Novice Chapter Guide & Application Checklist

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As part of the process towards official affiliation with the YNPN National Network, startup chapters may choose to establish Novice chapter status. This allows for the chapter to be more formally recognized in the YNPN National Network as it continues to work on improving operations and sustainability to meet requirements for signing an affiliation agreement and becoming an officially recognized chapter.

This guide provides an overview of the main areas of operations that Novice chapters are expected to work on in order to maintain their status and continue progress towards meeting requirements to sign an affiliation agreement to join the YNPN National Network as an official chapter.
One requirement of the current YNPN affiliation agreement is that chapters obtain legal status before being confirmed as an official chapter in the YNPN National Network. Legal status is required for several reasons, including the necessity of creating governance documents such as bylaws, procedures and operations manuals, and being recognized as a legal entity in the state in order to open a bank account and conduct financial transactions for the organization.

Although legal status is required, chapters are not required to immediately obtain tax exempt status. Each state will have a variety of options for chapters to incorporate, with the most popular options selected by chapters being a state corporation or a 501(c)(3) nonprofit. As your startup chapter begins planning for taking the next step and signing the affiliation agreement, researching the potential options for legal status in your state is a key step and should be a priority to provide a foundation for future growth.

There are a number of resources available with more information about legal status, but an excellent starting point is usually with the state nonprofit association where your chapter is located. They often have resources and information related to federal and state law for establishing a nonprofit, and may have information about pro bono legal partners who can assist with questions your chapter may have about going through this process.

Questions to Ask & Legal Status Defined
Legal Status Overview
Legal Status Discussion Guide
An important need for formally establishing your chapter is to have a clear idea what your board/leadership structure will be. This would include specific positions for officers, term limits for board members, and committee structures.

In developing a plan for your governance and leadership structure, you should also consider recruitment, nomination, and election processes. This includes a current assessment of your core leadership group and their areas of expertise; recruitment should also focus on finding candidates to address current or expected gaps in needed skills, experience, and diversity for your board.

Although it may seem early to begin considering this, start to craft a plan regarding the onboarding experience for new board members, board training resources, board expectations (around things like attendance, recruitment, and fundraising), and succession planning. Creating (and maintaining!) a strong core leadership group on your board is essential to having a chapter that can offer high-quality programming and benefit your local community and nonprofit sector for years to come.

**Board and Governance Resources:**
National Council of NonProfits

**Characteristics of an Effective Board Meeting**

**Leading with Intent: BoardSource (2017)**
One crucial element to becoming an official chapter in the network is establishing a clear plan for membership. Defining membership is an important decision for all local chapters in the YNPN network since each individual chapter is in the best position to determine the combinations of membership benefits, pricing, and structures that will best appeal to young nonprofit professionals and supporters in the area.

Here are a few questions to help guide your chapter’s discussions around developing a membership plan that will work best for your chapter:

- **Will we have a paid or unpaid membership plan?** If membership will be unpaid, what other sources of revenue will our chapter have to make running the organization sustainable?

  *If we have paid membership, will we offer one membership plan or multiple levels of membership?*

  *What benefits and opportunities will our chapter offer to our members?*

  *Will we have any restrictions or limitations will our chapter have on who can become a member?*

**Membership Discussion Guide**
DATA MANAGEMENT

An important aspect of the affiliation agreement and joining the YNPN National Network as an official chapter is your chapter's commitment to collecting and sharing data. By sharing limited data and agreeing to participate in data gathering efforts by YNPN National, local chapters contribute to the ability of YNPN to serve as an advocate for the national network of young professionals who are YNPN members.

All official chapters are allowed access to NationBuilder as a platform for establishing an official website and acting as a database for storing important information for their chapter (membership, event registration, financial transactions, donations, and supporter interaction via the site/social media).

Under the affiliation agreement, sharing and use of data is governed by the official YNPN Data Policy, which is available for your review at the link below. Before signing the affiliation agreement, your board should review the Data Policy to clearly understand the requirements for chapters, how YNPN National will use shared data, and the data privacy requirements for member data.

YNPN Data Policy
As you undertake the process for becoming an official chapter in the YNPN National Network, you will need to develop a plan for opening a bank account, outlining a plan for budget creation and management, and processing membership fees and donations.

The requirement should also be a consideration for your chapter during board recruitment - identifying one or more chapter leaders who have some experience in budgeting and finance should be a priority. This is crucial considering the serious consequences that can result from a lack of financial controls or failure to meet compliance standards, up to and including loss of tax-exempt status. Financial transparency and information sharing with your members and stakeholders is also a cornerstone of effective organizational governance.

As your chapter onboards to NationBuilder, a bank account will be necessary for processing online payments (membership fees, event ticket purchases, merchandise sales) and online donations through NationBuilder. In NationBuilder, you will have the option of selecting a payment processor (PayPal and Stripe are the most common/popular) to be able to receive funds and track financial information from transactions conducted through your NationBuilder site.

Although not necessary immediately, larger chapters in the YNPN National Network often elect to use popular accounting software such as QuickBooks or Xero in order to maintain an accurate budget and accounting records for the chapter.

Financial Management Resources:
National Council of NonProfits
SIGNING THE YNPN AFFILIATION AGREEMENT

The final step to becoming an official chapter in the YNPN National Network is to have the appropriate designated official(s) from your chapter sign an official affiliation agreement with YNPN National. Included below is a link to the standard version of the affiliation agreement; in certain instances, YNPN National will engage in discussions with specific chapters to provide a customized affiliation agreement that meets their needs (for example, if a chapter has a fiscal sponsor who would like to edit or add language to certain provisions).

Many of the requirements and policies discussed in this guide are outlined in more detail in the affiliation agreement, so it is highly recommended that your chapter leadership reviews that document carefully. By doing so, you can be prepared for final discussions with the YNPN National Team to execute and complete your affiliation agreement.

YNPN Affiliation Agreement - 2017 to 2019
CHAPTER APPLICATION CHECKLIST

Here is a checklist of key points to review to make sure your chapter meets all of the requirements to become an official chapter under the current affiliation agreement:

- Your chapter has official legal standing (is incorporated in your state - may also include approval as a tax exempt 501(c)(3) organization);
- You have implemented a board/chapter leadership structure;
- You have created an organizing set of governing documents (bylaws and board policy manual);
- Your chapter has a well-defined plan for membership (pricing, membership tiers, member benefits, member recruitment);
- A plan for your chapter's financial management - banking, sources of revenue, annual budget;
- Research on compliance with state and federal regulations for your chapter - required filings and reporting documents;
- Ability to create chapter website content and collect data in NationBuilder;
- You have established a communications and marketing strategy for outreach to members, supporters, and community members - email outreach, social media (Facebook/Twitter/LinkedIn/Instagram)