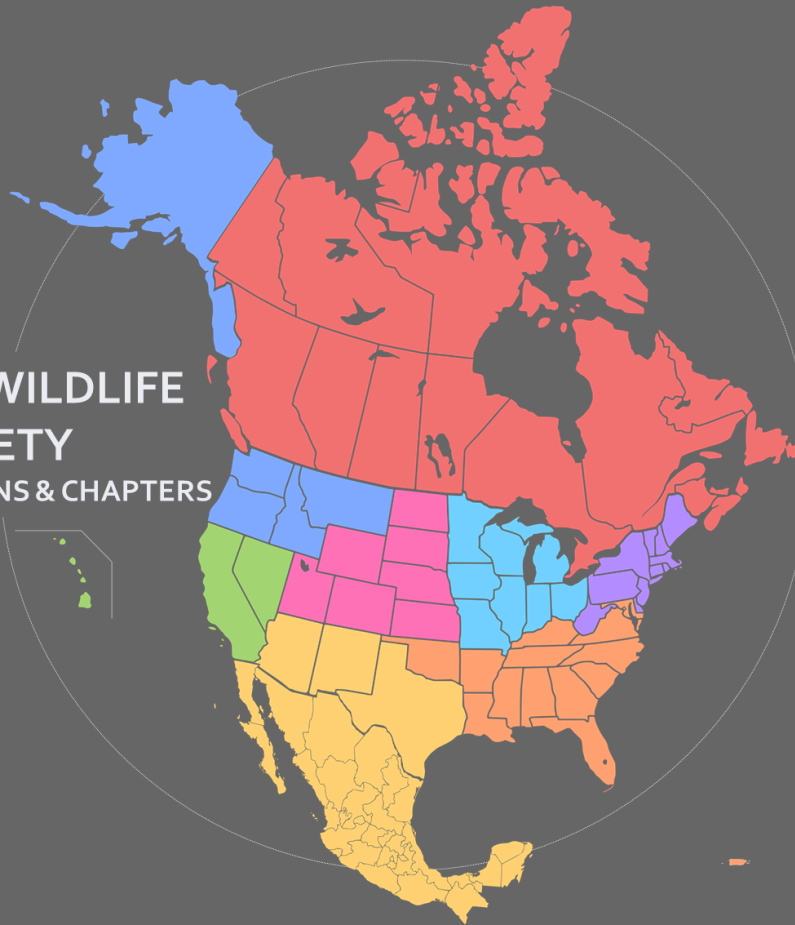


TWS

SECTION & CHAPTER GOVERNANCE GUIDE

THE WILDLIFE
SOCIETY
SECTIONS & CHAPTERS



CANADIAN SECTION

ALBERTA, BRITISH COLUMBIA, MANITOBA, NEW BRUNSWICK*, NEWFOUNDLAND AND LABRADOR, NOVA SCOTIA*, PRINCE EDWARD ISLAND*, NORTHWEST TERRITORIES*, NUNAVUT*, ONTARIO, QUEBEC*, SASKATCHEWAN, YUKON TERRITORY*

CENTRAL MOUNTAINS & PLAINS SECTION

COLORADO, KANSAS, NEBRASKA, NORTH DAKOTA, SOUTH DAKOTA, UTAH, WYOMING

NORTH CENTRAL SECTION

ILLINOIS, INDIANA, IOWA, MICHIGAN, MINNESOTA, MISSOURI, OHIO, WISCONSIN

NORTHEAST SECTION

MAINE, CONNECTICUT, MASSACHUSETTS, NEW HAMPSHIRE, RHODE ISLAND, VERMONT, NEW JERSEY, DELAWARE, NEW YORK, PENNSYLVANIA, WEST VIRGINIA

NORTHWEST SECTION

ALASKA, IDAHO, MONTANA, OREGON, WASHINGTON

SOUTHEASTERN SECTION

ALABAMA, ARKANSAS, DISTRICT OF COLUMBIA*, FLORIDA, GEORGIA, KENTUCKY, LOUISIANA, MARYLAND, MISSISSIPPI, NORTH CAROLINA, PUERTO RICO*, OKLAHOMA, SOUTH CAROLINA, TENNESSEE, VIRGINIA

SOUTHWEST SECTION

ARIZONA, MEXICO, NEW MEXICO, TEXAS, COSTA RICA*

WESTERN SECTION

CALIFORNIA, GUAM*, HAWAII, NEVADA

**Location does not currently have a TWS Chapter*

A SIMPLE CHECKLIST FOR HELPING YOU NAVIGATE THE WORLD OF NONPROFIT COMPLIANCE AND MANAGEMENT

NOTICE

This checklist is attentive to general legal principles but is not intended as legal advice. Rather, it is a starting point for Sections and Chapters to develop and construct policies suitable to their circumstances and compliant with applicable laws. Applicable laws vary based on the location and operations of each organization unit. Sections and Chapters are encouraged to seek legal counsel as needed when developing or implementing new policies.

ORGANIZATION UNIT GOVERNANCE

Core Principles of Effective Management

As a Section or Chapter leader, you are a steward of your organization unit's mission, resources, strategic direction, and culture. Understanding your role and responsibilities as it relates to nonprofit governance is essential to the long-term success of your Section or Chapter. This guide is an introductory **checklist** to the core principles, practices, and steps that every organization unit should consider. It is not a comprehensive guide to managing your Section or Chapter. As you review these materials, we encourage you to find (and can help you find) additional tools, resources, and guidance specific to the needs and circumstances of your organization unit.

Universal to all aspects of The Wildlife Society, though, is a fundamental requirement to operate pursuant to the **TWS Code of Ethics** and **Code of Business Conduct** (hereafter "TWS Code"). All actions taken under the TWS name, affect the collective goodwill and reputation of our Society, its members, and its organization units. The TWS Code exists to ensure the highest standards of professionalism, honesty, and integrity in performing responsibilities and engaging in activities to further the mission of TWS. As a criteria for affiliation, TWS expects each of our organization units and leaders to operate in a manner consistent with the TWS Code. This includes but is not limited to:

- **Legal Compliance:** Organization units must comply with all applicable federal, state, and provincial laws and regulations in the jurisdictions where they were formed and operate.
- **Financial Accountability:** Organization units are expected to maintain accurate financial records, protect assets through strong financial controls, and utilize assets efficiently to advance the interests of the organization as consistent with the TWS charitable purpose.
- **Clear Governance & Transparency:** Organization units shall adhere to, and maintain, core governance documents like their Articles of Incorporation and Bylaws, which define an organization unit's purposes and describe how the organization unit functions.
- **Ethical Conduct:** All members of TWS and its associated organization units must adhere to all provisions of the **TWS Code of Ethics**, and when in doubt, choose the course of highest integrity.
- **Engaged Leadership:** Responsive and dedicated leaders bring life to the vision and mission of an organization unit while fulfilling obligations to members and ensuring that activities of the unit are consistent with its governance policies and responsibilities.

BYLAWS



Bylaws establish the rules that govern the internal management of your organization unit. All Sections and Chapters must maintain bylaws in substantial conformity to the TWS Model Bylaws approved by Council.

INCORPORATION



Incorporation creates a legal entity distinct from the individual members in the organization unit. All Sections and Chapters are encouraged to incorporate in the state (or government) of their primary operations.

TAX EXEMPTION



All properly formed organization units in the United States are included on the TWS group exemption from federal income taxes. Sections and Chapters may also be able to apply for state sales and use tax exemption.

INSURANCE



Insurance helps protect the people, resources, and assets that help fuel the mission of your organization unit. All Sections and Chapters should consider obtaining some level of insurance protection.

TWS AFFILIATION



All properly formed organization units are affiliated with The Wildlife Society®. This allows for limited use of the TWS name. An affiliation agreement further defines the responsibilities/scope of the relationship.

PAPERWORK



All organization units must maintain corporate records, track finances, complete taxes, file annual reports, stay up to date on registrations, and keep their membership lists current.

WHAT ARE BYLAWS

Bylaws establish the core operational framework of an organization, including the privileges of members, duties of the board of directors, and process for holding elections.

WHY ARE BYLAWS IMPORTANT

Bylaws contain all of the details needed for a Section or Chapter to function. They are one of the primary legal documents of any organization unit and essentially serve as the contract between the Section or Chapter, its members, and TWS.

HOW DO WE DRAFT OUR BYLAWS

The Wildlife Society maintains Council-approved Model Bylaws as a guide for organization units. Sections and Chapters are free to draft their own bylaws as long as they are in substantial conformity with the TWS Model Bylaws, consistent with the laws of the state/jurisdiction where the organization unit is operating or incorporated, and approved by its members and TWS Council. It's important to review your Section or Chapter's bylaws every few years to ensure that they match the organization unit's current governance practices and reflect any changes in applicable laws or to the TWS Model Bylaws.

WHAT IS SUBSTANTIAL CONFORMITY

The TWS Model Bylaws contains sample language of articles most commonly included in Section or Chapter bylaws. In some instances, the sample language will not meet the needs of your Section or Chapter. Alternative suggestions, information, and instructions appear in []. In those areas, and when needed to comply with applicable laws, organization units may structure their bylaws to fit the operational preferences of their members.

IMPORTANT — Bylaws only provide the legal baseline for operating your Section or Chapter. All organization units are encouraged to develop a detailed operations or procedures manual that outlines the various processes needed to complete regular or routine tasks. Maintaining a detailed account of tasks important for the organization unit will help future leaders stay current on the Section or Chapter's activities during transitions and ensure that important reporting deadlines are not missed. Examples of items that could be included in an operations or procedures manual include, the process for creating and distributing a member newsletter, additional details on accounting practices, a list of important dates/contacts, and/or descriptions for volunteer roles within the Section or Chapter.

WHEN DO WE GET TWS APPROVAL

Before proposing new or revised bylaws to your membership, contact **TWS** for guidance and to ensure that the proposed changes are consistent with the TWS Model Bylaws. Then, the changes may be put to a membership vote. If approved by the Section or Chapter members, send a final copy of the bylaws to **TWS** for an official letter of approval from Council.

WHAT IS INCORPORATION

Incorporation is the process of creating a separate legal identity known as a corporation. The Wildlife Society is incorporated in the District of Columbia (Incorporated, March 25, 1948).

WHO SHOULD INCORPORATE

All Sections and Chapters of The Wildlife Society. This includes international organization units, though the appropriate legal form and process may differ based on applicable laws.

WHEN DO WE INCORPORATE

An organization unit should consider incorporating once it's officially recognized as a Section or Chapter of The Wildlife Society. Incorporation is especially important for organization units considering entering into a contract, fundraising, engaging in business activities like conferences or other events, and/or cooperating with third parties.

LIABILITY PROTECTION

Incorporation protects board members, officers, and volunteers from personal liability. Debts or lawsuits related to organization unit activities only extend to the organization's corporate assets.

TRANSFERABILITY

Directors, officers, and/or members may manage a nonprofit corporation, but they do not own its assets. As unit leadership changes, management duties can easily be transferred to new members.

CREDIBILITY

Nonprofit incorporation instills confidence in donors that their funds will truly be used to fulfill the mission of the organization.

GROWTH

Incorporation solidifies a unit's presence in a state, secures its name, and provides a foundation for further partnership & growth.

TAX EXEMPTION

Incorporated organization units can apply for state sales and use tax exemptions. This is separate from the 501(c)(3) federal income tax exemption provided through The Wildlife Society's IRS group exemption.

COMPLIANCE

Corporations must comply with the state laws where they were formed. While this could mean ongoing obligations, like annual reports, such formalities also provide greater transparency and operational clarity.

WHY INCORPORATE

HOW TO INCORPORATE

The process for incorporation varies by state and is generally managed by the Office of the Secretary of State (SOS). A good first step is to check your state's SOS website for additional details and guidance on becoming a nonprofit corporation. Before you began the process, be sure to contact **TWS** for the latest organization unit affiliation and bylaws requirements.

WHAT IS TAX EXEMPTION

There are many forms of tax exemption. In general, tax exempt refers to the status of an organization under law and their freedom from requirements to pay income or transaction tax at the federal, state, and/or local level.

WHO IS TAX EXEMPT

The Wildlife Society, Inc. is exempt from federal income tax in the United States pursuant to Section 501(c)(3) of the Internal Revenue Code. All TWS-recognized organization units in the U.S. are included on the group exemption letter held by TWS, which means they too are exempt from federal income tax under Section 501(c)(3) and donations made to their Section or Chapter are tax-deductible. However, this tax exemption does not extend to organization units outside of the U.S. or to taxes levied at the state or local level. Organization units may still be liable for sales and/or business taxes in their local jurisdictions or eligible for additional exemptions from such taxes.

DO WE NEED ADDITIONAL TAX EXEMPTIONS

Maybe... Most, but not all, governments provide for some level of tax exemption for transactions that further, or are incidental to furthering, the charitable purpose of the organization. Some may also impose business taxes on a Section or Chapter if they do not have a valid tax exemption. Becoming a nonprofit does not automatically entitle an organization to exemption from all taxes. Typically, an organization unit must apply for and receive exempt status from the issuing authority of the relevant tax. If your Section or Chapter makes transactions that further the mission of your organization unit or are liable for local business taxes, seeking additional tax exemptions could help save your organization unit money and improve tax compliance.

IMPORTANT — Understanding tax exemption and which taxes your Section or Chapter is exempt from is an important part of managing your organization unit. Improperly claiming a tax exemption or failing to file taxes can result in costly penalties. Moreover, failure of a Section or Chapter in the U.S. to abide by restrictions imposed on Section 501(c)(3) tax exempt organizations could threaten the charitable status of not only your organization unit but all of TWS. For example, no 501(c)(3) organization may endorse a political candidate, participate in substantial lobbying, or provide a private benefit to an individual.

HOW DO WE GET TAX EXEMPTION

If available, tax exemptions can be obtained from the governing authority that administers the tax, typically the department of revenue or taxation. Often, these exemptions are granted automatically after demonstrating proof of Section 501(c)(3) status (**TWS** can help). As a reminder, Sections and Chapters in the U.S. do not need to separately apply for 501(c)(3) exemption.

WHY

DO WE NEED INSURANCE

Insurance protects the assets of the organization unit and its individual officers from liability stemming from errors, wrongful management decisions, or other acts that could result in financial harm. With the small budgets of many Sections and Chapters, making the decision to purchase insurance can be tough. However, small budgets also mean that a single large and unexpected expense could wipe out an organization unit and place it's individual officers and TWS as a whole at risk. Taking steps to mitigate one of the biggest risks to you, your organization unit, and TWS is a prudent management decision.

WHAT

TYPE OF INSURANCE DO WE NEED

There are many different kinds of liability insurance available to nonprofits. The two all Sections and Chapters should consider are Directors and Officers Liability and General Liability Insurance. The former protects against wrongful acts in governing the organization unit and the latter against claims for damages brought against the Section or Chapter.

WHEN

DO WE NEED INSURANCE

The Wildlife Society maintains a number of insurance policies to protect its assets, employees, volunteers, officers, and Council from liability. However, none of these policies extend to Sections and Chapters since they fall outside of the direct control of TWS. Organization units should determine their potential exposure to loss by thinking about all of their activities and the types of risks associated with those activities. Every Section and Chapter will have a different risk profile and not all risk can be avoided. When the activities of a Section or Chapter expose the organization unit to risk, an insurance policy appropriate to cover those risks should be considered.

SLANDER / LIBEL

PERSONAL INJURY

WHAT

IS THE WORST THAT COULD HAPPEN

INFRINGEMENT

BREACH OF DUTY

Nonprofits are not immune from lawsuits. They can pop up unexpectedly from breach of contract, negligence, plagiarism, errors/omissions, harassment, discrimination, & more.

HOW

DO WE GET INSURANCE

Purchasing insurance can be a confusing and complicated endeavor. It's important to find a broker that specializes in coverage for nonprofit organizations. Contact **TWS** if you need help finding a broker and we may be able to help. Once you feel comfortable with a broker, select a coverage that's affordable but tailored to meet the specific needs of your organization unit.

WHO ARE WE

WE ARE THE WILDLIFE SOCIETY! The Wildlife Society exists as an incorporated entity with a membership and headquarters staff but also as the collective sum and embodiment of its many organization units.

HOW ARE WE CONNECETED

All Sections and Chapters are independent entities connected to one another and The Wildlife Society, Inc. through a shared commitment to the charitable purposes and objectives of TWS.

WHAT IS AFFILIATION

Legal affiliation can take many forms. For TWS affiliation centers around the common and shared use of intellectual property that embodies the history, goodwill, and purpose underlying our shared connection—The Wildlife Society®. Affiliation between TWS and all Sections and Chapters is included within every organization unit's bylaws through specific criteria for affiliation, which require conformance to the objectives and Code of Ethics of TWS. While the specific activities and focus of organization units may vary, use of the TWS® trademark ensures a uniform and steadfast commitment to the common values, integrity, and purpose underlying our professional society. To further define this affiliation and the legal relationship between TWS and Sections and Chapters, a separate affiliation agreement is also strongly encouraged.

WHY AN AFFILIATION AGREEMENT

CLARITY & CERTAINTY

It further defines in clear terms the scope of use and rights of the Section or Chapter to use The Wildlife Society® trademark.

EXTERNAL RELATIONS

It specifically acknowledges the authority/independence of the parties, which is often requested when applying for grants or signing contracts.

RESPONSIBILITIES

It outlines the responsibilities of each party, like Section/Chapters providing annual reports and TWS providing administrative support.

HOW DO WE ENTER INTO AN AFFILIATION AGREEMENT

Prior to entering into an affiliation agreement with TWS, certain prerequisites need to be completed, like incorporation. An agreement is not needed for affiliation but is strongly encouraged. If your Section or Chapter is ready for an affiliation agreement, contact **TWS** for a copy of our base agreement. Conditions for affiliation may change from time to time.

WHAT!

PAPERWORK!!!

Yes, it's true. Operating a Section or Chapter does require some paperwork. Maintaining accurate records, submitting timely reports, and documenting processes are all part of effective nonprofit management.

HOW

MUCH PAPERWORK

It depends. At a minimum, there are certain core documents that your Section or Chapter need to maintain. These are often referred to as corporate records and include things like your bylaws, evidence of tax exempt status, and certificate or articles of incorporation. Then there are annual reports and tax filings, like your Section or Chapter's annual report to TWS, 990EZ/990N filings, annual nonprofit business and charitable registration reports to applicable government agencies, and insurance policy renewals. Finally, on a regular basis your Section and Chapter should maintain accurate financial records, updated member lists, minutes of all meetings, organized records of contracts or agreements, accurate contact lists for all organization unit officers, lobbying logs, organization unit policies, and clear process documents for regular administrative or member services oriented tasks.

WHEN

DO WE NEED TO
DO PAPERWORK

Maintaining accurate and up to date records is a year-round responsibility, but there are steps you can take to mitigate the administrative burdens on your Section or Chapter. Creating a shared master list of reports, filings, and other important tasks will help ensure that future Section or Chapter leaders don't miss important deadlines throughout the year—Example below.

Date of last update/submission	Record/Document	Notes
UPDATE ANNUALLY (or "Update Regularly" "Update Monthly" or "Core Documents")		
January 15, 2021	Annual Report to TWS	Due Jan. 31 / Send to Mariah
December 18, 2020	Solicitation Registration (update)	\$50 / Due Dec. 31 / Sec. of State

CAN

TWS HELP

Of course. TWS tries to alleviate the burden of paperwork as much as we can. This includes preparing and submitting annual 990N tax filings, maintaining a list of common **reporting requirements**, sending reminder notifications for annual reports, and digitally storing copies of important organization unit documents as a redundancy in case the originals are ever lost. However, it would be impossible for us to manage all Section and Chapter specific reports and deadlines, which is why paperwork is included as an essential governance element for Section and Chapter leaders to consider.

WHERE TO START

This guide outlines important principles of legal compliance and sound governance key to preserving the integrity of each organization unit and TWS as a whole. You may be wondering, “That’s great, but how do I prioritize all of this?” Start with an organizational assessment like the one outlined below. Identify possible gaps in your unit’s governance practices and use the corresponding FAQ sheets to help strengthen your Section or Chapter’s governance framework.

1 BYLAWS

Check your unit’s bylaws...

Verify when your bylaws were last reviewed. If it has been more than **3-5 years**, establish a committee to review the document and determine if changes are needed.

Can’t find your unit’s bylaws..?

Contact **TWS** for a copy or to get started.

2 INCORPORATION

If your unit is incorporated...

Send **TWS** copies of the organizing documents.

If your unit is **NOT** incorporated...

Unit officers may be held personally liable for actions and debts of the unit. Investigate the steps to get incorporated as soon as possible. The process is simple and **TWS** can assist.

3 TAX EXEMPTION

All officially recognized TWS organization units are federally (U.S.) tax exempt under § 501(c)(3).

If your unit has state exemptions...

Verify that the exemptions are still valid.

If unit has **NO** state exemptions...

Confirm your state tax liabilities and check to see if your unit is eligible for an exemption.

4 INSURANCE

If your unit has insurance...

Verify that the insurance provides adequate coverage for your unit’s needs and activities.

If your unit has **NO** insurance...

Investigate options for Directors and Officers Liability and/or General Liability insurance. Contact **TWS** for help finding a broker.

5 TWS AFFILIATION

Check criteria for affiliation...

Verify that your unit’s activities are consistent with the criteria for affiliation outlined in the unit’s bylaws or TWS affiliation agreement.

If you need a TWS agreement...

Contact **TWS** to get started. Help bring greater clarity to your unit’s operations.

6 PAPERWORK

If your unit maintains records...

Ensure more than one individual has access to those records and that they adequately capture important unit documents and processes.

If your unit has **NO** shared files...

Create a shared master list of reports, filings, and other important tasks and documents.