

# WIDOW'S MITE EXPERIENCE, INC.

## Chapter Formation Guidelines

The Board of Directors of WIDOW'S MITE EXPERIENCE, INC., has developed the following guidelines to assist with the formation of chapters. These guidelines have been established to help chapters organize with ease and efficiency and to ensure that all chapters associated with WIDOW'S MITE EXPERIENCE, INC., act effectively with integrity, accountability and continuity.

### **CHAPTER FORMATION**

1. Those desiring to form a WIDOW'S MITE EXPERIENCE, INC., chapter (hereafter referred to as chapter) shall apply to the National Board of WIDOW'S MITE EXPERIENCE, INC. for authorization to form said chapter. After the National Board approves the proposed chapter formation, the National Board will provide the proposed chapter with organizational tools and information designed to assist the chapter with its formation. Each chapter will engage appropriate professionals (attorneys/accountants) to assist them in the formation of their chapter. Additionally, each chapter is responsible for the following:
  - A. Preparation and filing of Articles of Incorporation
  - B. Applying for and obtaining a Federal Employer's Identification Number,
  - C. Preparation of Bylaws consistent with the requirements of the National Board for Local Chapters desiring to be recognized as exempt from federal income tax by virtue of being covered by the 501 (c)3 Group's letter of exemption.
  - D. Compliance with local and state laws of the state in which the chapter is to be formed. States can differ in the manner in which they deal with charitable organizations which do fund raising and may require additional forms and/or fees.
2. In order to use the name Widow's Mite Experience, INC., and to enjoy the benefits of membership in its ministry, chapters must agree to be organized and operate in accordance with the rules and guidelines established by the National Board and to be accountable to the national leadership in matters related to character, purpose and method of operation.
3. Chapters may be formed with a minimum of four members.
4. The name of each chapter shall include the term "Widow's Mite Experience Inc", along with a further designation of state, city, town, or area.
5. Chapters are autonomous corporations with their own board of directors, bank accounts and membership.

### **ACCOUNTING**

1. For the purpose of continuity and accountability, all chapters will utilize the services of an accounting firm of their choice and will use QuickBooks as its standard for recordkeeping.
2. The fiscal year is defined as January 1 through December 31.
3. Chapters are responsible for proper filing of federal and state income tax returns for their organization and are required to send copies of said tax returns to the National Board in order for the National Board to comply with the requirements of the 501(c)3 exemption.
4. Each chapter is responsible for understanding federal and state requirements as related to auction donations and applicable taxes.
5. Chapters will be required to submit an annual report to the National Board. This report shall include a summary of the year's activities and finances. Contributions to the Christian Broadcasting Network for well funding should be noted as a separate line item in the financial summary.

### **FUNDRAISING PROCEEDS/OPERATING CAPITAL**

1. Each chapter, in order to participate in funding National Board expenses, e.g. legal expenses, accounting, insurance, website, branding or updating branding, shall tithe 10% of net proceeds from each of the chapter's fundraising events to the National Board of WIDOW'S MITE EXPERIENCE INC.
  - a. Net proceeds do not include the cost of the event
2. Chapters are to send net proceeds from fundraising events, less 10% tithe, directly to the Widow's Mite Experience, Inc. account at the Christian Broadcasting Network.
3. Widow's Mite Experience recognizes that each chapter will need operating capital. Operating capital will be necessary for legal and accounting fees, print material, office supplies, possible rent, etc. Operating capital should be kept totally separate from event net proceeds. Operating capital is defined as those funds not earmarked for funding wells, e.g., contributions from board members, non-specific donations, proceeds from bake sales, and "Exquisite Treasure Sale" items not used at an event and boutique sales. Ten percent tithe is not expected from events designated for operating capital.

### **MEETING PROCEDURES**

1. Each chapter, at their initial board meeting, is to review the Widow's Mite Experience mission and vision statements and declared purpose of sacrificial giving.
2. Widow's Mite Experience Inc., Chapter meetings are to be run in accordance with Robert's Rules of Order.
3. Board meetings are to be held no less than monthly.

### **OTHER**

Chapters of Widow's Mite Experience, Inc. must use the standardized print material as developed by the National Board of Widow's Mite Experience, Inc. Print material cannot be modified without the express permission of the National Board.

### **501(c)3 INCLUSION**

Each duly formed chapter can be covered under the National Board of Widow's Mite Experience, Inc. In order to do so, the following documentation is necessary from the chapter requesting inclusion:

1. A copy of the letter showing their tax ID number
2. A copy of their by-laws
3. A letter requesting inclusion for coverage under Widow's Mite Experience, Inc., 501(c)3 exemption.