

Operating Procedures Template

**Templates for Operating Procedures Pertaining to Performance Guidelines and
Operating Procedure Pertaining to Conditional Charter for Chapters and Interest Groups**

The information and formats contained in these templates have been developed by the Blue Ribbon Committee for Reorganization. This is intended to assist Chapters or Interest Groups (see Practice Divisions) that existed prior to November 2007 to apply for continued status as a Entity in NJSPE or to assist a proposed new Entity apply for a Conditional Charter.

The material is organized in accordance with the sections in the two relevant Operating Procedures.

OPERATING PROCEDURE FOR PERFORMANCE GUIDELINES

Section 1 Conditions by which to Evaluate

Item 1. Establish and maintain a governance document and elect leaders as defined therein, including a presiding officer and another responsible for fiduciary matters at a minimum.

The governance document for each Entity, which are recommended to be titled Bylaws, at a minimum should included the following sections:

Item 1. Name of Entity, whether Chapter or Interest Group

Item 2. Purpose/Objective(s) of Entity

Item 3. Membership

- a. Requirement for membership (including provisions for Conditional Entity Member per OP for Conditional Charter, Section 1)

Item 4. Leadership

- a. Officers
 - President & Treasurer Required
 - Others as deemed appropriate
- b. Terms of Office
- c. Elections of Officers
- d. Responsibilities

Item 5. Meetings

- a. Form
- b. Frequency
- c. Quorum Requirements

Item 6. Fiduciary Structure of Interest Group

- a. Bank Account (s)
- b. Budget

Item 7. Committees of Interest Group

Item 8. Relationship to New Jersey State Professional Engineering Society (NJSPE)

- a. Leadership development
- b. Participation in State committees

Item Others As deemed necessary by entity

Item (Last). Adoption/Amendment to Bylaws

- a. Method to adopt/amend Bylaws
- b. Number of members required to approve adoption/amendment to Bylaws

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Item 2. Ensure at least one officer participates in a leaders orientation program as specified by NJSPE.

At a minimum, one member from the governing body of the Chapter or Interest Group should attend the leaders orientation program or "leadership conference" organized by NJSPE.

Item 3. Submit an Operating Plan annually to the NJSPE Secretary no later than April 30. This document shall enumerate the proposed activities and targeted results of the Entity for the following Administrative Year and identify specifically those items that will require dues funding.

[The template for an Operating Plan will be a spreadsheet in tabular format and provided separately.]

Item 4. Submit a budget request for the following year (July 1 to June 30) to the NJSPE Budget Committee no later than April 30. This budget shall pertain to any funding to be derived from NJSPE dues and may include funding from other sources.

The format for submitting a budget request at a minimum shall show revenues and then expenditures.

The revenue portion should include the amount of NJSPE dues being requested to support the Entity. Other revenue sources could include meeting admissions, meal fees, outside donations, etc. shall be shown for activities for which NJSPE dues are allocated. Other activities, funded through outside revenue sources shall be shown; however it is at the entity's discretion whether to show the budgeted revenue and costs, or to merely note these items as not requiring NJSPE dues.

The expenditure portion should include all items for which Entity-controlled funds (including NJSPE dues funding) will be paid. The information shall pertain to expenses for such items as meetings, communications, member recruitment/services, social activities as applicable, programs to promote professional competency, ethics, community involvement, mentoring and support for technical and non-technical education, etc.

Under the new, unified dues paradigm it is not intended that any Entity should realize a surplus from NJSPE Dues; therefore, none should be budgeted insofar as NJSPE dues funding is concerned. If a surplus identified for NJSPE funding is realized at the end of the budget period, that information shall be shown in the Results Report per Item 5 (below). The evaluation of dues funding request for the following year will take any realized surplus into account.

All funds derived from dues shall be maintained and recorded in a manner by the Entity, e.g. a separate account from funds derived from other sources, such that funds from dues may be tracked in the event of an audit.

Although it is not required, each Entity should consider a financial account, e.g. checking, to be used exclusively for funds derived from NJSPE dues and revenue for activities conducted in conjunction with NJSPE dues funding. If funds are received by an Entity from other sources, e.g. donations for scholarships, either separate account(s) or well-defined records should be maintained. The NJSPE shall periodically audit each entity; however its initial audit will be limited to the financial account(s) holding the funds derived from NJSPE dues. Should discrepancies arise, the Entity may be asked, and should be able to, produce records of all of its financial dealings.

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The NJSPE Educational Foundation operates as an IRS 501.c.3 entity. It is possible for an Entity to register its charitable activities and related funds – including existing funds accumulated previously for such purposes -- with the Foundation to serve as an umbrella for tax-exempt items.

Item 5. Submit a report of results for programs and activities in the current year, organized in accordance with its previously submitted Operating Plan and approved budget, to NJSPE headquarters no later than May 31.

This shall compare the Operating Plan submitted in the previous year to the actual results.

[This will be an extension of the spreadsheet used in Item 3, adding columns to show results.]

Item 6. Nominate representatives for NJSPE committees for appointment in accordance with NJSPE Bylaws. Such participation shall be based upon the capability of the entity's members and the responsibility of the respective NJSPE committees. At a minimum, each entity shall have a representative on one NJSPE committee.

The intention is for the NJSPE Committees to be comprised of qualified and interested representatives from as many of the Chapters and Interest Groups as reasonable. These provisions will apply:

- a/ Each Entity will nominate representatives to serve on NJSPE committees to the extent that the Entity's members are capable and available;
- b/ The following are the NJSPE Committees to which Entities shall make nominations:
 - i. Nomination Committee (Nominates State Officers Each Year)
 - ii. Budget and Finance Committee (prepares annual budget for approval by Board of Directors)
 - iii. Legislative and Government Affairs Committee (evaluates impact on PEs of legislation and regulations promulgated by New Jersey and other governmental entities)
 - iv. Membership Committee (works with NSPE to retain current members and recruit new ones)
 - v. Professional Conduct Committee (evaluates liability of NJSPE members cited for misconduct)
 - vi. Awards Committee (promotes annual recognition and recommends honorees to Board)
 - vii. Education Committee (identifies or develops courses for PEs to maintain competency)
 - viii. Other/Ad Hoc Committees (NJSPE President or Board may create for special purpose)
- c/ Each Entity – other than those with a Conditional Charter -- must have at least one representative serving on an NJSPE committee, if it receives NJSPE dues funding for its operation.

Item 7. Maintain a positive net NJSPE membership count (NJSPE members as of April 30 of the preceding year plus new members and less dropped members in the current year) over a 3-year average with the minimum being 20 NJSPE members as recorded on April 30.

The requirement for any Entity – including one applying for a Conditional Charter -- is a minimum of 20 members. As shown in the OP for Conditional Charter, an Entity may include non-NJSPE members for an interim period for each such individual.

The purpose of allowing Entity Conditional Members is a membership recruitment tool. One of the driving forces in 2007 to re-engineer NJSPE was the long-term decline in NJSPE membership. By inviting non-NJSPE PEs and EITs to become a part of an Entity, the NJSPE members in that Entity have an opportunity to recruit them to join the association.

Realistically, an Entity may lose a member due to employment relocation, health, or otherwise. Due to circumstances beyond the control of an Entity, the number of members lost in one year may exceed those recruited to join NJSPE. However, over a 3-year period each Entity is expected to maintain a

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positive growth of NJSPE membership...except for extremely unlikely circumstances, as determined by the Executive Committee.

Any Entity that does NOT have such membership growth is subject to loss of its NJSPE charter.

Sections 2. & 3. Remedial Plan and Remedial Action

The content of any Remedial Plan should be defined by the Executive Committee, i.e. the specific deficiencies from the Operating Plan of that Entity should be identified. Any suggestions for improvement should be included as well. This step is intended to improve – not penalize.

The Entity required to submit a Remedial Plan should consider consultation with another similar Entity or the NJSPE Staff to get coaching on means of overcoming the deficiencies. Any Entity that is approached for such advice should exert reasonable effort to lend assistance, because it is in everyone's interest to have as many viable Entities as possible to optimize the opportunities for NJSPE members to thrive.

If an Entity has a Remedial Plan ready before the three-month deadline, it should submit it expeditiously. This would provide a greater interval before the May 31 deadline to demonstrate the expected progress.

OPERATING PROCEDURE FOR CONDITIONAL CHARTER**Section 1 Application for New Entity**

This document should identify the requested name for the Entity at the top.

Item 1. Submit a list of at least 20 Professional Engineers and/or Engineers-In-Training of which a minimum of 15 shall be NJSPE members, who either pay NJSPE dues or have Life Member status, and are committed to join the new Entity

The identification of the NJSPE members with NSPE membership number should precede the names of non-members. An appendix to the application should provide contact information for the non-members and include each's PE license number (and state of issuance if not New Jersey) and similar data for any EIT.

Item 2. Provide either (1) a sufficiently detailed description of the commonality for the members of the Interest Group and how it aligns with the NJSPE Vision and Goals or (2) of the geographical boundary for the proposed Chapter

For an Interest Group, although the members of the applying Entity may understand its reason for existence, the Executive Committee can understand it better when more specificity is given, including examples of anticipated activities.

For a Chapter, it is critical that there be no overlap of boundaries with an existing geographically established chapter. If a group of members within an established Chapter wishes to change boundaries, this information needs to be provided to the Executive Committee in the application.

Item 3. Submit a list of those who will serve as leaders of the Chapter or Interest Group to include at a minimum a presiding officer and someone accountable for fiduciary matters

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Although the leaders may be serving in a temporary capacity, pending creation of a governance document and formal elections according to that, it is critical that two individuals be identified at the time of the applications. If other interim leaders are known, their names should be listed. At this time, at least one of the two mandatory positions must be held by an NJSPE member.

Item 4. Each non-NJSPE member of the Entity shall be called a Conditional Entity Member and shall have 24 months to become a member of both NJSPE and NSPE

Any non-member, who is a part of the roster for the Entity applying for a Conditional Charter, shall have 24 months from either the date the Conditional Charter is issued by the NJSPE Executive Committee or the date of joining the Entity -- whichever is later -- to become a dues paying member..

Because the Conditional Entity Member cannot pay dues to NJSPE due to its Bylaws, the Entity may seek to have such individuals pay some fee for its participation. If this is done, the amount of this funding source needs to be included in the budget submitted to NJSPE for approval.

Also, because a Conditional Entity Member is not a member of NSPE, no records will be maintained by either NSPE or NJSPE as pertains to such individuals. An exception to this would be application for NSPE's 'six-months free' membership status.

NJSPE members should be mindful that the primary rationale for having the position of Conditional Entity Members is to recruit new members into NJSPE.

Section 2. Issuance of Conditional Charter

When a new Entity is issued a Conditional Charter, NJSPE Staff will coordinate with NSPE to establish a unique identifier for the Entity. For example, each current member of an NJSPE chapter has an identifier that reads "NJ-*nn*" where "*nn*" is a two-digit number. Each Entity under the new NJSPE paradigm – whether an Entity that existed in 2007 or a newly formed Entity – will have a similar identifier. For example, if a member were to belong to a Chapter and two Interest Groups, that member would have three separate identifiers in the NSPE database that NJSPE uses for member records.

Sections 3. & 4. Minimum Performance and Evaluation of Performance

The items listed in Section 3 for inclusion in the Operating Plan that must be submitted are the general issues on which a new Entity will be evaluated. The language in Section 4 is intentionally stated as conditional, i.e. "the Conditional Charter may be withdrawn," because the overall intent is to grow NJSPE membership, and the creation of new Entities – via Conditional Charters – is seen as a valuable tool to achieve the overarching goal.

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