



### Local Chapter Financial Policies

NKF Volunteers, including Local Chapters, should not be using the national NKF's 501(c)3 tax exempt number, or that of an NKF Affiliate, for any purpose. The IRS dictates that only authorized officers and key personnel of the NKF may be in possession of and use this number.

Local Chapters may charge membership dues, program fees, and fundraise for patient assistance. However, the funds will need to be maintained by the NKF Division or Affiliate in their area. NKF is required by the Internal Revenue Service (IRS) to collect and report all fundraising dollars. A Local Chapter may not maintain an independent bank account or Federal Tax ID number under any circumstances.

The Local Chapter's funds will be accounted for as a line item within the Division or Affiliate budget, and statements will be provided upon request to Chapter Chairs or Chapter Treasurers. For those Local Chapters who cannot be geographically matched with an NKF Division or Affiliate, there may be instances where funds are maintained directly by the National HQ.

#### Management of Local Chapter Funds:

- Funds that are raised through local chapters (CRN, CNSW, CNNT) can be carried over from year to year as long as they are recognized as contributions or donations that will support the NKF and/or the local chapter. Examples include:
  - Donations to support NKF & chapter programs
  - Contributions that provide support to NKF & chapter programs
- Funds that cannot be restricted, include:
  - Membership dues
  - Registration Fees for an activity
  - Sponsorship of a specific activity or event

- **Exceptions** (Language is important):
  - To restrict membership dues, call it a "contribution" or "donation" instead of "membership."
  - To restrict registration fees for an activity, the program brochure **must** say, "all fees are restricted for the educational programs of the National Kidney Foundation and <<insert local chapter name>>"

For example:

- "In support of the CRN-NE 2016 annual symposium" = Non-restricted Fund
- "To support the educational programs of the NKF and CRN-NE" = Restricted Fund

- For any local chapter that currently has restricted funds in an NKF local office account, the funds may be used for any NKF or chapter activity or program they see fit. Examples include:
  - Professional education programs
  - Patient education programs
  - KEEP Healthy
  - Activity at the NKF Spring Clinical Meetings

*For local office staff*

**GL CODE TIPS**

To restrict fees & dues, use: **11**-xxx-xxxx-xxx

Related project codes:

- CNSW: 3801
- CRN: 3807
- CNNT: 3805

For non-restricted funds:

Sponsorship, use: 10-xxx-xxxx-440

Exhibits, use: 10-xxx-xxxx-443

**For NKF Affiliates only:** Local Chapters who are successfully partnering with an Affiliate can continue to use the Affiliate's tax ID, per any existing agreement between the groups. However, all fiscal activities need to be recorded in the Affiliate's accounting records. If the Chapter has a bank account separate from the Affiliate, the Affiliate must be listed as the owner and signatory on the account, the account must be listed at the Affiliate's address and all bank statements are to be reviewed by the Affiliate's accounting staff. A reversion of funds provision must cover the account directing funds to the Affiliate in the case of dissolution of the Local Chapter.