

Chi Epsilon, Inc. National Policies¹

4.1 General Office Policy

4.1.1 Charitable Contributions

Chi Epsilon annually solicits the membership for a portion of its funding. The individual donor has the option of directing all or part of the donation to either the General Fund and/or the Scholarship Fund. Donations to Chi Epsilon are typically made by check and/or credit card. On receipt of checks, each check is stamped for deposit only and a record of the donation amount and distribution is created for the donor in our membership database. A 'Thank You' letter, including tax deductibility information, is transmitted to each donor. While checks are readied for bank deposit, they are kept in a secure location. Deposits are typically made twice a month depending on the volume of checks received by the national office. Additional deposits are made to reduce the number of checks retained in-house at any given time.

Credit card donations are handled through Authorize.net and the Chi Epsilon webstore so that no credit card information is captured by this office. On notification of receiving a credit card donation, the donor information list provided above is entered into the membership database. Similarly, the credit card donor also receives a 'Thank You' letter and associated tax deductibility information.

4.1.2 Credit Card use by National Office

The Executive Secretary (Secretary/Treasurer) maintains a credit card issued through CitiBusiness and a debit card issued through Chase Bank. The purpose for the credit card is to provide for a convenient method of paying for office supplies, postage (shipping via FedEx/UPS or other), and expenses incurred while traveling on behalf of Chi Epsilon. The debit card is used for similar purposes, but is only used in emergency.

All expenses are documented with receipts and are paid at the time of receipt to avoid late fees and/or penalties.

4.1.3 Conflict of Interest

This Conflict of Interest Policy of Chi Epsilon Civil Engineering Honor Society: (1) defines conflicts of interest; (2) identifies classes of individuals within the Society covered by this policy; (3) facilitates disclosure of information that may help identify conflicts of interest; and (4) specifies procedures to be followed in managing conflicts of interest.

¹ Excerpted from XE Accounting Procedures and Management Policy Manual (7-31-2014)

1. **Definition of conflicts of interest:** A conflict of interest arises when a person in a position of authority over the Society may benefit financially from a decision he or she could make in that capacity, including indirect benefits such as to family members or businesses with which the person is closely associated. This policy is focused upon material financial interest of, or benefit to, such persons.
2. **Individuals covered:** Persons covered by this policy are the Society's officers, National Councillors, National Secretary/Treasurer, National Office Administrator and National Office employed staff.
3. **Facilitation of disclosure:** Persons covered by this policy will annually disclose or update to the President of Chi Epsilon, on a form provided by the Society, their interests that could give rise to conflicts of interest, such as a list of family members, substantial business or investment holdings, and other transactions or affiliations with businesses and other organizations or those of family members.
4. **Procedures to manage conflicts:** For each interest disclosed to the President of Chi Epsilon, the President will determine whether to: (a) take no action; (b) assure full disclosure to the National Council and other individuals covered by this policy; (c) ask the person to recuse from participation in related discussions or decisions within the Society; or (d) ask the person to resign from his or her position in the Society or, if the person refuses to resign, become subject to possible removal in accordance with the Society's removal procedures. The Society's National Secretary/Treasurer will monitor proposed or ongoing transactions for conflicts of interest and disclose them to the President of Chi Epsilon in order to deal with potential or actual conflicts, whether discovered before or after the transaction has occurred.

4.1.4 Document Retention and Destruction Policy

This Document Retention and Destruction Policy of Chi Epsilon Civil Engineering Honor Society identifies the record retention responsibilities of staff, volunteers, members of the National Council, and outsiders for maintaining and documenting the storage and destruction of the Society's documents and records.

Rules: The Society's staff, volunteers, members of the National Council and outsiders (i.e., independent contractors via agreements with them) are required to honor these rules: (a) paper or electronic documents indicated under the terms for retention below will be transferred and maintained by the Human Resources, Legal or Administrative staffs/departments or their equivalents; (b) all other paper documents will be destroyed after three years; (c) all other electronic documents will be deleted from all individual computers, data bases, networks, and back-up storage after one year; and (d) no paper or electronic documents will be destroyed or deleted if pertinent to any ongoing or anticipated government investigation or proceeding or private litigation.

Document Destruction

The Document Retention and Destruction Policy identifies the record retention responsibilities of staff, volunteers, members of the board of directors, and outsiders for maintaining and documenting the storage and destruction of the organization's documents and records.

The organization's staff, volunteers, members of the board of directors, committee members and outsiders (independent contractors via agreements with them) are required to honor the following rules:

- a) Paper or electronic documents indicated under the terms for retention in the following section will be transferred and maintained by (fill in the blank based on the organization's practices);
- b) All other paper documents will be destroyed after three years;
- c) All other electronic documents will be deleted from all individual computers, data bases, networks, and back-up storage after one year;
- d) No paper or electronic documents will be destroyed or deleted if pertinent to any ongoing or anticipated government investigation or proceeding or private litigation (check with legal counsel or the human resources department for any current or foreseen litigation if employees have not been notified); and
- e) No paper or electronic documents will be destroyed or deleted as required to comply with government auditing standards (Single Audit Act).

Record Retention

The following table³ indicates the minimum requirements and is provided as guidance to customize in determining your organization's document retention policy. Because statutes of limitations and state and government agency requirements vary from state to state, each organization should carefully consider its requirements and consult with legal counsel before adopting a Document Retention and Destruction Policy. In addition, federal awards and other government grants may provide for a longer period than is required by other statutory requirements.

1. Retain permanently:

Governance records – Constitution and amendments, Bylaws, other organizational documents, governing council and Conclave, and council and Conclave committee minutes.

³ Adapted from National Council of Nonprofits

Tax records – Filed state and federal tax returns/reports and supporting records, tax exemption determination letter and related correspondence, files related to tax audits.

Intellectual property records – Copyright and trademark registrations and samples of protected works.

Financial records – Audited financial statements, attorney contingent liability letters.

Membership records – written and printed, as well as digital equivalents.

2. Retain for ten years:

Pension and benefit records -- Pension (ERISA) plan participant/beneficiary records, actuarial reports, related correspondence with government agencies, and supporting records.

Government relations records – State and federal lobbying and political contribution reports and supporting records.

3. Retain for three years:

Employee/employment records – Employee names, addresses, social security numbers, dates of birth, INS Form I-9, resume/application materials, job descriptions, dates of hire and termination/separation, evaluations, compensation information, promotions, transfers, disciplinary matters, time/payroll records, leave/comp time/FMLA, engagement and discharge correspondence, documentation of basis for independent contractor status (retain for all current employees and independent contractors and for three years after departure of each individual).

Lease, insurance, and contract/license records – Software license agreements, vendor, hotel, and service agreements, independent contractor agreements, employment agreements, consultant agreements, and all other agreements (retain during the term of the agreement and for three years after the termination, expiration, and non-renewal of each agreement).

4. Retain for one year:

All other electronic records, documents and files – Correspondence files, past budgets, bank statements, publications, employee manuals/policies and procedures.

RETENTION TABLE

Document Type	Retention Time
Chi Epsilon governance records – Constitution and amendments, Bylaws, organizational documents, governing Council and Conclave committee minutes	Permanently
Audit reports	Permanently
Checks (for important payments and purchases)	Permanently
Correspondence (legal and important matters)	Permanently
Deeds, mortgages, and bills of sale	Permanently
Depreciation schedules	Permanently
Year-end financial statements	Permanently
Insurance records, current accident reports, claims, policies, and so on (active and expired)	Permanently
Minute books, bylaws, and charter	Permanently
Patents and related papers	Permanently
Retirement and pension records	Permanently
Tax returns and worksheets	Permanently
Trademark registrations and copyrights	Permanently
Accounts payable ledgers and schedules	7 years
Contracts, mortgages, notes, and leases (expired)	7 years
Expense analyses/expense distribution schedules	7 years
Invoices (to customers, from vendors)	7 years
Payroll records and summaries	7 years
Personnel files (terminated employees)	7 years
Timesheets	7 years
Withholding tax statements	7 years
Bank statements	3 years
Employment applications	3 years
Internal audit reports	3 years
Inventory records for products, materials, and supplies	3 years
Bank reconciliations	2 years
Correspondence (general)	2 years
Correspondence (with customers and vendors)	2 years
Duplicate deposit slips	2 years
Contracts (still in effect)	Contract period

4.1.5 Disaster Recovery

The primary servers used to maintain the Chapter Administration System, Chi Epsilon's various databases, and the common files used in the national office are backed up using Backblaze. Payment for these services is based on an annual contract of \$50.00 (2013). The national office also maintains appropriate renters and other forms of liability insurance to replace office fixtures and equipment destroyed during fire and/or theft.

4.1.6 Internet and Phone Service

Internet and phone service is provided by the University as part of our lease agreement. The use of these services (excluding internet radio or other similar free music services) for personal use should be limited to no more than 10 minutes per day, unless extenuating circumstances such as family emergency or illness require more. Doing personal business on line with a computer or smart phone should only be done when on break or during lunch.

Use of University internet and/or phone service for personal gain is prohibited.

4.1.7 Joint Venture Policy

This Joint Venture Policy of Chi Epsilon Civil Engineering Honor Society requires that the Society evaluate its participation in joint venture arrangements under Federal tax law and take steps to safeguard the Society's exempt status with respect to such arrangements. It applies to any joint ownership or contractual arrangement through which there is an agreement to jointly undertake a specific business enterprise, investment, or exempt-purpose activity as further defined in this policy.

1. **Joint ventures or similar arrangements with taxable entities:** For purposes of this policy, a joint venture or similar arrangement (or a "venture or arrangement") means any joint ownership or contractual arrangement through which there is an agreement to jointly undertake a specific business enterprise, investment, or exempt-purpose activity without regard to: (1) whether the Society controls the venture or arrangement; (2) the legal structure of the venture or arrangement; or (3) whether the venture or arrangement is taxed as a partnership or as an association or corporation for federal income tax purposes. A venture or arrangement is disregarded if it meets both of the following conditions:
 - a. 95% or more of the venture's or arrangement's income for its tax year ending within the Society's tax year is excluded from unrelated business income taxation, [including but not limited to:
 1. dividends, interest, and annuities;
 2. royalties;

3. rent from real property and incidental related personal property except to the extent of debt-financing; and
 4. gains or losses from the sale of property]; and
- b. The primary purpose of the Society's contribution to, or investment or participation in, the venture or arrangement is the production of income or appreciation of property.

Safeguards to ensure exempt status protection: The Society will: (a) negotiate in its transactions and arrangements with other members of the venture or arrangement such terms and safeguards adequate to ensure that the Society's exempt status is protected; and (b) take steps to safeguard the Society's exempt status with respect to the venture or arrangement. Some examples of safeguards include:

- a. Control over the venture or arrangement sufficient to ensure that it furthers the exempt purpose of the organization;
- b. Requirements that the venture or arrangement gives priority to exempt purposes over maximizing profits for the other participants;
- c. That the venture or arrangement not engage in activities that would jeopardize the Society's exemption; and
- d. That all contracts entered into with the organization be on terms that are arm's length or more favorable to the Society.

4.1.8 Office Staffing

Policy Statement

Full-Time Employees (working more than 46 weeks per year) - The National Office is to be staffed by at least one individual during regularly scheduled business hours. During the school year (fall and spring semesters) the office will be open Monday through Friday with normal business hours from 9:00 am to 5:00 pm CT. It is permissible for the office staff to stagger the time at which they start and/or end their day provided there is someone in the office during normal business hours. During the summer, office hours will be somewhat more flexible. Office staff may elect to work a portion of their hours (not more than 12 hours) from home. This position affords the opportunity to work from home an extra 1 to 1-1/2 hours per day so that the employee can take an extra half day off either before or after the weekend. The staff should coordinate with the office manager as to which day they will be working at home and whether or not they intend to take the extra half day off. Work performed at home should focus on updating the membership database and chapter records maintenance, routine publications and/or other tasks assigned by management.

All other Employees (working less than 46 weeks per year) – Employees working during the fall and spring semesters are encouraged to be in the office during normal business hours. However, some flexibility is available depending on the needs of the employee. Earlier or later arrival in the office to accommodate delivery of school aged children is permissible. Similar accommodation can be made for picking up school aged children as needed. Employees are expected to work at least 7.5 hours per day regardless of whether they are in the office or working remotely. In the event of sickness in school aged children, employees have the ability to remotely connect into the Chi Epsilon computer system and continue to work from home as needed.

Breaks

Two 15 minute breaks (more or less) and half hour lunch break, away from your office, is strongly encouraged. These periodic breaks are needed to reduce stress and limit the potential for development of repetitive motion injury. The office staff must coordinate breaks and lunch periods so that at least one member of the staff is present in the office during business hours.

4.1.9 Policy on the Process for Determining Compensation

This Policy on the Process for Determining Compensation of Chi Epsilon Civil Engineering Honor Society applies to the compensation of the following persons employed by the Organization:

National Executive Secretary (Secretary/Treasurer)

and

National Office staff

The process includes all of these elements:

- 1. Review and approval:**

The compensation of the person is reviewed and approved by the National Conclave Budget Committee of the Society, and by the delegates and National Councillors at the Conclave, provided that persons with conflicts of interest with respect to the compensation arrangement at issue are not involved in this review and approval.

2. **Use of data as to comparable compensation:**

The compensation of the person is reviewed and approved using data as to comparable compensation for similarly qualified persons in functionally comparable positions at similarly situated organizations.

3. **Contemporaneous documentation and recordkeeping:**

There is contemporaneous documentation and recordkeeping with respect to the deliberations and decisions regarding the compensation arrangement.

4.1.10 Reimbursements

Expenses incurred by members of the National Council will be made following submittal of receipts and associated expense forms. Example expense form is presented in the Appendix.

4.1.11 Web Store Privacy Policy

Chi Epsilon values its customers and members greatly and wants to make sure that all who use the Web Store know that we take your privacy very seriously.

Information Collected:

The information kept is name, address, telephone number, email address. We do NOT store our customers 3 digit credit card security codes anywhere on our servers at any time. This information is never sold nor provided to any third party at any time, except where required to comply with applicable Federal or State law.

How long is the information kept?

The information that you, the consumer inputs, is kept perpetually unless you request this information be deleted from our server. This information is kept in this manner to make your next purchase a more enjoyable experience by not having to continually input it each and every time you make a purchase. This information is also kept to help improve the online experience through web site enhancements.

How is this information protected?

The information is protected via the use of 128/256 bit encryption technologies. We also have the advantage of the additional protection provided by having our serving installed behind a secure firewalled, network. This network is monitored and maintained by Time Warner Cable.

How are the items shipped and by what method?

The majority of the items are shipped within 24-48 hours of your order being received and are shipped via USPS. Other items, such as jewelry may take up to 6 weeks from our vendor and are shipped USPS or UPS ground.

Refund Policy:

A refund is given if a purchaser is not a member of Chi Epsilon (this determined by the national office via our database).

A refund is given if a purchaser has clearly made a duplicate order; and only after the national office has made a determination of such by sending an email to the customer for verification of said duplicate order.

4.1.12 Whistle Blower Policy

This Whistleblower Policy of Chi Epsilon Civil Engineering Honor Society: (1) encourages staff and volunteers to come forward with credible information on illegal practices or serious violations of adopted policies of the Society; (2) specifies that the Society will protect the person from retaliation; and (3) identifies where such information can be reported.

1. **Encouragement of reporting:** The Society encourages complaints, reports or inquiries about illegal practices or serious violations of the Society's policies, including illegal or improper conduct by the Society itself, by its leadership, or by others on its behalf. Appropriate subjects to mention under this policy would include financial improprieties, accounting or audit matters, ethical violations, or other similar illegal or improper practices or policies. Other subjects on whom the Organization has existing complaint mechanisms should be addressed under those mechanisms, such as raising matters of alleged discrimination or harassment via the Society's human resources channels, unless those channels are themselves implicated in the wrongdoing. This policy is not intended to provide a means of appeal from outcomes in those other mechanisms.
2. **Protection from retaliation:** The Society prohibits retaliation by or on behalf of the Society against staff or volunteers for making good faith complaints, reports or inquiries under this policy or for participating in a review or investigation under this policy. This protection extends to those whose allegations are made in good faith but prove to be mistaken. The Society reserves the right to discipline persons who make bad faith, knowingly false, or vexatious complaints, reports or inquiries or who otherwise abuse this policy.

3. **Where to report:** Complaints, reports or inquiries may be made under this policy on a confidential or anonymous basis. They should describe in detail the specific facts demonstrating the bases for the complaints, reports or inquiries. They should be directed to the National Secretary/Treasurer or President of Chi Epsilon if both of those persons are implicated in the complaint, report or inquiry; it should be directed to Vice President of Chi Epsilon. The Society will conduct a prompt, discreet, and objective review or investigation. Staff or volunteers must recognize that the Society may be unable to fully evaluate a vague or general complaint, report or inquiry that is made anonymously.