

NAEA Chapters

August 2023



Chapter Mission:

To engage and empower enrolled agents at the state and local levels through education, networking, and community events.

To advance the profession by promoting the EA credential, supporting state advocacy efforts, and providing leadership and volunteer opportunities for members.

Why the Chapter Model?

- To enhance the membership experience and increase retention
- Eliminates the labor-intensive governance structure of an affiliate
- Creates consistency of service and activities throughout chapters
- Consolidates expenses and resources
- Creates new opportunities for volunteers
- Allows chapters to spend time on member activities at the state and local level, instead of administrative efforts
- Focuses local efforts on member recruitment and engagement
- Focuses volunteer efforts on advancing the EA profession at the state and local level

State and Local Value Propositions

- Increased focus and volume of state and local engagement focus
- Recruitment and retention through local interaction
- Networking in local communities
- State and local advocacy
- Providing education opportunities - tax updates and state-specific content
- Peer problem-solving networks
- Practice management support
- Leadership conduit to NAEA service

National Value Propositions

- National and international focus
- National peer network
- Advocacy – protect EA’s right to practice; tax pro services; tax admin
- Education – tax topics at all levels and specialized knowledge
- Representation – NTPI
- Leadership training and development – SSLA
- Efficient, supportive, and centralized administration
- Discount and benefit programs (like Calsurance and Verifyle)

How is a Chapter Defined?

- Chapters will be state or geographically-based
- Members pay NAEA dues only, there are no separate dues for a chapter
- States where there is no affiliate or standing relationship with NAEA could form a chapter
- NAEA will not form a chapter where there is a state
- A state or region cannot have both an affiliate and an NAEA chapter

How will NAEA Support the Chapters?

- Membership recruitment and retention
- Chapter administration
- Communications and marketing
- Event planning and logistics
- CE administration
- Financial administration
- Leadership and volunteer training
- Leadership succession planning
- Templates, guides, SOPs
- Additional support as needed

Potential Chapter Activities

- Networking Events
- Short, in-person CE events
- EA Career presentations
- Community events
- Breakfast-lunch-dinner meetings
- Capital day and legislator visits
- Relationship with State Departments of Revenue

What Volunteer Resources are Needed?

- Chapter Chair
 - Main contact person between the Chapter and NAEA
- Committee Chairs
 - Work with Chapter Chair and NAEA to plan and conduct events
- Committee Members
- On-site and virtual event hosts
- Other ad hoc volunteers

Chapter Leadership Structure

- Chapter Chair
 - Elected by the chapter members
 - 2-year term suggested for continuity
- Chapter Council
 - Composed of committee chairs
 - Elected by the chapter members
- Suggested Chapter Committees
 - Nominating Committee
 - Government Relations
 - Education/Events
 - EA Careers/Mentoring

Supported by NAEA:

- Board
- EVP
- Director of Membership
- Chapter Administrator

Policies and Procedures TBD

- NAEA Team roles and responsibilities
- Chapter leaders' roles and responsibilities
- Event planning processes
- Annual planning meetings
- Financial procedures
- Administrative fees
- General parameters for events and programs
- Annual budgeting process, etc.
- Development of templates

Chapter Events - Example

Committees:

- Identify topics and venue and budget
- Submit details and CE information to NAEA at least 8 weeks in advance
- On-site event support
- Speaker solicitation and communication

NAEA Team:

- Marketing
- Registration and tracking
- Collection of fees
- Venue logistics, contracts, payments
- CE administration

Chapter Event Evaluation

- Post-event evaluation – possible elements of success
 - Was it financially successful?
 - Did it engage members?
 - Did it recruit new members?
 - Did it advance the chapter's or NAEA's mission or strategic plan?

Process for an Affiliate to Become a Chapter

- Affiliate will notify NAEA of its intent to become a chapter
- A collaborative transition playbook will be created and supported by the states and NAEA
- Board or member vote, depending on affiliate bylaws provision
- Dissolve corporation- per state law, provide proof of entity termination
- Chapter agreement to include operating procedures and policies
- Movement of affiliate funds per affiliate bylaws provision (see next slide)
- Create or adopt a chapter plan that outlines: engagement; events; and other activities (NAEA will provide a template)
- Participate in the initial launch meeting, then an annual planning meeting
- Participate in additional training and leadership meetings as needed
- Non-affiliated states interested in forming a chapter should contact the NAEA office

What Happens to the Affiliate Funds?

- State affiliate funds, if transferred to NAEA, are put into a reserve account designated for the chapter activities
- Chapters will not have separate bank accounts
- All revenue and expenses will be managed by NAEA

How will Chapters be Funded?

- Transferred funds from the affiliate
- Annual NAEA budget
- Net profits from events
- Profits from events are allocated to that chapter's reserves, minus event expenses and administrative fees (formula TBD)
- Chapter reserves will be reconciled twice annually and provided to chapter leadership
- If reserves are depleted, chapters would be funded through the annual NAEA budget
- Newly established chapters in unaffiliated areas would be funded through the annual NAEA budget

Will NAEA dues have to be increased?

- Dues are determined each year by the NAEA Board of Directors through the annual budget process. The budget process includes the well-being of the net assets w/o donor restriction in the equity portion of our balance sheet.
- As part of our knowledge-based decision-making process, the Board has discussed what would be needed to ensure adequate funding for a chapter program. These discussions have included the many unknown variables in forecasting future expenses, future membership numbers, future non-dues revenue, and future investment income.
- A budget has been developed for the fiscal year ending 6/30/24 and currently does not include an increase beyond the annual increase. The board also does not foresee any additional increase, beyond the annual increase, in FY25.



NATIONAL	CHAPTERS
Development and execution of organizational strategy, mission, vision	Engage and serve members, supported by the NAEA board, team, and committees
Branding, marketing, and communications – for all NAEA and chapter programs and activities	Drive membership growth through local engagement at CE programs, career presentations, networking events
National level advocacy and IRS/Congress outreach	State level advocacy and legislative initiatives
Operations, administration, event support, and IRS CE administration	Local chapter and committee leadership, on-site event support
Consolidated audit, 990, financial oversight	Local representation in NAEA initiatives and at leadership meetings
Annual nationwide conference and online education	Regional and local events
National partnerships and business development	Local partnerships with academic and business organizations
NAEA Education Foundation – scholarships, fundraising, and EA career awareness initiatives and programs	EA Career awareness and student outreach
NAEA PAC – fundraising and advocacy	Address specific state level issues as needed – with assistance from NAEA GR and Legal Fund

FAQs

- Will there be separate dues for chapters?
 - No
- Will chapters have separate bank accounts?
 - No
- How will chapters be funded?
 - Through the affiliate reserves, event profits, and the NAEA budget.
- Will chapters be able to continue their current activities?
 - For the most part, yes, as long as they are meeting the proposed elements of success, which will be relative to the size and objectives of the chapter
- How will events and activities be planned and approved?
 - The primary mechanism for which events will be planned and approved will be the annual planning meeting.
- Will NAEA dues increase?
 - There will be no increase in the first year beyond the regular annual increase. There could be possible nominal increases needed in the future to support additional member programs and activities. Dues are determined each year by the NAEA Board of Directors through the annual budget process.
- What is the earliest that a Chapter could start functioning?
 - September 1st of 2024, if the membership approves the bylaws proposal.