

# Chief Warrant and Warrant Officers Association United States Coast Guard



## Operating Manual July 2020



# CHIEF WARRANT AND WARRANT OFFICERS ASSOCIATION

## United States Coast Guard

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July 2020

### Operating Manual

1. This operating manual combines in one place information and policies which govern the day to day business of the association. The primary purpose of this manual is to provide the current officers, newly elected officers and association employees with the information they need to understand how the association operates and what is expected of them in the performance of their duties. And in some cases, only general guidance is provided.
2. Where the Bylaws of the Association specifically govern a topic, the appropriate section of the Bylaws has been referenced. Where a vote of the membership, Executive Committee or Board of Directors has established a requirement or policy, a reference to that vote or meeting is included.
3. The performance of duties by Association officers and employees must be responsive to the needs of the members of the Association as well as be in conformance with laws and the Bylaws of the Association. Most of the policies and procedures set forth in this manual may be changed by the board of directors. However, it is important that this Operating Manual be accurate. Therefore, the procedures contained in this Manual are to be followed, until the board of directors approves a change.
4. This Operating Manual is intended to aid the officers and employees in carrying out their duties and to assist new officers and employees in learning how the Association functions.
5. The provisions of this Manual were approved by the Board of Directors on **15 July 2020**.

CWO Christian Westerdahl  
President

Distribution: President  
Vice-President  
Vice President of Retired Affairs  
Vice President of Reserve Affairs  
Secretary  
Treasurer  
Immediate Past President  
Executive Director

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## **A. Personnel**

### 1. Duties of the Board of Directors

- a. Meet on the third Wednesday of every month at 12:00 pm eastern time. A yearly schedule will be produced at the end of every annual meeting in order to identify meetings that will fall on a government approved red letter day. Any changes must be submitted in writing to the Board by the President with at least two weeks notice.
- b. Approve payments as necessary for the payment of expenses.
- c. Represent the Association as may be directed by the President of the Association.
- d. Review the Employees' contract on an annual basis concerning compensation and continued employment.
- e. Review the performance review report of the Association employee(s) as written and presented by the President.
- f. Make recommendations to the executive committee concerning matters of Association Policy.
- g. Set the Meeting Agenda, dates and place of all general and annual meetings.
- h. Ensure necessary committees are formed to assist in the conduct of Association business.

### 3. Duties of the President

- a. Member and Chair of the Board of Directors.
- b. Member and Chair of the Executive Committee.
- c. Member of the Permanent Finance Committee.
- d. Ex-officio Member of all formed committees.
- e. Set the Agenda for and call all meetings of the Board of Directors.
- f. Supervise and provide direction to the Executive Director, in addition to any direction provided herein.
- g. Approve payments up to \$500.00 not set forth in the bylaws.
- h. Sign all official correspondence concerning Association business where signature by the President of the Association is appropriate.
- i. Appoint Association members to various committees and ensure committees select a chairperson.
- j. Represent the CWOA at all functions or events deemed necessary.
- k. Be familiar with Roberts Rules of Order.

## 2. Duties of the Vice President

- a. Member of the BOD.
- b. Member of the Executive Committee.
- c. Member of the Permanent Finance Committee.
- d. In the absence of the President, convenes all meetings and performs the duties required of the President in accordance with the Bylaws and Association policies.
- e. Serves as Chairman of the Membership Committee.
- f. Supervise the Executive Director for all matters concerning membership initiatives (processes, paper and electronic records, etc.).
- g. Be familiar with Roberts Rules of Order.

## 4. Duties of the Vice-President of Reserve Affairs

- a. Member of the BOD.
- b. Member of the Executive Committee.
- c. Member of the Permanent Finance Committee.
- d. Chairman of the Reserve Forces Policy Committee.
- e. Represent the Association as may be directed by the President of the Association.
- f. Serve as subject matter expert to the Association on all matters regarding Reserve Affairs.
- g. Prepare articles and other items of interest to members for the CWO News on a quarterly basis.
- h. Be familiar with Roberts Rules of Order.

## 5. Duties of the Vice-President of Retired Affairs

- a. Member of the BOD.
- b. Member of the Executive Committee.
- c. Member of the Permanent Finance Committee.
- d. Chairman of the Retired Affairs Policy Committee.
- e. Represent the Association as may be directed by the President.
- f. Serve as subject matter expert to the Association on all matters regarding Retired Affairs.
- f.
- g. Prepare articles and other items of interest for the CWO News on a quarterly basis.
- h. Be familiar with Roberts Rules of Order

## 6. Duties of the Secretary

- a. Secretary of the BOD.
- b. Secretary of the Executive Committee.
- c. Secretary of the Permanent Finance Committee.
- d. Record the minutes of all regular and special meetings of the Association. Prepare minutes for review by the BOD as soon as possible. Provide the Executive Director with the original minutes for distribution (usually within 1 week and not later than 2 weeks after the meeting).
- e. Supervise the Webmaster and ensure that the Association Web Site is current.
- f. Ensure copies of committee reports are saved in the Dropbox.
- g. Supervise the Executive Director in the conduct of all administrative matters excluding financial matters and membership initiatives (electronic and paper files, processes, etc).
- h. Be familiar with Roberts Rules of Order.

## 7. Duties of the Treasurer

- a. Member of the BOD.
- b. Member of the Executive Committee.
- c. Chairperson of the Permanent Finance Committee.
- d. Conduct initial review of all credit card and bank statements.
- e. Periodically review the entries in the Association's financial tracking system for accuracy.
- f. Track mistaken charges against the CWOA corporate credit cards and ensure that the Association is reimbursed for the charges.
- g. Review Treasurer's Report for all General Membership meetings. Prepare Reports for the Permanent Finance Committee.
- h. Review draft annual budget for the Permanent Finance Committee during January or February of each year.
- i. Sign all tax related documents. The Executive Director will prepare the documents for the Treasurer's signature.
- j. Work with the Executive Director to ensure the annual income tax reports are completed at the end of the fiscal year and submitted prior to the deadline.
- k. Review all financial documents.
- l. Be available for audits of Association accounts.

- m. Sign checks as necessary.
- n. Supervise the Executive Director in the conduct of all financial matters (transactions, paper and electronic records, etc).
- o. Be familiar with Roberts Rules of Order.

8. Immediate Past President

- a. Member of the Board of Directors.

9. Succession of Officers

- a. In the event that the President is unavailable to preside at a meeting of the General Membership, Executive Committee or the Board of Directors another officer shall preside in the order listed below:

- (1) Vice President
- (2) Vice President of Reserve Affairs
- (3) Vice President of Retired Affairs
- (4) Secretary
- (5) Treasurer

- b. In the event that an issue arises which requires a prompt response by the Association and the Association President is unavailable, the Executive Director shall contact another officer in the order listed below:

- (1) Vice President
- (2) Vice President of Reserve Affairs
- (3) Vice President of Retired Affairs
- (4) Secretary
- (5) Treasurer

10. Employee: (Executive Director (ED))

- a. Maintain a record of each member, including current address, dues status, latest beneficiary, and rank. Provide information, as requested.
- b. Prepare and mail dues notices.
- c. Serve as editor of the CWO News.
- d. Upon notification of the death of a member, verify death, prepare the condolence letter for the President or representative's signature and send proper amount of death gratuity as soon as possible.
- e. Upon notification of the retirement of members, correspond with members to obtain future address, provide information on dues allotments, etc. Prepare and mail Association retirement letters and certificates per members' wishes and, upon actual

retirement change Association the records to reflect member status. Correspond with pending retirees concerning queries such as continuing allotments, etc.

- f. Maintain records of receipts, expenditures and records of savings.
- g. Process establishments and disestablishments from allotment listings.
- h.
- i. Assist the Treasurer in preparing draft annual budget for the Permanent Finance Committee during January of each year.
- j. Work with Association's volunteer CPA to ensure Form 990 is completed or an extension is filed before November 15.
- k. Prepare Membership Reports one week prior to Association meetings and submit to Vice President for approval.
- l. Prepare Membership letter for soon-to-be appointed CWOs (both active and reserve), introducing the Association to them,
- m. Prompt officers and provide guidance to all members of the BOD as well as the Executive Committee on the performance of their duties.
- n. Upon request, provide guidance on Roberts Rules of Order (current revision) to Association officers and chapter presidents.
- o. Coordinate repairs or improvements to the Association Office, as directed or from personal observation.
- p. Notify the BOD of incoming correspondence, events, meetings, and policy changes.
- q.
- r. Assist Association officers in preparation of correspondence/certificates.
- s. Fulfill administrative/logistical tasks for Association meetings.
- t. Keep aware of activities or plans of the Executive, Judicial or Legislative branches of the Federal Government that affect the Association or its members.
- u. Keep Association officers apprised of status of visits and information obtained from meetings with other organizations and members of the Executive, Judicial or Legislative branches of the Federal Government.
- v. Act as primary representative and signatory at The Military Coalition (TMC) meetings.

## 11. Committees

- a. The Association has three standing committees:
  - (1) Permanent Finance Committee.
    - (a) This committee is appointed by the President, immediately after the Annual Meeting and is composed of the six association officers and at least three other association members. The Treasurer serves as the chairman.



- (b) The committee performs three separate functions:
- i. Reviews written proposals for expenditures in excess of \$5,000.
  - ii. Reviews the investments of the Association during the last month of each quarter, reports the status of the investments and makes recommendations for changes to, or continuance of, the investments.
  - iii. Prepares a budget during the third quarter of the fiscal year for the following fiscal year.

(2) Bylaws

(a) This committee is composed of at least three members and is appointed by the President promptly after the annual meeting.

(b) The committee elects a chairman and reviews changes to the bylaws recommended by members or proposes changes on their own initiative.

(c) The committee will report to the President upon completion of a proposed change to be presented to the Executive Committee for action.

(3) Scholarship

(a) This committee is comprised of a combination of members associated with the chapter who volunteers to oversee the selection of a specific scholarship and is appointed by the President promptly after the annual meeting.

(b) The committee formulates instructions to the applicants, the application and selects the applicants who are to receive the grants.

(c) Maintains and recommends changes to the standing rules of each scholarship that they represent.

b. Other Committees.

(1) Nominating Committee. The president appoints a nominating committee in October or November to put together a slate of officers for the next year. The proposed slate of officers is presented at an association meeting in November or December.

(2) Ballot committee. The president appoints a ballot committee in January or February to count the ballots after the annual elections.

(3) Holiday Reception. During November the president appoints a committee to put on the Association's holiday reception.

(4) Long Range Planning. The Long Range Planning Committee meets at least once every three years. The purpose of the committee is to project where our priorities should be five years in the future to be sure our association's service and goals are met. The committee meets in November.

(5) Such other committees as are necessary to carry out the business of the association are appointed from time to time by the President.

**B. Office**

1. Facility

- a. Rental use of THE BARGE, for any event, is prohibited by the Association's insurance providers.

[Approved by the National Council at a meeting on 20 October 1992]

2. Office Hours

- a. The Association conducts general membership business from 0900 until 1600 eastern time.
  
- d. When the employees are unavailable either for a short time or for the rest of the day, an answering machine is available so that callers can leave a message. Members can also text the Association phone number as well.

***C. Members***

1. Member Records - A file is maintained on each member and includes:
  - a. Original application for membership.
  - b. Designation of beneficiary for death benefits.
  - c. Address changes received.
  - d. Any pertinent correspondence.
  
2. Processing New Members
  - a. Upon receipt of an application for membership:
    - (1) A member is placed in “pending” status until such time as a payment is received to the Association.
  
    - (3) A welcome letter is emailed to the member immediately after registration.

- (4) Upon receipt of the first payment to the Association, a new member will receive a polo shirt with the Association's logo embroidered onto it, two decals, and other Association materials as available.
  - (5) All members will receive a membership card in January of every year.
  - b. The beginning date for membership is determined as of the initial date that a payment is received.
3. Dues
- a. Effective 01 April 2016 dues for "full dues members" are \$7 per month.
  - b. As of 12 March 1982, members who were in a "full dues" status and had less than 20 years as members of the Association ceased to become "dues free" members.
  - e. New or Regular members may become Life Members by payment of the below sums (to include credit card processing). Fees for life members may be paid in a lump sum or in installments, as long as the last payment is received within 12 months of receipt of the first payment. Life Membership will be effective upon receipt of the final payment.
    - (1) Effective 03 April 2014 the following life member fees were established:

Yrs Membership in CWOA	Fee
5 or less	\$960
6 - 10	\$920
11 - 15	\$875
16 - 20	\$795
21 or more	\$670

- f. Distinguished Members of the Association are "dues free" members.
- g. Dues for limited members are \$1.00 per month. Limited members have no voice or vote. In order for a Limited member to receive the-newsletter, they must make a payment of at least \$5.00 per month.
- h. Dues are paid in advance and may be paid either by allotment, check or credit card.

- i. If dues are paid by check or credit card, payment is due in January, regardless of when the member joined, for the following 12-month period. Members are considered to be in arrears if payment is not made within six months of the due date.
- j. Members paying by allotment are considered to be in arrears if the allotment is for an insufficient amount to pay their dues.
- k. If a member paying by allotment stops that allotment, a notice of dues due will be sent at the end of the year at the same time as members paying by check or credit card advising them of the amount of dues that are required to be paid and the due date.
- l. A dues notice is sent to members paying by check or credit card on December 1 advising members that dues are due no later than January 31
- m. If dues are not received by members paying by check or credit card by 31 December, a second notice is sent January 1 reminding them that their dues are due.
- n. If dues are not received by members paying by check or credit card by three months after the due date, a final dues notice is sent to them advising them that if payment is not received within 90 days they will be dropped from the rolls of the Association.
- o. Article II, Section 3 requires that members in arrears be dropped from the rolls of the Association on the first day of July.

#### 4. Death Benefits

- a. A death benefit is paid upon the death of any regular member of the association. Article X, Section 2 of the Bylaws contains detailed rules for the amount of the benefit to be paid upon notification of death.
- b. We are notified of the death of a member by:
  - (1) Notification from a survivor with proof of death certificate
  - (2) From the death report emailed by Pay and Personnel Center
- c. Every effort is made to send the letter of condolence and death benefit the day of notification of death or as soon after as possible.

- d. The following steps are taken to make the payment and complete the association records:
- (1) The member is moved from an “active” to “cancelled” status and membership type is changed to “deceased.”
  - (3) The following steps are completed
    - (b) Send sympathy card to the member’s family using the last known address of the member.
    - (d) Send death gratuity payment to family after verification of beneficiary.
    - (f) Add the deceased member to OVER THE BAR for the next newsletter.

## ***D. Meetings***

1. Regular Meetings
  - a. Preparation
    - (1) The following documents are required for each meeting:
      - (a) Minutes of last meeting
      - (b) Treasurer's Report
      - (c) Membership Report
      - (d) Executive Director Report
    - (2) Prior to the meeting, the President must determine which committees will have reports to present and which of them will be written.
  - b. Agenda. A sample agenda for a regular meeting is provided in Appendix D-1.
2. Special Meetings
  - a. Preparation
    - (1) Because a special meeting is limited to the topic or topics which are specified in the meeting notice, no minutes or reports are provided.
  - b. Agenda. A sample agenda for a special meeting is provided in Appendix D-2.

### 3. Annual Meeting

#### a. Proposals to Host

- (1) Chapters will have until October 1 to submit a proposal to host the Annual Meeting.
- (2) During October the proposals are reviewed by the Board of Directors and a decision is made if additional information is needed. If additional information is needed, it is requested.
- (3) During November the Executive Director obtains information on hotels in the area selected for the meeting.
- (4) During November the Board of Directors ensures that the Permanent Finance Committee is advised of the estimated cost of the Annual Meeting [This ensures that meeting costs can be considered for the budget for the following year.]
- (5) In November, the President will announce the location of the Annual Meeting for the following year.

b. Agenda Items. A letter is sent to each chapter soliciting agenda items during November. The deadline for receipt of agenda items is 1 February.

#### c. Distinguished Member Nominations.

- (1) During October the chapters are reminded that any nominations for Distinguished Membership must be received by the President no later than 1 February.
- (2) During February the Membership Committee must review any nominations for Distinguished Membership, determine eligibility, offices held, committees served on and provide a written report to the President.

#### d. Facility Requirements

##### (1) Meeting Room

- (a) Preferred set up is U-Shaped or Horseshoe for 30 and 15 Theater style, with two (02) six-foot tables with two chairs each in the back of the room. The current officers, chapter representatives and Distinguished Members present, sit at the tables. Remaining members or guests sit at chairs.



- (b) In the meeting room we have the American and Coast Guard Flags, a podium, pads, pencils and pens at each place.
- (c) Typically, there is ice water all day, coffee in the morning and sodas in the afternoon.

(2) Sleeping Rooms

- (a) We typically block 25-30 rooms with two double beds for the Wednesday, Thursday, Friday and Saturday nights of the meeting. However, we generally use 15-20 rooms for four nights each.
- (b) When the association is paying for rooms for officers and members of the executive committee, we assign two to a room.
- (c) The sleeping room for the Executive Director must be large enough to conduct business of the association. This may require a small suite, or a single room may be adequate.

(3) Installation Dinner. We generally plan a sit-down dinner for 45-75 individuals.

e. Installation Dinner

- (1) We normally finish the meeting on Saturday night with the installation dinner. We normally have a guest speaker. The president should send a letter asking the guest speaker to attend during December.
- (2) We normally invite senior Coast Guard officers in the vicinity of the meeting.
  - (a) If the meeting is held outside the Washington, DC area, the chapter president nearest to the meeting site should be consulted on the Flag or O6 commanding officers who should be invited.
  - (b) If the meeting is in the Washington, DC area, all HQ Flag officers; CO, HQ Support Command; Admin Aide to the Commandant; and the Commandant and Vice Commandant's aides and their spouses are normally invited.
- (3) There is a dinner program which includes a cover, the preamble, program, old and new officers, past presidents and distinguished members.

f. Executive Committee Packages

- (1) Emails sent to members of the executive committee not later than 28 February giving details about the meeting and expenses, if any, being paid by the association. The email also advises of procedures for travel arrangements, room and installation dinner reservations. Additionally, the email must advise them that it is customary to present a report of not more than five minutes on the activities and health of their chapter since the last annual meeting. Enclosed with the email are:
  - (a) Registration form
  - (b) Proposed Budget
  - (c) Any Distinguished Member Nominations
  - (d) Any agenda items received

g. Appendix D-3 contains a typical schedule for the Annual Meeting.

#### 4. Meeting Notices

- a. The President will establish the schedule for all regular association meetings during the first two months in office.
- b. Notices for regular meetings are published in the CWONews. Each issue of the CWONews will carry a notice of the date, time and place of the next scheduled meeting of the association.
- c. The notice for the Annual Meeting (April or May of each year) will be published in the first quarter issue (January/February/March) issue of the CWONews.
- d. Notices for special meetings are distributed to those members residing in the Washington, D.C./Baltimore, MD area.
- e. If a meeting includes a meal requiring reservations, the notice also includes the menu, cost of the meal, deadline for reservations and contacts for reservations. Normally the Association office is given as the contact.

#### 5. Minutes

- a. The Secretary records and publishes minutes of each Association, Executive Committee and Board of Directors meeting. The minutes should be completed and distributed within five business days following the meeting. The minutes of the Annual Meeting are prepared and distributed approximately two to three weeks after the meeting.
- b. The minutes contain a summary (brief) of:
  - (1) Each item discussed
  - (2) All motions, the name of the maker of the motion and seconder of the motion and whether carried or failed.
  - (3) The original of all reports or material submitted in writing.
- c. After the minutes have been accepted, a copy is provided to each chapter and the association officers.
- d. All documents, minutes, attachments, etc. from the annual meeting will be stored in the Association's official files.

## ***E. Financial***

### 1. Cash Receipts Record

a. All monies received at the Association office are recorded in QuickBooks and deposited into the checking account. On or near the first of each month allotment payments are deposited directly to the checking account by the Coast Guard (Retired and Active Duty allotments).

### 2. Donations:

All donations are initially deposited into the checking account and moved to the specific savings account for which they are designated.

### 3. Savings

a. The association maintains savings accounts with First Command Bank.

### 4. Investments

a. The association contracts with First Command Bank to invest all monies on behalf of the association.

### 5. Expenditures

a. Authorization for Expenditures.

(1) Expenditures Authorized by Bylaws. The following expenditures are specifically authorized by the bylaws and do not need additional approval:

(a) Payment of grants under the provisions of the CWO John A. Keller, CWOA Scholarship Grant Standing Rules and Regulations. [V, 3.b., Bylaws]

(b) Salaries to employees of the Association. [IX, 4, Bylaws]

(c) Death gratuity. (X, 2, Bylaws]

(2) Expenditures not exceeding \$5,000. The Board of Directors may authorize expenditures not exceeding \$5,000 for any single item. [IX, 1, Bylaws]

(3) Expenditures not exceeding \$500.

- (a) The Association employee may place charges against the CWOA business credit card, issued in their name, and/or expend petty cash for materials and supplies necessary to continue daily operations, not exceeding \$500. [BoD Mtg 9/8/94]
    - (b) Other than expenditures under (1) above, at least one member of the Board of Directors must approve any expenditure not exceeding \$500. [BoD Mtg 8/23/94]
  - (4) Expenditures not exceeding \$1,500. Expenditures not exceeding \$1,500 are authorized as set forth below:
    - (a) At least two members of the Board of Directors must approve any expenditure between \$500.01 and \$1,500, except as set forth in (1) above. [BoD Mtg 8/23/94]
    - (b) The Association employee may place charges against the CWOA business credit card, issued in his name, if the expenditure is approved by members of the Board of Directors. [BoD Mtg 9/8/94]
  - (5) Expenditures exceeding \$1,500.
    - (a) At least three members of the Board of Directors must approve any expenditure between \$1,500.01 and \$5,000. If a member of the Board of Directors will personally benefit from the expenditure (such as travel reimbursement), they are not allowed to vote on the matter. [BoD Mtg 8/23/94]
    - (b) The Association employee may place charges against the CWOA business credit card, issued in his name, for expenditures approved by the Board of Directors. [BoD Mtg 9/8/94]
  - (6) Expenditures not exceeding \$25,000. The Executive Committee may authorize expenditures not exceeding \$25,000 for any single item. Expenditures exceeding \$5,000 must first be reviewed by the Permanent Finance Committee. [IX, 2 and 3, Bylaws]
  - (7) Expenditures exceeding \$25,000. The Executive Committee may approve expenditures exceeding \$25,000, only for the purchase of Association office space. There is no authority for expending in excess of \$25,000 for any other purpose. [IX, 2, Bylaws]
- b. Documentation of Authorization for Expenditure

- (1) No Documentation Required. No documentation of authorization for the following expenditures is required:
  - (a) Salaries of employees.
  - (b) Death benefits.
  - (c) Payment of Scholarship Grants.
  - (d) Purchases, not exceeding \$500, by the employee for materials and supplies necessary to continue daily operations.
  - (e) Charges against the CWOA business credit card for purchases, not exceeding \$500 or for travel expenses.

(2) Documentation required.

- (a) When purchase is made by a Director. When a member of the Board of Directors, other than as provided in paragraph (1) above, personally makes a purchase, written evidence of approval is required. This approval may be by signature on the invoice or receipt or by separate document.
- (b) When Purchase is made by the Employee. The employee shall not make any purchase or place an order for materials, supplies, or services, without written authorization, except as provided in paragraph 1 above.

c. Signature Authority for Checks.

- (1) Required Signatures. One signature is required on checks. Any one of the following are authorized to sign all checks:
  - (a) Treasurer
  - (b) Executive Director

6 Making Payments

- a. All bills are paid using the association's credit cards. All cards must be paid off in the month following the purchase.

b. Checks are written using Deluxe E-checks system and offers the ability for an individual to receive a check via mail or email.

7 Allotments

- a. We receive allotment payments on about the 1st of the month.
- b. During the last week of the month we usually receive two printouts (one active duty and one retirees) for allotment payments for the first of the month. The printout will provide the:
  - (1) name, amount and date of the last change in allotment for everyone from whom we will receive a payment.
  - (2) name and former allotment amount for everyone whose allotment stop is effective since the last check was received.
  - (3) name and former allotment amount for everyone whose allotment start is effective with that check.
- c. An Excel spreadsheet is used to keep track of the amount of payments. When the spreadsheet is validated against the PPC printout, the member's records are updated in the JoinIt program.

## 8. Payroll

- a. Payday for employees is determined by the contract with the employee and the Association.
- b. Payroll will be processed through Quickbooks online.

## 9. Depreciation

- a. The Association depreciates all tangible property with a purchase price of at least \$200. Tangible property with a purchase price less than \$200 is charged as an expense. The property is carried under the following classes:
  - (1) Office
  - (2) Improvements to Houseboat
  - (3) Software
  - (4) Furniture and Equipment
- b. The Internal Revenue Service Publication 946 (How to Depreciate Property) governs depreciation methods and whether an item is recorded as a purchase or listed as an asset and depreciated.
  - (a) Property is depreciated if:
    - (1) it used in business or held to produce income, and
    - (2) it has a determinable useful life longer than one year, and

- (3) It is something that wears out, decays, gets used up, becomes obsolete, or loses its value from natural causes.
    - (b) Repairs or replacements. If a repair or replacement increases the value of the property, makes it more useful, or lengthens its life, the repair or replacement cost must be capitalized and depreciated. If the repair or replacement does not increase the value of the property, make it more useful, or lengthen its life, the cost of the repair or replacement is deductible in the same way as any other business expense. Example. If we completely replace the roof of the barge, the replacement roof increases the value and lengthens the life of the barge. it must be capitalized and depreciated. However, if we repair a small section on one corner of the roof, it is a deductible repair expense.
  - c. The association is required to use the General Depreciation System (GDS) under the Modified Accelerated Cost Recovery System. We are authorized to use either the straight line or declining balance method of depreciation. The association elected the straight-line method at the time depreciation was instituted. The GDS recovery periods are contained in Appendix B to Publication 946 and are listed below (for our property):
    - (1) Office - 20 Year (Publication 946 indicates 10 year. However, 20 year was set up by an outside audit. This was the same time as we started claiming depreciation.)
    - (2) Improvements to Houseboat - 20 Year (The same period of time as the office)
    - (3) Software - 5 years
    - (4) Furniture and Equipment
      - (a) Computer and peripheral equipment - 5 years
      - (b) Furniture and other equipment - 7 years
  - d. During the year the property is placed in service we depreciate it as though it was placed in service at the midpoint of the year (The Half-Year Convention). This means that during the first year we claim one-half of the depreciation.
  - e. All property is listed on an Excel spreadsheet and the depreciation information is included in the table.
  - f. During the year as property is purchased which must be depreciated it is entered into the table, along with the month and year of purchase. A note is made below the table reflecting the item and the "normal" annual depreciation.
10. Reports. The following reports are required to be submitted on the dates indicated.



- a. FP-31 Personal Property Tax for DC - Due by 31 July.
- b. 941 Quarterly withholding by employee (Jul-Sep, Oct-Dec, Jan-Mar, Apr-Jun). Due last day of October, January, April and June for the preceding quarter.
- c. UC-30 Employer's Quarterly Contribution and Wage Report (Jul-Sep, Oct-Dec, Jan-Mar, Apr-Jun). Due last day of October, January, April and June for the preceding quarter.
- d. FR-800A DC Sales Tax - Due by 20 January, even if no tax payable.
- e. 940 Employer's Annual Federal Unemployment (FUTA) Tax Return - Due by 31 January.
- f. W-2 Wage and Tax Statement - Due by 31 January
- g. BRA-25 Annual Report for Foreign and Domestic Corporations - Due by April 15 every year.
- h. ST-8 VA Sales Tax - Due by May 20, even if no tax payable.
- i. 990 Federal Information Return - Due 15 November.

11. Taxes

- a. FICA/Medicare
  - (1) The association is required to contribute to Social Security and Medicare for employees.
  - (2) The association is required to withhold any employee's share of Social Security and Medicare and make payments to the government.
  - (3) The rate for these taxes is subject to change each year. The association and employees contribute an equal amount.
  - (4) A quarterly report is submitted to the IRS on Form 941. This form is submitted not later than 30 days after each quarter ends.
    - (a) Quarter ending 31 March - Due 30 April
    - (b) Quarter ending 30 June - Due 30 July
    - (c) Quarter ending 30 September - Due 30 October

(d) Quarter ending 31 December - Due 30 January

(6) An annual report is submitted to the IRS on form 940. This form is submitted not later than 31 January of each year.

b. DC Property Tax

(1) The Association is required to pay property tax to the District of Columbia on all office furniture and equipment. However, at the current time only property with a remaining value, after depreciation, in excess of \$50,000 is taxed. Currently, CWOA property is under \$50,000 in value.

(2) The depreciation rate varies, depending on the type of property and date of purchase. The depreciation rates are on the instructions for the Personal Property Tax Return for that year.

(3) The tax is due on 31 July and is for the 12-month period ending on 30 June of the NEXT year.

(4) If the Personal Property Tax forms has not been received from the District of Columbia government by June 20, the forms must be requested, by phone or in person, so that the return can be prepared and signed by the Treasurer before 31 July. A check must be prepared for the required amount and included with the form.

c. Unemployment Compensation

(1) The association is required to pay annual unemployment compensation taxes to the Federal Government for employees.

(a) The amount of the tax is based on the FIRST \$9,000 (subject to change annually) of employee salaries.

(b) Form 940, Employer's Annual Federal Unemployment (FUTA) Tax Return, is used to compute the amount of the payment. Care must be taken to carefully follow the instructions.

(c) Payment must be postmarked not later than 31 January each year.

(2) The Association is required to pay quarterly unemployment compensation taxes to the District of Columbia for employees. The association is taxed for association officers.

(a) The amount of the tax is based on the FIRST \$9,000 (Changes annually) of salary for each individual.

- (b) Form DCDOES Employer's Quarterly Contribution and Wage Report is used to compute the amount of the payment. Care must be taken to carefully follow the instructions.
- (c) Payment must be postmarked not later than the last day of the month following each calendar quarter.

12. Federal Tax return

- a. The Association is exempt from federal income tax, except on unrelated business income. At this time, the association does not receive any unrelated business income. However, each year a review of sources of income must be conducted to determine if the association now receives unrelated business income.
- b. The annual return must be filed not later than 15 November. The association tax year is 1 July through 30 June.
- c. Completion of the return and required schedules is a complicated and lengthy process. For this reason, work on the return should commence no later than 1 August.
- e. Completing the following preliminary steps will simplify preparation of the 990.
  - (1) Review each receipt and expenditure recorded in Quickbooks online to ensure that they have been posted to the correct account.
  - (2) Print the following from Quickbooks online:
    - (a) Miscellaneous Income
    - (b) Miscellaneous Expense
    - (c) Death Gratuity
  - (3) Prepare a report containing all transactions in Quickbooks online concerning purchase and sale of merchandise, except shipping and postage.
  - (4) Review and update the Depreciation Schedule. If any adjustments are necessary, revise the depreciation expense entries made in Quickbooks online on 30 March.

- f. Care must be taken to ensure that BOTH the name of the association and the Tax Identification Number are recorded on the 990 identically as they are carried in IRS files.
- g. Make sufficient copies so that one copy is placed in the Association financial files and one copy is available for public inspection.

13. Change of Officers

- a. Signature cards are needed for First Command Bank and Bank of America credit card.

*F. CWO News*

- 1. The association publishes a quarterly newsletter magazine, the CWO News.
- 2. Loudon Printing publishes and prints the magazine.
- 3. The Executive Director is responsible for the magazine (writing articles, deciding what is included, picture or graphic selection, the layout and final proof reading).
- 8. Some material is included in the newsletter on a specific schedule and other material is included when appropriate:
  - a. Every Issue
    - New Members
    - 50 Year members
    - Retirements
    - Donors (Scholarship, Building Fund, General, Memorial)
    - New allotment donors (Scholarship, Building Fund, General)
    - TRICARE articles
    - Crossed the Bar
    - President's Corner
    - Letters to the Editor (If any)

Chapter News  
Reunion announcements  
Meeting notice for the next meeting  
Association items for sale

## **G. Insurance**

1. The Association has the following insurance policies
  - a. THE BARGE
    - (1) Insurance is with Markel Marine; the policy is an annual policy and expires on 20 September each year. Our agent is International Marine Insurance Services, 462 Kent Narrows Way North, Grasonville, MD 21638 (410) 827-3757.
    - (2) THE BARGE hull is insured for \$100,000 with a \$1,000 deductible
    - (3) Protection and Indemnity insurance is for \$500,000 with a \$2,500 deductible.
    - (4) The contents of the office are insured for \$24,000 with a \$500 deductible. Our agent is Reese, Yeatman & Associates, Inc., 407 Highland Avenue, Bethesda, MD 20814 (301) 657-9490 and our Account Executive is Cindy Waldecker at extension 21.
  - b. The Association has Commercial Crime Policy to protect the Association from employee and officer dishonesty. Article IV, Section 8 of the Bylaws requires that each officer and employee be bonded in the amount of \$10,000
    - (1) The current crime policy is with Aetna Life & Casualty and is a three-year policy and expires on 1 March 2012, with premiums due annually.
    - (2) Our agent is Reese, Yeatman & Associates, Inc., 407 Highland Avenue, Bethesda, MD 20814 (301) 657-9490 and our Account Executive is. Cindy Waldecker at extension 21.
  - c. Workman's Compensation.
    - (1) The Association is required to carry Workman's compensation insurance to cover employees. We have a policy with Travelers Casualty and Surety that covers all employees. The policy is an annual policy and the policy period runs from March to March. The premiums are based on estimated annual salary for

the next year. Salaries are computed as a minimum of \$15,000 each, even if the employee or officer receives as little as \$1.00 in compensation.

(2) Our agent is Reese, Yeatman & Associates, Inc., 407 Highland Avenue, Bethesda, MD 20814 (301) 657-9490 and our Account Executive is Cindy Waldecker at extension 21.

## **H. Awards**

### 1. CWOA Awards

- a. Certificate of Appreciation. This may be awarded by the Association President or any Chapter President. The Association President signs all certificates. If requested, certificates awarded by a Chapter President may be signed by that Chapter President.
- b. Certificate of Achievement. Under Article XI, Section 1 of the CWOA Bylaws a Certificate of Achievement may be awarded by the Association President, The Certificate of Achievement may also be awarded by a Chapter President if five or more members of the chapter are present for a vote and a majority approve the award. The Certificate of Achievement will be signed by the Association President. If the Certificate of Achievement is awarded by a chapter both the Association President and Chapter President will sign the certificate.
- c. The CWO4 (PERS) Robert L. Lewis, USCG, Retired, Exceptional Commitment Award. This award was established by the Board of Directors in 2001. The Board of Director makes this award to a Distinguished Member of the Association, who in their view, has continued to contribute to the well being of the association to the extent that a Certificate of Appreciation or Certificate of Achievement is insufficient to recognize the effort put forth by the Distinguished Member.
  - (1) A plaque is presented to the member receiving the award.
  - (2) The name of the member receiving the award is added to the plaque in the Association office recognizing the recipients of this award.

### 2. CWO Professional Development Course (CWOPD)

- a. The Association presents a Gift Set of CWO2 insignia to the graduate who the students believe best exemplifies the CWO.
- b. The gift sets are purchased from Vanguard East at (800) 221-1264 and our account number is 002883. The cost is approximately \$43 each, plus shipping.

### 3. OCS

The Association presents a sword plaque to the chief warrant officer or officer candidate receiving a temporary service commission who has attained the highest academic average.

b. The award plaques are purchased from the Coast Guard Exchange at the USCG Academy. The walnut sword plaque has a USCG Officer Gold Eagle and Silver Anchor.

(1) The cost of plaques is approximately \$75.

(2) The Association representative takes a plaque to New London at each graduation. This plaque is used at the NEXT graduation.

(4) The Leadership Development Center has the engraving done for the plaque at no charge to the Association.

4 Coast Guard Academy

a. Beginning with the Class of 1995, the Association sponsors the Mechanical Engineering graduation award for outstanding contribution to the mechanical engineering major. In prior years the association award was to a graduate for outstanding participation in intramural sports. The association requested the change to be more in keeping with our interests in professionalism.

b. The award is a watch and the purchase and engraving is arranged by the Academy. Prior to graduation the Academy will notify the Association of the cost of the watch (normally about \$350) which will include extra money for the taxes the cadet will have to pay for receiving the award. The watch is purchased by the Academy from Some time after graduation the association receives a bill from Perry Jewelers, in New London, Connecticut and is of approximately \$300 in value.

c. The President of the Association will be invited to the Academy to attend the awards ceremony and graduation. Additionally, the invitation normally includes a reception, parade and lunch. This is usually a 2-day affair. Service Dress Whites is usually the prescribed uniform, but the Academy will advise on uniforms.

### ***I. Scholarship Program***

1. Funds for the CWO John A. Keller - CWOA Scholarship Fund are kept completely separate from other association funds.

2. The fund was established in 1977 and in 1981 was named after CWO John A. Keller, a Distinguished Member, former President of the Association and a strong supporter of the scholarship fund.

3. The fund has Standing Rules and Regulations and Bylaws. Changes to the Bylaws and standing rules and regulations are made by 2/3 vote of Association members present at the Annual Meeting.

4. The scholarship fund is administered by a committee of between 3 and 6 members of the association appointed by the President. The committee is appointed shortly after the Annual Meeting. The early appointment of the committee is to provide the new committee time to review the rules, procedures and application form to determine if any changes should be made for the following year. This early action provides time for form design and review of proposed changes to rules and procedures by the members prior to the Annual Meeting.
5. Cash contributions are acknowledged by letter, signed by the Executive Director, and in the Newsletter (but, not the amount). If a member contributes by allotment, that contribution is acknowledged when the allotment starts or upon the first portion of an existing allotment being credited toward the scholarship fund.
6. Scholarship funds are maintained in a checking account and/or other longer-term investments.
7. Upon receipt funds are deposited in the Association checking account at SunTrust and transferred to the scholarship checking account shortly after the 1st of each month.
8. Information concerning the scholarship program is published in the December, January and February newsletter.
9. Upon receipt of applications the name, address and sponsor for each application is entered into the Scholarship Program Access file and the membership records are reviewed to determine membership of the sponsor.
10. All applications are forwarded to the Scholarship Committee shortly after the application deadline. The committee is advised of the eligibility of each applicant. The committee is further advised of the maximum number of scholarships which may be granted based on the following formula: Total scholarship funds as of [normally] 31 March divided by 1/3 divided by \$750, rounded to the next lowest whole number = maximum number of scholarships which may be granted.
11. The winners of the scholarships are announced at the Annual Meeting. Checks are provided to chapter representatives for the chapters who are willing to make a personal presentation at an appropriate ceremony. The remaining checks are mailed to the winners. All other applicants are advised immediately that they were not successful.

#### ***J. Travel/Official Activity Expenses***

1. Reimbursement for members traveling in the name of the association is based on actual reasonable expenses required to conduct association business. There is no other limit on reimbursement.
2. When a member's spouse accompanies the member on association business that is a couple's activity or where the spouse is specifically invited, all expenses of the spouse, except transportation, are reimbursable to the same extent as the member.



3. Travel claims shall be submitted on the association Travel Claim form to the Treasurer for approval and payment.
4. Mileage for travel by personal vehicle is the Standard Mileage Rate for the date travel started based on the IRS rates published on the official web site.

### ***K. Flag Officer Selections***

1. The President sends a congratulatory letter to:
  - a. New Flag officer selectees
  - b. Selectees for Vice Admiral
  - c. Nominee for Commandant

## **O. Functions**

1. Holiday Reception. The association hosts a holiday reception each year during the month of December.
  - a. Not later than October 31, invitations are sent to all Flag officers at Headquarters and the Chief of Civil Rights; CO, Personnel Command; CO, HSC; Administrative Aide to the Commandant; and to others at the discretion of the association president.
  - b. The committee to handle the actual details of putting on the reception is appointed by the President during November.

## **P. New CWO Appointees**

1. As soon as the new CWO Eligibility List is published information on all individuals on the list is added to a CWO Eligibility List Excel sheet.
2. First Mailing. During January the Association sends a letter to all individuals above the predictor congratulating them and providing them some basic information (This letter is not a solicitation for membership). The letter for those above the cut is different than those below the cut, but above the predictor. The letters are signed by the Vice President and the following items are enclosed:
  - a. Uniform Item List for Males and Females.
  - b. Draft CWO Appointment Ceremony
3. Second Mailing. The Association sends a letter welcoming each new appointee to the CWO corps approximately one month prior to appointment. This letter is signed by the Vice-President and contains:
  - a. CWOA Brochure
  - b. Allotment Instructions

## **R. Record Retention**

TO BE DEVELOPED

### **S. *The Military Coalition (TMC)***

1. The Military Coalition (TMC) was formed in 1990 to fight against a COLA freeze that would have impacted members of the uniformed services substantially greater than any other segment of society. The TMC is comprised of over 20 associations representing over five million uniformed services members, retirees and their survivors.
2. Most organizations incorporated TMC in Virginia in 1995 and the CEO of those organizations or the CEO's representative votes on the board of directors. The CWOA has a representative on the board of directors. Several organizations did not join in the incorporation, and have no vote on the board of directors, but did join as associate members and are represented at the working level. All members have a vote in the day to day business of TMC.
3. TMC limits its activities to personnel matters concerning members of all uniformed services, retirees and survivors. Issues are raised with administration officials or members of congress.
4. Since its inception TMC has gained the respect of members of congress and the administration and is looked upon to give testimony and provide information on the impact of proposals.
5. Normally the Executive Director represents the President at meetings of TMC board of directors and is the association representative at the TMC working level. The Executive Director is a regular member of the Health Care Committee and serves on various other committees from time to time.
6. In pursuing the goals of TMC the "rule of five" is used. Under that rule if five member associations oppose a proposed action, TMC does not take a position on that issue. However, individual associations are free to pursue or oppose the issue on their own.
7. In representing the association with TMC the Executive Director votes for the association to support or oppose issues. On issues which are controversial or do not clearly benefit all association member's guidance is sought from the board of directors before the Executive Director casts a vote. On all other issues, the Executive Director may vote as he deems in the best interest of members of the association.

