National Finance Zone and carries out duties assigned by the National Treasurer.

Professionals Executive Board Finance Zone

Position	***Duties***
Professionals Treasurer	Maintains Professionals' budget and oversees Professionals' financial procedures.
Professionals Treasurer-Elect	Assists the Professionals Treasurer and manages Professionals Regional Treasurers.
Professionals Finance Chair	Identifying funding sources for National and Professional's Programs activities; Prepare Professionals solicitation packets

III. Budget Authority

(National Bylaws, Article X, § 5, C)

The National Treasurer is given budgetary authority in accordance with the National Bylaws, Article X, Section 3.

Budget managers are delegated budgetary signature authority from the National Treasurer per National Bylaws Article X, Section 5.C as follows:

Budget Managers	Approved Co-signatures	Budget Department	Board/ Committee Requesters	Point of Submission
National Treasurer	National Chair	NEB Budget	National Executive Board Members	National Treasurer
Regional Treasurer	Regional Chair	Applicable Regional Budget	Applicable Regional Board/ Committee	National Financial Controller (NFC)
Regional Professionals Treasurers	Regional Professional Chair	Applicable Regional Professional Budget	Regional Professional Boards/ Committees	National Professionals Treasurer
CPC Treasurer	CPC Chair	Annual Convention Budget	CPC and Sub-committees	National Assistant Treasurer of Special Projects
National Professionals Treasurer	National Professionals Chair	National Professional Budget/ Applicable Regional Professional Budget	National PEB/ Committees	National Financial Controller (NFC)
Chief Programs and Membership Officer	National Programs Chairperson*	SEEK Budget	WHQ SEEK Team	Chief Financial and Operations Officer
Chief Financial and Operations Officer	Chief Executive Officer	All WHQ Budgets	WHQ Budget Managers	National Treasurer*
National Treasurer	N/A	All Budgets	NEB, NAB, WHQ, Regions and all Boards Committees	N/A

NOTE:
1. *Budget Manager should submit all inquiries to the Point of Submission unless otherwise directed by the National Treasurer.
2. Point of Submission can be modified at the discretion of the National Treasurer as an intervening authority with consideration of the National Bylaws.

IV. Expense Guidelines

All purchases must be approved prior to purchase by the appropriate financial point of submission: Reference Table (per National Bylaws Article X, Section 5) above for responsible approvals.

Intent of Expenditure

Process Overview

- AP E-pay/Check Process for Regions, PEB, and NEB
  - **Confirm Budget:** Review the approved budget, latest financial statements, and consult with the approving treasurer about fund availability at least 45 days before the transaction date.
  - **IOE Submission:** Complete and submit the IOE to the approving treasurer via email at least 30 days before the transaction date (or the treasurer's designated deadline, whichever comes first).
  - **Expense Approval:** The approving treasurer will approve or deny the request.
  - **Payment Request:** If approved, the requestor will complete the payment request form and submit it via the expense online portal.
  - **WHQ Processing:** WHQ Finance Team will input the submission into the payment approval platform and route it to the appropriate approving treasurer.
  - **Payment Approval:** All approvals will occur in the payment approval platform (e.g Bill.com), and the vendor will be paid by e-payment or check, as requested. NSBE's standard payment terms are net 30.
  - **Treasurer's Responsibility:** The treasurer must communicate any status changes affecting the payment request.
  - **Monthly Report:** Approving treasurers will receive a monthly report of payments to keep stakeholders informed.
  - **Payment Status Inquiries:** Payment status inquiry requests should be emailed to the approving treasurer, who has access to the payment approval platform and the monthly reports.
- AP Credit Card Process for Regions, PEB, and NEB
  - Requestor will review approved budget, latest financial statements, and speak with approving treasurer to determine availability of funds at least 45 days prior to transaction date.
  - Requestor will complete IOE and submit to approving treasurer via email at least 30 days prior to transaction date or on the designated submission date set by the approving treasurer, whichever comes first.
  - Approving treasurer will approve or deny request based on reviewing approved budget, latest financials, and availability of funds.
  - If request approved requestor will complete credit card request via the expense online portal.
  - Transaction will be processed within 2 business days.

Using the Online Portal

- Accessing the Portal
  - Contact budget approver for website, login ID, and password.
- Reimbursement/Vendor Payment Request
  - Select payment method
    - Check - receive physical check in mail
    - E-payment – receive direct deposit into your bank account
  - Enter name and email
  - Approver
    - National Treasurer: General societal expenses, NEB expenses, and backup for other approvals.
    - National Assistant Treasurer of Special Projects: Convention and Programs related expenses
    - National Financial Controller: Regional/Professionals expenses.

Enter Payee Information and Complete Expense Report

- Select the number of items you will include on the expense report to create the expense table
- Enter item description (e.g. NEB Fall Meeting Travel, Convention Supplies).
- Enter budget line item.
- Upload supporting documents (PDF format, including receipts and cart screenshots).
- Acceptable: Itemized receipts, payment invoices, award letters.
- Unacceptable: Bank statements, pictures/screenshots of items online.

All items must be included in the IOE and submitted by the budget approver's deadline.
Once IOE has been approved, WHQ will complete the order via an online payment portal/Credit Card.

Reimbursements

Reimbursements are given **only** after the <u>approved</u> purchase has been made. Approved purchases must be listed on the corresponding associated **<u>Intent of Expenditure Form</u>** **(IOE)**. If an expenditure is not approved prior to the purchase, the said board member forfeits their right to said purchase/reimbursement.

Receipts

Indicate the name, date, amount, purpose of the expense or line item appears highlighted on all receipts. Upload all receipts as PDFs to the supporting documents portion of the online portal.

- All receipts should be originals and must contain itemized details
  - Please note: An itemized invoice is an acceptable form of receipt
- Quotes and bank statements **<u>are not acceptable</u>** forms of receipts
- Lost, unavailable, or unobtainable receipts **<u>will not</u>** be reimbursed

Deadlines

Requests for reimbursement must be submitted within seven (7) days from the date of the purchase. A board member forfeits their right to a reimbursement if the request is not submitted within 7 days. The approving budget manager must review and approve/deny within three (3) days of receiving the reimbursement request. All approved reimbursements will be paid out within twenty-one (21) days. The entire reimbursement process shall be completed within thirty (30) days.

V. Meals

The Policy

- The standard procedure for meal provisions during NSBE business is as determined by the finance zone budget manager, which can vary from catered meals to per diem. Meal vouchers (uber eats, door dash, etc.) can be offered in place of per diems.

- When a Board Member partakes in approved dining, the receipt for the meal must include the names of everyone who dined and identify the corresponding NSBE activity, providing the "Out of pocket" expenses occurred.

- NSBE does not reimburse for the purchase of alcohol.

- Meals are not reimbursed unless previously specified by the National Treasurer, National Assistant Treasurer of Special Projects, National Financial Controller, Regional Treasurer, National Professionals Treasurer or CPC Treasurer. Allowable dining expenditures per person shall be guided by national per diem guidelines (General Services Administration) for the specific location of the meeting/conference.

- The approver of meal purchases can also be assigned by the National Treasurer, National Assistant Treasurer of Special Projects, National Financial Controller, Regional Treasurer, National Professionals Treasurer, or CPC Treasurer.

VI. Travel

The Policy

The following policies apply to all ticketed travel (e.g., airplanes and trains).

- The Authorized Treasurer must complete a Travel Authorization Form. The form must have the NSBE account number, requester's name, requester's signature, event description, names of persons traveling, points of origin and destination, dates of travel, estimated ticket cost and budgeted amount to be valid.
- For rental vehicle requests, the WHQ Travel Team will reserve and prepay all rentals in order to take advantage of the NSBE national contract with Enterprise Car Rental. Bus tickets will not be reserved through the WHQ Travel Team and must be purchased for reimbursement.
- Travel Authorization Form must be submitted at least 45 days prior to the meeting to point of submission person for approval.
- NSBE will not incur additional costs for side trips. If the traveler wants to change only their point of origin/return after the meeting (not a side trip), this will be allowed if the ticket price remains under the indicated travel authorization price.
- The WHQ Travel team will not process any travel authorization that deviates in time or dates, or exceeds the ceiling price from the approved travel authorization without prior approval of the Budget manager. If the traveler insists on an unapproved deviation, the traveler must pay for the ticket and risks not being reimbursed.
- Any traveler making an unauthorized change to a ticket must pay the change fee plus the difference in cost.
- If a ticket amount is more than the estimated price, the traveler must notify their respective Authorized Treasurer. The Treasurer will notify the traveler and the WHQ Travel team of the decision to approve an increase in the travel authorization.
- If the traveler books without prior approval and/or misses a flight without reasonable cause their travel portal account will be cancelled, and the traveler will be subject to sanctions outlined in the financial policy violations (Section XXII of this policy).
- If a ticket amount on any travel authorization is more than the budgeted amount, the appropriate NFZ budget manager must approve.
- Approved travelers are expected to book travel by the deadline outlines in the travel authorization. If approved travel is not booked by said deadline, it is assumed that a traveler will arrange their own travel within the budget proposed in the travel authorization.
- If a traveler is authorized for travel and chooses to make his/ her own travel arrangements, they will be reimbursed up to the pre-approved expense amount given by the respective Authorized Treasurer. NO EXCEPTIONS.
- Failure to abide by the verification policy deadline to submit required documentation will result in travel privileges & other forms of financial assistance being revoked.

Reimbursements will only be issued for ticketed ground travel in the origin city. Return trip ground travel in the origin city will be reimbursed after travel occurs and receipts are submitted. No term parking will be reimbursed. NSBE will not cover any costs for moving violations, parking violations, or any other additional expenses incurred during travel**.**

- Total round-trip travel expense for ***private vehicles***:
  - Travel within 250 miles of the destination, will be reimbursed at the round-trip of approved mileage or sum of fuel receipts, whichever is of lesser value. In the event of carpools, only the driver will be reimbursed.

- Total round-trip travel expense for ***rental vehicles***:
  - Rental vehicles will be reimbursed for the renter on travel days up to the ceiling price on the travel authorization. Fuel expenses will be reimbursed for the total of fuel receipts. Tolls shall be reimbursed with proper submission of receipts along point-to-point land routes. Maximum driving distance is 250 miles roundtrip.
  - All drivers using rental vehicles are required to accept the full insurance from the car rental agency.
  - If an accident or damage to a vehicle occurs, all charges will be expensed from the budget that paid for the original car rental. Depending on the damage the National Treasurer or the National Financial Controller can limit or restrict car rentals for a particular budget for the rest of the fiscal year.

- Total round-trip travel expense for those ***flying/taking the train/bussing***:
  - The sum of ticketed airfare and/or ground transportation, round-trip, for point-to-point travel.
  - All travel will be considered 'point-to-point' for reimbursement.
    - On designated or approved travel days
    - To and from submitted origins and destinations
    - Along approved or reasonable travel routes

VII. Contracts and Agreements

There are only three people whom are given the authority to sign contracts or agreements on behalf of the society: The National Treasurer, National Chairperson, and the WHQ Chief Executive Officer. The National Chairperson should only sign in place of the National Treasurer if s/he is not available or is officially offline. This should only be used in cases deemed to be an emergency, and that will cause harm to the reputation and/or finances of the organization for the sole person of maintaining the separation of powers. The Chief Executive Officer is granted authority to sign financial documents that are less than $50,000 through the National Treasurers signature authority to preserve continuity of operations at WHQ. However, the National Treasurer may revoke the Chief Executive Officer’s authority to sign financial contracts and agreements with vendors if it is determined that s/he has violated the financial policy. No other person can sign any contract on behalf of the National Society of Black Engineers. All contracts with a value of $75,000 or more must be reviewed and cleared by the WHQ legal team before they are signed, to ensure the organization is not exposed.

Please provide businesses/vendors with the NSBE WHQ address for billing purposes to be included on all contracts, agreements, and invoices.

NSBE World Headquarters
Attn: Accounting
205 Daingerfield Road
Alexandria, VA 22314

Request for Proposals (RFPs)

General

An RFP should generally be initiated at the departmental level with guidance and assistance from the Accounting Department, as needed, or from the Manager, Events and Sourcing for conference and event-related RFPs as needed. NSBE is committed to a comprehensive and diverse vendor program. NSBE encourages positive efforts to utilize all types of businesses, large and small businesses, including veteran-owned, women-owned business enterprises, minority-owned firms, and disadvantaged businesses. Before starting the RFP process, research the specific needs and goals of the project. A clear scope of work will provide the most accurate response from the vendors and not unduly restrict competition. An RFP should be considered:

- When you have a high cost ($25,000+) or complex project
- When you need more information about the product and/or service, how it works, and how it will meet NSBE’s specific needs
- When you want some protection from vendor over-promising or under-delivering
- When you want to demonstrate our serious intent to make a change from the existing technology or provider
- When a preferred vendor contract has reached an extended period of 5+ years
- To give us leverage not only with the incumbent vendor, but also with the other bidders.

Services

Vendors are those contracted to do a service for or on the behalf of the organization. At least three (3) different vendor quotes must be considered before one contract/agreement is pursued. The length of term of the contract cannot exceed 3 years. The process outlined in section (A) should be followed by Regional Chairpersons and Treasurers, CPC Chairperson to acquire a signature for a vendor contract. The process outlined in section (B) should be followed by WHQ staff to acquire a signature for a vendor contract.

- Section A – Process for Leadership
    - Once a vendor is identified, the Regional Chairperson and Treasurer, Professionals Chairperson and Treasurer, or the CPC Chairperson and CPC Treasurer should review the contract to make sure everything is clear, understandable, and aligned with their needs.
    - If the contract is aligned, a Contract Review Form (CRF) should be filled out completely and submitted to the point of submission.
    - If the point of submission denies the CRF, the document will be returned with information on the corrections needed. If the point of submission approves the document, it should be forwarded to the National Treasurer o
    - The document will be submitted to the contract management portal for review and if no discrepancies are found, will be reviewed by the Manager, Contracts & Operations and Director of Operations & Events. If the contract is $75,000+, it will be reviewed by NSBE's Legal Counsel.
    - Once reviewed and approved by all parties, the applicable treasurer will approve in the Contract Management Portal. The contract is then submitted for signature by the Manager, Contracts & Operations.
    - The National Treasurer can choose to sign the contract at any time with or without the review of the Manager, Contracts & Operations and Director of Operations & Events.
    - Immediately after the contract has been signed, provide the needed information to the WHQ finance department for creating the vendors profile in bill.com.
- Section B – Process for WHQ
    - Once a vendor is identified and a proposed contract is received, the contract should be submitted to Department Leadership (Director or Sr Director) for review.
    - If the Department Lead, it should be submitted to the contract management portal. Once reviewed and approved by all parties, the Director of Accounting & Finance will approve the contract in the portal. The contract is then submitted for signature by the Manager, Contracts & Operations. (All contracts should be submitted unsigned)
    - If the contract expenses are less than $50,000, the Chief Executive Officer can choose to sign the contract. Once it is signed, the WHQ Director of Operations & Events must notify the National Treasurer immediately and provide the signed contract and CRF.
    - Contracts that are $50,000+ in value must be signed by the National Treasurer or the National Chairperson. Only if the National Treasurer is not available to sign the contract, and the item in question is deemed to be an emergency, and will cause harm to the reputation and/or finances of the organization shall the National Chairperson sign an agreement in the absence of the National Treasurer.

- Large Item and Bulk Purchases from Vendors
    - Large item expenses or bulk item purchases that exceed $250, must be approved by the National Treasurer and National Financial Controller prior to actual purchase.
    - Submission of at least 2-3 estimates or price quotes from different businesses/vendors and an official invoice with the additional quotes to the financial officer is required for approval.
    - The NSBE payment process and time period for processing should be communicated with the desired business/vendor in advance of any transactions.
    - Provide business/vendor with the NSBE World Headquarters address for billing purposes.

Memorandum of Understanding (MOU)

The process below should be followed by the National Programs Chair, Director level or higher of the Programs team at World Headquarters, and any other parties that seek to form a partnership with an external 3rd party via a Memorandum of Understanding.

- Any concessions to be offered to the potential partnering organization must be approved by the National Treasurer during the MOU drafting process **PRIOR** to being shared with the potential partnering organization. (Note: The concessions mentioned are monetary concessions)
- Once negotiations begin, the National Treasurer shall be re-engaged to confirm any requested changes to the concessions for the potential partnering organization.
- The final draft of the agreement shall be submitted to the contract management portal and routed to the appropriate parties for final review and approval (National Finance Zone, Director level or higher of Operations and Events team at WHQ, and WHQ Accounting & Finance).
- Once all parties have approved the final document, the MOU shall be routed to the National Chair for signature.

VIII. Regional and National Programs Fund

(National Bylaws, Article X, § 5)

The National and Regional Programs Funds are to encourage the implementation of programs that will fulfill the NSBE Mission, Vision and fall within the intentions of the Strategic Plan or National Directives.

- Programs fund line items are included in the National budget. Eligible regional and chapter board members are encouraged to submit proposals for funding.
- No single programs funding award shall exceed 25% of the budgeted fund line item unless approval is given by the National Treasurer.
    - The Program Fund line item shall be allocated by either:
        - A vote of the Executive Board
        - A vote of a committee composed of the Treasurer, Vice-Chairperson, and Programs Chairperson.
- All transactions related to application, review, and awarding of programs funding shall occur within five business days of each other, initiating with the receipt of the proposal by the National Treasurer.

IX. Appeals & Spontaneous Revenue

Any unexpected and unrestricted revenue generated through appeals or through a spontaneous and generous donation (e.g. grants, bequeaths, and large individual contributions) shall be presented to the Funds Management Committee to determine how the funds will be allocated. The National Treasurer shall notify the National Chairperson of the committee's recommendation and report out to the National Executive Board at the next available time.

X. Scholarships and Awards

Criteria of awards and chapter support are dependent upon that specific award program as defined by the respective regional or national boards. All awards and chapter support require an award letter to be processed.

Award Letter Requirements

All awards given or issued by NSBE must have supporting documentation of an Award Letter issued by the individual that is over the award. The Award letter must include the following to be a valid Award Letter:

- Name of Award Winner
- Address to which the check will be sent
- Name of Award
- Amount of award and/or perk of winning (i.e. free registration, membership dues waived, etc.)
- Handwritten signature of the Award issuer
- Printed name of the Award issuer

If this is not done during the same fiscal year the award is given out, the award will not be valid unless granted approval by the current National Treasurer only.

Scholarships/Awards Disbursement Procedure

- Requestor will review approved budget, latest financial statements, and speak with approving treasurer to determine availability of funds
- Requestor will complete IOE containing scholarships and awards and submit to approving treasurer via email
- Approving treasurer will approve or deny request
- If request approved requestor will complete payment request form and submit to approving treasurer via AP portal
- WHQ Finance Team will put online submission into Bill.com, contact recipients to register them in bill.com, and route to appropriate approving treasurer based on information provided in online submission
- All approvals will take place within Bill.com and recipient will be paid by either e - payment or check as request

Chapter Support Funds Disbursement Procedure

Support funding will be distributed per the following criteria:

- Each Regional Executive Board (REB) and Regional Professionals Executive Board (RPEB) will form a committee of their choosing, with the approval of the Regional Chair, to select individual awards per chapter and submit e-payment requests to the Regional Treasurer.
- Each Region will be entitled to a portion of the support funding as determined by the National Treasurer.
- All chapters to receive funding must be in good standing.
- Any one chapter can only be awarded funding once per fiscal year.
- Each region will have a separate application and the process must be approved by the National Treasurer prior to awarding of funds.
- The National Treasurer reserves the right to restrict the amount of funding awarded per quarter to ensure that funds are available throughout the fiscal year. The National Executive Board would need to have a three---fourths vote to override the Treasurer’s decision.

XI. Complimentary Registration

The respective Chair and Convention/Conference Chair shall receive a pre -approved amount of complimentary registration(s) to be distributed at their discretion; the respective Treasurer/Budget Owner will set the maximum number of complimentary registrations to be distributed, considering the revenue projections for the respective conference/convention. Any other board member or party that wishes to distribute complimentary registrations for any reason must receive approval in right from the approving treasurer.

VIP guests such as family/friends of parties deemed critical to the planning and/or execution of the convention/conference shall be assessed on a case-by-case basis by the respective treasurer.

Authorization Table

Please see the following authorizer for any of the following listed above:

Authorized Treasurer*	Registration for Event/Award Program
National Assistant Treasurer of Special Projects	Annual Convention, NLC, SEEK, any National Program or Event
Regional Treasurer**	RLC, FRC, or any Regional Event/Program hosted by the REB
Professional Treasurer	PDC, the Aerospace Systems Conference (ASC), or any professional event hosted by the PEB/RPEB

*In the event that an officer disagrees with the ruling of the authorized-approving treasurer and wishes to seek a second opinion, the National Treasurer shall have the authority to override the approving treasurer’s ruling on a case-by-case basis.
**Additional complimentary registration requests are subject to approval of the Regional Chair.

XII. NSBE Refunds and Credits

Anyone who has registered and paid for any Events/Programs is eligible for a refund up to the amount that was paid, under the following criteria.

- They must have paid monetarily for the registration(s)
- The participant is unable to make the Event/Program, and a request for refund is submitted for review:
  - A minimum of 45 days before the first day of the event for a full refund.
  - A minimum of 30 days before the first day of the event for a 75% refund.
  - A minimum of 15 days before the first day of the event for a 50% refund.
  - Requests submitted less than 15 days before the first day of the event will **not be refunded**. Instead, the funds will only be eligible for a NSBE credit or to be transferred to another individual.

Anyone who has registered and paid for any Events/Programs is eligible for NSBE credit up to the amount that was paid, under the following criteria.

- They must have paid monetarily for the registration(s).
- The participant is unable to make the Event/Program due to circumstances beyond their control. Examples include inclement weather like a blizzard or hurricane or a personal emergency like a death in the family or sickness requiring hospitalization.
  - The burden of proof is the responsibility of the participant. The authorizer of the event determines what acceptable documentation would be required on a case-by-case basis.
- The request must be submitted for review **within 7 days after the last day of the event**.
  - Requests submitted more than 7 days after the last day of the event are ineligible for NSBE credit.

NSBE credit issued to an account is valid for twelve (12) months from the date issued. It can be used for any NSBE Event/Program.

Authorization Table

Please see the following authorizer for any of the following listed above:

Authorizer	Registration for Event/Award Program
National Assistant Treasurer of Special Projects	**Annual Convention, NLC, SEEK, or any National Program or Event**
Regional Treasurer	**RLC, FRC, or any Regional Event/Program hosted by the REB**
Professional Treasurer	**Any professional event hosted by the PEB/RPEB**

**In the event that a member escalates and disagrees with the ruling of the authorized-approving treasurer and wishes to seek a second opinion, the National Treasurer shall have the authority to override the approving treasurer's ruling on a case-by-case basis.*

NSBE Credit Cards

Credit Card should only be used to purchase the following items:

- Food
- Supplies for events
- Emergencies, as approved by the National Treasurer

Any use of a credit card for purchasing personal and/or unapproved items/services, will result in the following:

- Confiscation of credit card
- Cancellation of Travel portal Account and loss of NSBE sponsored travel for a period of twelve (12) calendar months
- Forfeit of any scheduled end of year bonus, salary raises, and or merit increases.
- Credit card holder will pay the balance of all personal and/or unapproved items/services charged to the card
- Immediate suspension pending impeachment or termination upon review of the circumstances

XIII. Gifts and Awards

Gift cards are not authorized for use with NSBE, except in the case of programmatic awards.

- Gift cards must be pre-approved by the National Treasurer, National Financial Controller, the National Assistant Treasurer of Special Projects, or National Professionals Treasurer.
- Gift cards may only be purchased for specific vendors (i.e., Amazon, Starbucks, Apple, etc.)
- Gift cards may not be purchased for general purpose (i.e., Visa, American Express, MasterCard)

XIV. Solicitation Guidelines

General

- Solicitation on all levels, National and Regional, is to be approved by the National Finance Chairperson.
    - All National and Convention fundraising, and development efforts are managed, tracked and facilitated by Fund Development. The National Finance Chairperson will provide oversight and direction to Fund Development staff.
    - All Regional fundraising and development efforts are managed and tracked by regional finance chairs, as well as facilitated and aided by Fund Development and the National Finance Chairperson.
    - All Professionals fundraising, and development efforts are managed and tracked by the National Professionals Finance Chair. If the position is vacant or dissolved, this responsibility would then be managed by the National Finance Chair or a PEB designee as approved by the National Finance Chair.
- All Corporate Partnership Packets (CPPs) used for the expressed purpose of soliciting funds for the National Society of Black Engineers must be approved by the National Finance Chairperson prior to distribution, and digital copies must be forwarded to Fund Development and the National Finance Chairperson for review and documentation.
- Contact with Corporate Sustainability Partners/Corporate Growth Partners is strictly prohibited unless for advisory/mentoring purposes or is undeniably approved by the National Finance Chairperson and the Fund Development Team at WHQ.
- The following statement should be printed on all documents that are to be used for the purpose of soliciting funds for NSBE. *The National Society of Black Engineers is a tax-exempt organization under section 501 (c) (3) of the Internal Revenue Code. All contributions are tax deductible.*
- We as an organization are obligated to uphold the sanctity of the IRS code.

Executive Privilege

Leadership in the National Society is a volunteer duty and may not be compensated for. However, certain exceptions may be made for leaders in the National Society at the discretion of the indicated parties:

- Travel – individuals may travel on behalf of the National Society if approved by their Chairperson and/or Treasurer. Provided travel is NOT a guaranteed privilege.
- Registration – registration may be waived for NSBE leaders for meetings and events of the National Society. This waiver is at the discretion of the appropriate Treasurer.
- Guests of the National Society – Registration waivers may be made for guests of certain leaders pending the approval by the National Treasurer in writing at least 30 days in advance of the meeting or event. All guest registration waivers must be made known to the National Treasurer.

XV. Tax Exemption

Tax Exemption Rules

- NSBE Federal Tax ID Number (or EIN) is solely for National and Regional activity. This number is issued by the IRS and is required by most banks when opening a corporate bank account or when applying for grants and contracts.
- NSBE Chapters must utilize the Federal Tax ID number (or EIN) of the University or College which they are associated with.
- NSBE Professional Chapters must apply for an individual Federal Tax ID number (or EIN). They are included under the NSBE General Exemption if they are compliant with the rules and guidelines in maintaining the General Exemption status.
- Chapters opting not to fall under the umbrella of the GEN process are responsible for financial reporting and filing according to IRS policy independently.
- It is unlawful to distribute this number outside of approved NSBE business transactions.

If you have any questions/concerns regarding tax exemption, the GEN process, or issues with the use of NSBE's Tax ID number, contact NSBE's Accounting Department and the National Treasurer. Professional chapters can also contact NSBE's Professionals Treasurer.

NSBE Sales Tax Exempt Status

NSBE is tax exempt in various states. The WHQ Accounting Department has an updated list with the current exemptions and denied exemptions. When Regional and National conferences are identified, NSBE Accounting Department reviews the list to see if the organization is tax exempt in those states. If NSBE is not tax exempt, the WHQ Accounting Department applies for sales tax exemption for each state. To receive a listing please contact NSBE Accounting Department.

XVI. Investment Policy

The National Funds Management Committee, under the leadership of the National Treasurer is responsible for maintaining and adhering to the National Investment Policy. The policy's content must address the following areas:

- Applicable types of funds
- Guidelines for investment managers, including diversification and selection
- Investment guidelines indicating acceptable transactions, investments, and holdings
- Guidelines for investment performance review, evaluation, and reporting
- Investment Goal

The purpose of the policy is to provide the management objectives for NSBE's operating (cash) and investment (short- and long-term) accounts. The overriding goals are specific to the type of account, but are a combination of liquidity, capital preservation, and long-term growth while not exceeding a moderate risk position in any particular investment.
Types of funds are discussed in the National Investment Policy:

- Operating/cash: Account(s) used for the ongoing operating cash needs of the organization.
- Short-term ("rainy day") account(s)) used to cover short-term liquidity needs not adequately addressed by money in operating/cash account.
- Long-term account(s)/assets used to provide investment to supplement current income.

The National Funds Management Committee shall provide a quarterly report on all investments to the National Executive Board.

XVII. Excess Revenue

If a specific budget line item obtains revenue beyond the projected amount, the following criteria must be met in order to utilize this revenue:

- The budget owner must demonstrate that the current budget is insufficient to cover necessary expenditures or that the requested use of funds is necessary to maintain the fiscal integrity of the organization.
- The Budget Manager and Budget Owner of the respective budget must receive approval from the National Financial Controller, National Treasurer, or National Assistant Treasurer of Special Projects.

XVIII. Endowment Policy

OVERVIEW

Endowments represent donated financial assets (usually cash), that are meant to be invested in equities, bonds, or other investment vehicles. To facilitate growing the original asset balance (known as the "corpus[1]"), NSBE will establish an endowment fund. This fund is simply an investment portfolio where the financial assets are held. While the corpus may also be added to, the endowment fund is designed to keep the principal corpus intact so it can grow over time as a result of income earned from interest or dividends. NSBE can then use the annual investment income for future investing, donor-specific expenditures (i.e., funding a scholarship or program), or to further NSBE's mission.

Donors may legally restrict the use of their contributions to any nonprofit. When an endowment is created, there are generally guiding documents – such as **a gift instrument**, or other written documentation of donor intent that establishes the endowment's purpose and expresses the guidelines for use. Examples of gift instruments include, but are not limited to award letters from foundations or individual donors.

An endowment implies that some or all of the assets are **restricted** in some way, but there are several variations:

- **Permanent endowment -** NSBE is only allowed access to investment income earned from interest, dividends or realized gains while maintaining the corpus in income - producing investments.
- **Term endowment -** NSBE maintains the corpus in income-producing investments until a stated period of time or the occurrence of a particular event, at which point all or part of the corpus can be expended in addition to the income earned.
- **Quasi-endowment -** NSBE's National Executive Board may restrict funds to be separately invested for a long term, but unspecified period of time while maintaining the right to decide at any time to expend the corpus in addition to the income earned.

TYPES OF GIFTS

Outright Gifts – These are gifts offered to NSBE by an individual, corporation, or foundation and include the following:

1. Cash, Cash Equivalent and/or a written Cash Pledge (usually paid over a two- to five-year period)
2. Stocks: publicly traded, closely held, restricted or other types of stock subject to the approval of the National Funds Management Committee
3. Bonds
4. Mutual Funds
5. Real Estate: gifts are accepted on a case-by-case basis
6. Cryptocurrency

1. Bequests – Wills and Living Trusts
2. Retirement Plans: IRA's, 401(K), 403(B), Keogh Charitable Remainder Trusts

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3. Charitable Lead Trusts
4. Remainder Interest in Residence
5. Pooled Income Funds
6. Life Insurance

GIFT ACCEPTANCE

NSBE has the authority to accept gifts of cash, stock, bonds, and other securities, including certain private and restricted stock, while gifts of real estate are considered on a case-by-case basis. Any asset proposed for contribution that is deemed not readily marketable for investing, involve tax implications or is subject to significant liabilities must be approved by the Funds Management Committee.

1. NSBE will assess all gifts and may charge appropriate fees for asset acceptance.
2. NSBE will not accept a gift that obligates the Society to continue a program that will become a financial burden or is inconsistent with its mission.
3. If at any time, the endowment fund becomes obsolete, the National Executive Board may designate another purpose.

DONOR RECOGNITION FOR ENDOWMENTS

Overall Recognition Policy

Donors will be thanked promptly in a meaningful way by the WHQ Resource Development and Corporate Relations department. Donors who make outright gifts to NSBE's endowment will receive a special recognition letter acknowledging all gifts and their conditions. All gifts will be acknowledged within five business days of receipt signed by the Chief Executive Officer and the National Treasurer.

MANAGEMENT AND INVESTMENT OF ENDOWMENT

It is the responsibility of NSBE management to adhere to guidelines for investing activities and endowments as outlined in the National Finance Policy currently approved by the National Executive Board and given oversight by the National Funds Management Committee. The investment management of the endowment is directed toward maximizing growth and investment income, as well as to protect the endowment corpus from erosion through inflation, while maintaining prudent fiscal guidelines.

Management of the endowment will be guided by the following:

1. NSBE management will adhere to specific guidelines documented in the National Finance Policy that will include acceptable transactions, holdings, asset allocations, prohibited securities and performance measurement.
2. A long-term rather than short-term investment approach will be applied with a diversified approach slanted towards a moderately aggressive risk tolerance while meeting the donor- specified objectives
3. The balance of the corpus will not be invaded unless designated by the donor, or under the aforementioned circumstances.
4. NSBE's endowment funds will be held with our financial management firm within the Investment Advisory Program, in accordance with the guidelines established in the National Finance Policy.

CONFIDENTIALITY

Information learned by any representative of NSBE about a donor or the donor's assets or philanthropic intentions will be held in strict confidence. All donors will be encouraged to notify the Senior Director of Fund Development & Fundraising of their endowed gifts, whether outright or planned/estate gifts, including bequests, and all such information will be kept confidential unless permission to release it is obtained from the donor or his or her counsel.

If there should come a time that NSBE cannot use the funds of any endowed assets for the purpose for which the donor originally intended it, NSBE reserves the right to use the fund for a similar and like purpose with the approval of the National Funds Management Committee and the donor if possible.

XIX. Loan Management Account

The Loan Management Account (LMA) is an adjustable-rate line of credit extended to the organization by Merrill Lynch Financial. This line of credit is securitized by the organizations active exchange traded investment holdings.

Utilization of the LMA is **expressly restricted to one -time capital investments** proven to have an internal rate of return, greater than current interest rate plus a 1.5% premium. This decision must be supported by a comprehensive net present value and discounted cash flow analysis conducted by WHQ Finance and or a certified finance professional and approved by the National Treasurer.

All access to the utilization of LMA funds **must be approved by the National Treasurer**.

XX. Financial Policy Violations

The National, Regional, Professionals, and Convention Treasurers are primarily responsible for managing the processes and procedures outlined in this document. However, all leaders, advisors, and staff are required to follow these guidelines prior to committing NSBE to any financial obligations. Failure to comply with the Financial Policy will result in any of the following for those individuals in violation:

- Regional, Professionals, and Convention Treasurers could have their financial authority suspended or revoked as determined by the National Treasurer.
- Revocation of travel privileges and any other forms of financial assistance provided by NSBE for up to 1 calendar year from time of offense.
- Formal recommendation for removal from office submitted to the SEC for review and final decision.
- Any other disciplinary action as deemed necessary by the APC, NEB, or SEC.

The National Treasurer shall be responsible for enforcing recommendations for removal from office and all other offense consequences outlined in this Policy. The National approving treasurers (National Financial Controller, National Assistant Treasurer of Special Projects, & National Treasurer) will be responsible for working with the respective counterparts to keep a record of Financial Policy offenses; offenses will expire after being on the record for 2 years.

XXI. Appendix – Financial Acronyms and Definitions

WHQ World Headquarters: Refers to the paid administrative staff of NSBE and/or the facility housing them.

IDCR Indirect Cost Recovery: Procedure for recovering those “administrative” or “programmatic” costs incurred by the World Headquarters while working towards goals and objectives of NSBE, but cannot be easily identified and marked to a specified program, or other developmental activity. Examples of IDCR include, Expenses included in the World Headquarters Budget, Utilities, Mortgages, Salaries and Benefits, Building, Maintenance, and much more. Indirect Cost Recovery impacts Regions, Professionals, Annual Convention, NLI, PCI, TORCH, SEEK, and Academic Excellence

FY Fiscal Year: A company's business year, usually a 12-month accounting period which does not necessarily correspond to the calendar year. NSBE's fiscal year is August 1 through July 31.

CPC Convention Planning Committee: A committee selected annually and led by the CPC Chairperson that plans and implements the National Convention with the assistance of CMS and other WHQ Staff

CSR Customer Service Representative: WHQ staff persons responsible for being primary contact to NSBE sponsors

EIN Employer Identification Number or Federal Tax ID Number: solely for National and Regional activity. This number is issued by the IRS and is required by most banks when opening a corporate bank account or when applying for grants and contracts.

GEN General Exemption Number: an identification code issued by the IRS to NSBE for the purposes of allowing AE chapters to fall under the umbrella of a tax-exempt non-profit entity. GEN relieves individual AE chapters from the burden of filing its own application for tax exemption