Start Up Chapter Guide
Module 3
Thinking about Sustainability & Operations
# Table of Contents

**Introduction** ........................................................................................................................................... 4  
**Obtaining a Legal Status** ......................................................................................................................... 5  
  Incorporation ........................................................................................................................................... 5  
  Federal Tax Exemptions .............................................................................................................................. 5  
**Obtaining a bank account as a YNPN Chapter** ...................................................................................... 6  
  What do you need? ................................................................................................................................... 6  
  Accounting of Funds and Bank Records ...................................................................................................... 6  
  Other Things to Consider ............................................................................................................................ 7  
**Defining Your Membership** ...................................................................................................................... 7  
**Data Management and Standards** .......................................................................................................... 7  
**Workplan and Assessment** ..................................................................................................................... 10  
  Next Steps: ............................................................................................................................................. 10
Thank you for your interest in starting a chapter in your community!

This guide will give you the tools and step-by-step instructions to help you build your chapter, as well as an overview of the resources that YNPN National offers.

Objectives:
- Aware of YNPN history and context [Module 1]
- Understand relationship and affiliation structure between National and Local Chapters [Module 1]
- Understand the steps to becoming a start-up chapter [Module 2]
- Aware of different resources and technical assistance that are available for start-up chapters [Module 3]
- Feel ready and empowered to be part of the network [Module 3]
Introduction
Thinking about sustainability and operations
In this module:
1. Obtaining a legal status
2. Obtaining a bank account
3. Defining Membership
4. Data Management

Once your Start Up chapter has managed to show progress in Chapter Leadership, Membership and Programs, and Website and Social Media Presence, you can start thinking on how to sustain the momentum, and start thinking about long-term strategic plans for your chapter.

The following are the kinds of infrastructure and sustainability measures chapters need to be officially affiliated with YNPN. While chapters would need a legal status to be legally affiliated with YNPN, we understand that this could be a long process. Therefore, Start-Up Chapters can apply to be recognized as a Novice Chapter as they continue to work on the following operations and sustainability goals:

Legal Status
1. To be officially affiliated with YNPN, chapters must have their own legal status. Before they can be promoted from startup to novice chapter status, chapters must have or be in the process of acquiring a legal status

Banking & Fiscal Policies
1. Chapters will be required to set up a bank account that will allow them to process money
2. Chapter will be required to develop and adhere to fiscal oversight policies

Have a definition of membership at the local level and participate in shared local-national membership Clear & Shared Membership Policy
1. Chapters will be expected to clearly define their membership status and benefits whether paid or unpaid
2. Members of local YNPNs are members of YNPN National
3. We will have access to their data and will be able to solicit them annually for information and donations according to policies which will be spelled out

Data Management
1. Chapters will be required to have a data management strategy
2. Chapters will be required to regularly report on the areas outlined as part of the shared standards

Income Generation
1. Chapter should have a revenue generation plan
Obtaining a Legal Status

Obtaining a legal status allows the chapter to operate independently and have greater control over their own finances, governance, and strategy.

Chapters can obtain legal status through various means such as federal tax exemptions (501(c)(3), 501(c)(6)), fiscal sponsorship, registering as an LLC, or incorporating within your state.

YNPN strongly recommends that every chapter acquire their own legal status as part of affiliating with YNPN National.

If chapters do not have already have certification of their federal tax status, National can offer technical support and resource guides to chapters looking to obtain their various legal statuses.

Incorporation

What does it mean to be incorporated?

Incorporating means having your organization formally recognized by your state of incorporation.

To incorporate the organization must be structured according to specific state laws. These laws include having a "creating document" commonly known as the articles of incorporation, and rules of operation, which are commonly known as bylaws. Usually, there is a board of directors and officers, and state laws (usually) limit the liability of members in varying degrees.

Unincorporated organizations is still a formal structure with an official structure. However, a constitution or other policies may take the place of the articles of incorporation, and there is no protection against personal liability.

Individual states, and not the federal government, grant official nonprofit status. They may do so in slightly different ways, and give slightly different advantages for obtaining it. However, the federal government can recognize your nonprofit status. If you want to apply for tax-exemption, for example, you must be recognized as nonprofit by the federal government.

Federal Tax Exemptions

A first important distinction to make is that granting nonprofit status is done by the state whereas tax-exempt designation (such as 501(c)(3), the charitable tax-exemption) is granted by the federal government in the form of the IRS.
Whether or not you incorporate, you can apply for Federal Tax Exemptions.
Learn more about different kinds of legal statuses and processes of getting a legal status [here](#).

**Obtaining a bank account as a YNPN Chapter**

**What do you need?**

1. **Tax Identification Number**
   1. If your chapter is incorporated, you would need an [Employee Identification Number](#) and certificate of incorporation.
   2. If your chapter is NOT incorporated, you would need a Social Security Number or Individual Taxpayer Identification Number (ITIN) of one or two of your officers.

2. **A charter, articles of organization, or similar legal document that shows when your chapter was formed. A charter or other official document that lists the officers of your organization.**

3. **Bylaws**
   1. The bylaws must provide a clear summary of the purpose of the non-profit organization. Bylaws must name the board members, and those who will be responsible for the bank account. The bylaws should stipulate not only the goal of the non-profit organization, but also the board policies.

4. **Authorized Signers**
   1. Authorized signers are the people who are authorized to sign checks, or make transactions on behalf of your chapter
   2. A government-issued photo ID and Social Security numbers are needed to be a signer
   3. Banks generally require the president, the vice president and the treasurer to be listed among the authorized signers on the account

**Accounting of Funds and Bank Records**

Clear records should be kept of all funds deposited into the account. Your chapter should have the following statements:

1. **Balance statement**
2. **Cashflow statement**
3. **Statement of functional expenses**
Other Things to Consider

**Minimum deposit, minimum balance**
Chapters should be aware of chapter's cashflow and whether or not you will be able to meet the minimum deposit in opening a bank account, and the minimum balance in the account.

**Fees**
Check with your bank on annual fees, transaction fees, and any other fees that might be incurred.

**Policy**
Chapters should have a policy on managing the bank account, which includes check signing procedures, bookkeeping, succession process.

**Credit Unions**
Most national banks will have an account specific to nonprofit organizations, but you might want to consider looking into credit unions, and smaller local banks and see if they have any nonprofit discounts.

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**Defining Your Membership**

Chapters will be expected to clearly define their membership status and benefits whether paid or unpaid. Members of local YNPNs are members of YNPN National, so communications to your members should include this.

Here are some resources to help you and your board think about defining membership.

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**Data Management and Standards**

To prepare your chapter in getting on NationBuilder, we recommend the following data management practices:

1. Start collecting membership data, partners data and donors data using [YNPN National NationBuilder Templates](#).
2. [Clean your data](#) every few months so that your list is always current.

Over the years we’ve heard from chapter leaders that a benchmarking system of shared standards for the network would be helpful as chapters attempt to measure their progress and impact at the local level. YNPN National has developed the following shared standards and using them as the basis for our data and evaluation processes.

Shared standards:
- [Chapter Infrastructure](#)
- [National and Sector Facing](#)
- [EDI, Data & Metrics](#)
- [Membership and Programming](#)
Being Part of the Network

Getting Officially Affiliated with YNPN

If a Novice chapter feels ready to be officially affiliated with YNPN, chapters will need to:
- sign an Affiliation Agreement that will carry through the end of the fiscal year then renewed on an annual basis.
- transition onto the NationBuilder platform by importing chapter data and building our website.
- be on the path to being recognized as a legal entity in their state (if they are not already) and be able to process financial transactions.
- have a clearer sense of their strengths and immediate strategic priorities for growth.
- have made significant progress toward defining membership and be on track to launch a membership program within three months of coming onboard.

Throughout this process, YNPN National will provide resources such as group trainings and written guides to walk chapters through the processes they need to accomplish the above stated goals. YNPN National will also provide technical assistance to chapters as necessary.

YNPN National Technical Assistance

Technological Infrastructure
- NationBuilder
- Maestroconference

Training and Peer Learning Spaces
- National Conference
- Workshops and trainings led by YNPN National and/or national experts
- Program Xchanges
- Technical Assistance for chapters
- Leaders site and resource library

Tools for Data and Impact Measurement
- Shared standards
- Impact indicators
- Aggregated Data
- 1:1 Technical Assistance

Connection to the YNPN Network and Brand
- Framing and Guiding Documents, like the Theory of Change and Five Pillars of Leadership Development, and Branding and Messaging guides
- Media and public relations work done by YNPN National on behalf of the network that raises visibility of YNPN (examples: partnerships with NPQ, coverage in Stanford Social Innovation Review and Chronicle of Philanthropy, speaking at national conferences and events)
Professional Development Opportunities Specifically for Chapter Leaders

- Opportunities that occur through participation in the work of the National network: Access to training and resources, participation in Chapter Congress or other specialized work, opportunities to speak at the National Conference

Continuity and Knowledge Management

- Being a volunteer-run organization means that all chapters experience highs and lows in their chapter leader engagement and activity. Connection with the national network and technology platform means that if your chapter experiences a lull in activity - planned or unplanned - you have outside support to keep you going and a place to keep your data in the meantime.

Connecting With Other Chapters

With over 35 established chapters, these chapters are great resources for Start Up chapters. Many of these chapters have been through the process, learned from their mistakes, and can provide some helpful tips and best practices.

YNPN National encourages chapters to reach out and network with each other and hosts a leaders list serv, a Leaders Newsletter, national conference calls and webinars, and a national conference to help chapters meet and network. National will also facilitate introductions with specific chapters as might be helpful to aid Start Up chapters’ development.

Connecting with Other Chapter Leaders

Program XChanges

Program XChanges are held twice a month, and is a platform for Chapter Leaders to come together to share their programs and events. Past Program XChange topics include mentorship programs, signature events, book clubs, and fundraising events.

National Conference

Every year, YNPN National, in partnership with a local chapter, hosts an annual conference which brings together YNPN leaders from across the country for three days of networking, professional development, and chapter collaboration.

Leaders' Site

The Leaders' Site allows chapter leaders to share resources and connect with each other, and serves as another place for chapter leaders' voices can be heard.

Chapter Congress

Chapter Congress is the forum used to connect local YNPN chapters with YNPN National around topics and issues that affect the YNPN network.

Chapter Congress Overview

Chapter Congress connects YNPN chapters with YNPN National around topics and issues that affect the network. Congress is a space for discussing those issues and receiving feedback from our chapters on the work and priorities of the network.
Each chapter selects a chapter congress representative (and one alternate) as the point person for YNPN National. Congress meets every other month for 1 hour. Usually the calls are on Wednesday nights at 8 pm ET.

In addition to attending the bi-monthly meetings, chapter reps are asked to be conduits of information between chapters and National. We put together a regular Chapter Congress rundown that Congress reps receive with information about Chapter Congress work and news they can take back to the chapters. We also welcome information from your chapters about what you’re working on and often ask reps to share that during the meetings.

**Workplan and Assessment**
- Operations and Sustainability Workplan
- Novice Chapter Recognition Application

**Next Steps:**
- Schedule an assessment call with YNPN Staff
- Start working on Operations and Sustainability workplan
- Apply for Novice Chapter Recognition

Resources by Topic:
- [Legal Status](#)
- [Membership](#)
- [Website and Data Management](#)