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Chapter 1: Recruitment and Membership

The SCORE charter states that it has one class of volunteers, with all volunteers enjoying the same rights and privileges. The basic unit of membership in SCORE is the chapter, but individual volunteers are members of their local SCORE chapters, and thereby become individual members of SCORE. The terms “volunteer” and “membership” in this SCORE Operating Manual (SOM) generally refer to individual SCORE volunteers.

Recruitment

SCORE’s chapters should constantly be recruiting new members who have skills consistent with today’s business environment. Business is ever changing, and SCORE must recruit and retain members who can serve the needs of contemporary business people. It is essential that every volunteer of each chapter assist in identifying and recruiting new volunteers. Recruitment should be a fundamental chapter activity and goal.

Each chapter should have an individual or committee primarily responsible for recruiting new volunteers. This responsibility should include:

- Devising and implementing plans to attract people willing to work and who have the skills consistent with the chapter’s identified needs and goals
- Plans to achieve the chapter’s minority and female recruitment goals

Participation

To participate in their local chapters, volunteers may be involved in any or all of the following:

- Offer counseling, either face-to-face or via cyber counseling
- Accept a role in administrative duties, workshops, seminars, etc.
- Use their special qualifications/skills to assist the chapter in fundraising, marketing, computer technology, public relations, etc.

Eligibility

To be eligible for SCORE membership, an applicant shall meet all SCORE requirements, including:

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- Having the time, as defined by the chapter, and ability to commit to the SCORE activities agreed upon
- Participating in chapter activities such as service on committees and accepting positions of leadership
- Signing and complying with the SCORE Code of Ethics and Conduct

Applicants shall be carefully interviewed by the chapter chair and/or the Volunteer Recruiting and Training Committee to discover whether they are suitable for SCORE membership and to determine whether each applicant's skills are needed. Chapters should be careful not to approve a person if he or she is:

- Likely to become involved in conflicts of interest or not comply with the SCORE Code of Ethics and Conduct.
- A paid staff member of another SBA business development resource and, therefore, not eligible for membership. The chair may ask for an exception from the district director.
- A person who, in applying for membership, made material misrepresentations (including concealment) about his or her background or experience. Such a person may be denied membership or removed from membership.
- Not available for commitment to SCORE activities.

Factors to be considered in screening all applicants include:

- Personality, attitude, temperament and sound character
- Ability to communicate effectively
- Ability to patiently listen, gather facts, gain rapport and analyze
- Willingness and ability to participate in chapter activities, including leadership, committee assignments, workshops, administration and special programs
- Willingness to work with others
- Willingness to follow required SCORE procedures, including the completion of all required forms, i.e., 641 and 641A (see Chapter 3: Recording Chapter Operations)

Chapter 1: Recruitment and Membership

Membership

Chapters will deal with applicants for SCORE membership in the following manner:

- The chapter chair, Volunteer Recruiting and Training Committee or individual responsible for recruiting shall obtain the applicant's resume. The prospective volunteer will be interviewed by the chapter's appointed committee or individual and asked to complete Form 4, Application for Membership, to which his/her resume and any written notes shall be attached.
- Written notes of the interview will be kept and made part of the applicant's file.
- Requests for additional material and information may be solicited and made part of the applicant's file.

The completed application (Form 4) and all related data will be submitted to the chapter for review in accordance with the chapter's bylaws. When the applicant has been approved, the chapter will:

- Send one copy of the Form 4 to the SCORE Association office for the national roster. The applicant does not officially become a volunteer and is not covered under the Federal Tort Claims Act or eligible for reimbursement until the application (Form 4) is received by the SCORE Association office.
- Retain one copy for its membership files.
- Notify the applicant of approval.

If the chapter rejects the applicant, the applicant will be notified in writing of the reasons for rejection.

Orientation

A three-month provisional period is required of all new volunteers, during which the new volunteer shall receive orientation and instruction regarding:

- The need for professional conduct and attitude
- The organization and structure of SCORE at the national, district and local levels
- The SCORE relationship with SBA and SBA resource partners
- The requirement to subscribe to and sign the SCORE Code of Ethics and Conduct
- The need to maintain total confidentiality regarding clients and their businesses

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- The absolute need for volunteers to serve as chapter leaders in the future and to serve on chapter committees
- The forms and procedures used in the daily operation of the chapter

Training

Training should be tailored to the specific skills for which the new volunteer was recruited:

- Counseling — Face-to-Face
 - SCORE counseling methods and techniques
 - The importance of client follow-up
 - The proper use of Forms 641 and 641A
 - Materials and resources available to clients from SCORE, SBA, etc.
- Counseling — Cyber
 - Basic SCORE and online counseling techniques along with email and telephone etiquette
 - Follow-up counseling methods and techniques
 - Materials available through the Volunteer Center Web site; through SCORE Resource Partners and other sources on the Internet
- Administration
 - SCORE office management
 - Record keeping and record retention
 - Reports required by the SCORE Association office
 - Other activities to support counseling, workshops, etc., as required by the chapter
- Specialty Support
 - The current and future needs of the chapter

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- Knowledge of any supporting material available from the SCORE Association office and other chapters
- Census and other available demographic information
- Organizations that could or do support the chapter's goals

Standards of Performance

Chapters should establish standards of performance and require all volunteers to adhere to them. Those standard chapter requirements should appear in the chapter bylaws. Standards should be fair and equitably applied to all volunteers and provide a basis to measure individual volunteer performance.

While individual chapters may have other specific and/or additional requirements as circumstances dictate, the SCORE Association suggests the following basic guidelines for maintaining membership in SCORE. To stay in good standing, a volunteer should:

- In addition to, or in place of, counseling, contribute in a significant way to chapter functions, i.e., take on leadership positions or administrative work, participate in workshops, committees and outside activities
- Participate in other SCORE-or chapter-sponsored membership-training programs where applicable
- Complete all forms required by the chapter, district director or association office
- Comply with chapter operational procedures
- Adhere to the SCORE Code of Ethics and Conduct
- Comply with all SOM requirements

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A SCORE chapter shall have written bylaws and shall specify the officers it requires, how they shall be elected, their terms of office and any qualifications for holding office or any duties different from those usually appropriate to the office. The chapter's bylaws shall not contain anything contrary to the SOM. Refer to Form 22 for a sample of chapter bylaws.

The following guidelines describe the duties of the four principal officers of the typical chapter:

The Chapter Chair

The chapter chair is responsible for overall chapter management consistent with SCORE policies, procedures, goals and objectives. The chapter chair will work closely with the district director to ensure alignment with the SCORE Association mission and vision as well as agreed upon goals and objectives. Chapter chairs are encouraged to develop a leadership team within the chapter and to delegate appropriately to both the leadership team and to committees within the chapter. The chair is the chief administrative officer of the chapter and reports directly to the district director.

Further, the chapter chair is responsible for carrying out or delegating the following duties. (Any and all responsibilities may be delegated at the chair's discretion to the vice chair, treasurer, secretary, committee members or chapter members. Following, in parentheses, is a suggestion of the appropriate person(s) to carry out some of these tasks.)

The chapter chair:

- Oversees chapter meetings and meeting agendas; ensuring that minutes are kept of all chapter meetings and training sessions. (Secretary)
- Appoints committees as may be necessary or desirable to accomplish the chapter's goals and objectives.
- Communicates appropriate information from the SCORE Association office, board of directors, SCORE district director and the SBA to all chapter volunteers.
- Maintains effective communications with appropriate resources within the chapter's community or market area, with SBA officials and the SCORE district director. (Chapter chair and leadership team)
- Ensures that paid clerical support services, if available, are procured through an approved clerical provider. Chapters are not permitted to have paid employees, so

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all clerical providers must be approved by the SCORE CEO or his designate, including clerical providers paid by chapter funds. (Treasurer)

- Makes certain that chapter officers and volunteers are familiar with the SOM. (Vice chair)
- Develops a line of succession to assure continuity with incoming chapter officers. Encourages the development of chapter volunteers, to prepare them for leadership positions. A volunteer should serve in one or more chapter offices before becoming chair. A chapter chair should serve no more than two years.
- Complies with the decisions, directives and instructions on SCORE operations received from the board of directors, SCORE officers, the district director and the SBA. (Chapter chair and leadership team)
- Makes certain that volunteer and chapter responsibilities for recording and reporting activities are met and records are properly maintained. (Secretary)
- Creates and implements the chapter's operation or business plan consistent with the SCORE Association mission and vision. (Chapter chair and leadership team)
- Directs the annual goal-setting process, including financial, marketing and recruiting plans. (Chapter chair and leadership team)
- Ensures that the chapter is carrying out effective programs to recruit, train and evaluate the work of its volunteers. (Vice chair)
- Ensures that all chapter volunteers' review and sign the SCORE Code of Ethics and Conduct annually. The signed copy will be kept in the volunteer's personnel file. (Secretary)
- Ensures that congressional contacts are maintained and reported to the SCORE Association office. (Chapter chair and leadership team)
- Reviews and approves all volunteer expense vouchers. (Vice chair)
- Reviews Management Information System (MIS) and goals reports prepared by the association office. (Vice chair)
- Ensures that chapter funds are properly controlled, monitored and reported annually on Form 3. (Treasurer)

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The Chapter Vice Chair

The vice chair performs the duties normally incident to that office, and while in training as the future chair, assists the chair in the discharge of his or her duties. The vice chair:

- Acts in place of the chair when the chair is absent or unable to serve
- Performs such other duties as may be assigned by the chair
- Assists the chair in implementation or delegation of chapter activities at the discretion of the chair

The Chapter Secretary

The secretary performs the duties normally incident to that office, including the following (unless delegated elsewhere):

- Keeps minutes of chapter meetings and training sessions
- Supervises preparation, maintenance and mailing of the Monthly Report of Operations (Form 1) and other required reports
- Supervises maintenance of the case log and case files
- Establishes and maintains the chapter roster and volunteer files
- Maintains the SOM, other records, and the chapter library, files and reports to ensure an accurate account of chapter operations
- Assists the chair in implementation or delegation of chapter activities at the discretion of the chair

The Chapter Treasurer

The treasurer performs the duties normally incident to that office, including the following:

- Handles the receipt and disbursement of chapter funds
- Maintains an accurate record of all financial transactions
- Submits monthly treasurer's report to the chapter

Chapter 2: Administration and Operation of Chapters

- Accounts for money, property and in-kind gifts to the chapter, keeps records for tax and safekeeping purposes, and sees that proper federal, state or local tax and other chapter financial reports are duly filed
- Annually prepares and submits Form 3, Chapter Annual Report, to the district director
- Assists the chair in implementation or delegation of chapter activities at the discretion of the chair

Election of Officers

To ensure a fair and informed election of officers, the chapter chair shall appoint a nominating committee to select, interview and evaluate the qualifications of candidates for office, and give proper and timely advance notice to the membership of the election process and date.

- Chapter elections shall be held in the third quarter of the fiscal year so that new officers and appointed committees may be adequately prepared to function on the first day of the new fiscal year, which begins October 1. It is recommended that elections be completed prior to July 1.
- Officers may be elected in one of two ways:
 - By a majority vote of those responding to a ballot mailed to all volunteers
 - By a majority vote of those volunteers present at a regular or special meeting following a notice in writing mailed *not later than* three weeks prior to the date an election is scheduled

In the event an election for chapter chair results in a tie, a second vote should be taken. If the second vote again results in a tie, the district director shall cast a vote to break the tie.

Removal of Officers

A chapter officer may be removed or lesser action taken if he or she knowingly:

- Fails or refuses to comply with an appropriate decision or directive of the board, a SCORE officer or the district director
- Fails to fulfill in a substantive way his or her responsibilities as an officer
- Acts in an improper manner so as to discredit the office, chapter, SCORE or the SBA

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- Does not appropriately comply in a substantive way with applicable SOM provisions

Action may be initiated by a majority of chapter officers, the district director or CEO. In addition, a majority of chapter volunteers may petition any of these officials for removal. The detailed charges shall be presented in writing to the chapter officer in question, and an attempt shall be made to resolve the matter informally with the officer at the chapter level, with the district director or CEO participating

If the matter is not satisfactorily resolved, the district director promptly notifies the CEO, detailing the charges in writing against the chapter officer and providing a record of the attempt to resolve the matter. If the CEO is unable to resolve the matter within 30 days, it shall be referred to the SCORE Association Executive Committee

- The Executive Committee shall provide the chapter officer due notice of the charges and opportunity to respond. Then based on the information at its disposal, they shall make a final written decision on the matter for SCORE. The decision is sent to the officer involved, the other chapter officers, the district director, the CEO and appropriate SBA officials
- The committee may request the board to revoke a chapter's charter if it refuses or fails to take the action the committee requested in its decision.
- If an officer is removed, the district director shall appoint a chapter volunteer to act in place of the officer until the chapter elects a new officer.

Chapter Committees

Chapter committees may be established to facilitate effective chapter activities, to secure maximum volunteer participation, to use the talents of the chapter and to identify and develop future chapter leaders. The term of committee members will ordinarily coincide with that of the chapter officers. The following committees may be considered:

- Executive Committee or board of directors
- Marketing Committee
- Volunteer Recruiting and Training Committee
- Evaluation Committee
- Program Committee
- Workshop Committee
- Fundraising Committee
- Legislative Committee

Chapter 2: Administration and Operation of Chapters

Committee chairs and members are appointed by the chapter chair or the Executive Committee, or may be selected by the volunteers where this is the chapter's normal procedure. Following are the recommended duties of each committee:

The Executive Committee

The Executive Committee, composed of chapter officers and members appointed by the chapter chair:

- Assists the chair with the general supervision of chapter affairs between regular meetings, including setting the time and place of chapter meetings
- Removes inactive and inadequate volunteers, unless the chair is authorized to do this by the chapter bylaws
- Advises the chapter chair on policy, procedures and agency relationships
- Exercises the power and authority normally exercised by an Executive Committee, including advising the vice chair regarding governance of the chapter in the absence of the chair

The Marketing Committee

The Marketing Committee prepares a marketing program, including public relations and/or publicity, to assist the chapter in achieving its goals and:

- Solicits the support and active participation of the chapter volunteers in the program
- Publicizes SCORE's services and accomplishments through *SCORE Today*, the news media, chambers of commerce, banking institutions, etc.
- Cooperates with and secures the assistance of the district director and/or the SCORE Association office in developing a marketing program

The Volunteer Recruiting and Training Committee

The Volunteer Recruiting and Training Committee identify needs and establishes priorities for the recruitment of volunteers as desirable for the chapter and:

- Develops and implements ways to meet SCORE goals for women and minority volunteer recruitment

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- Coordinates the recruiting program with other committees
- Solicits the support and participation of all volunteers in the program
- Establishes procedures for interviewing applicants for SCORE membership
- Conducts training sessions for chapter volunteers, using the training materials available from the SCORE Association office
- Conducts orientation sessions for new volunteers, using the materials available from the SCORE Association office
- Works to raise awareness that training and development are a continuing responsibility of all volunteers

The Evaluation Committee

The Evaluation Committee establishes and maintains effective procedures to review and evaluate the performance of volunteers in their counseling, business training sessions and other responsible chapter activities to ensure that the chapter provides top-quality service. The Evaluation Committee also:

- Applies, in those procedures, guidelines for effective use of volunteer skills and their evaluation as set forth in the SOM and in other publications and programs available from the SCORE Association office
- Discusses deficiencies and needed improvements in counseling, business training, chapter management and other chapter operations with chapter officers and volunteers so that proper corrective actions can be taken
- Conducts a semiannual review of chapter volunteers to identify inactive and less effective volunteers who should be removed from the chapter, or assigned to other chapter duties and those who should be considered by the Executive Committee for special awards

The Program Committee

The Program Committee plans programs for regularly scheduled chapter meetings, ensuring that discussion of, or questions about SCORE operations and the SOM provisions are on the agenda.

In addition, every chapter meeting should have a training session on a selected subject, separate and apart from the regular business meeting and any presentation by an invited

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speaker. Chapters should also recommend topics to speakers that will further volunteer training. The Program Committee:

- Secures knowledgeable speakers on pertinent topics of benefit to volunteers
- Organizes special features such as panel discussions, role playing, case studies and audio and visual programs
- Arranges for the showing of SBA and SCORE management training films and similar materials developed by or available from the SCORE Association office

The Workshop Committee

The Workshop Committee continuously reviews and reports to the chapter on the feasibility of offering workshops and similar events on subjects that would be helpful to the business community. The Workshop Committee also:

- Plans for workshops or similar events, including obtaining chapter volunteers and others as speakers, developing effective publicity, determining appropriate charges, finding facilities and arranging for materials and handouts
- Works with the chapter Marketing Committee to arrange necessary and appropriate publicity for events
- Works with SBA officials to develop and present workshops
- Cooperates with the SBA, as needed, in providing assistance for SBA-sponsored events
- Arranges for clients to evaluate workshops and presentations
- Conducts workshops and similar events
- Ensures there are counselors available at workshops and seminars for clients seeking assistance
- Arranges for the collection and handling of fees and maintains accurate records of the disbursements, with all surplus funds going to the chapter treasury
- Compiles workshop information for reporting on Form 1
- Arranges for a sign-in form to record names of event attendees for chapter databases and follow-up

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- Considers whether the events should be co-sponsored with other organizations and arranges details of the collaboration if approved
- When co-sponsoring a workshop or seminar, ensures that SCORE's name is prominent in all publicity and that the chapter receives its fair share of any workshop proceeds

The Fundraising Committee

The Fundraising Committee, composed of SCORE volunteers, identifies needs for and sources of additional income. The Fundraising Committee:

- Develops fundraising strategies
- Contacts and follows up with potential donors of funds and in-kind support

The Legislative Committee

The Legislative Committee is responsible for contacting federal government offices to report on the activities of the chapter. The Legislative Committee:

- Contacts national congressional legislators, or their staff members, in person at least twice a year
- Reports to the SCORE Association office all face-to-face contact with U.S. Senators, Congressmen or their staff
- Maintains contact with state and local governmental offices and legislators

Election of SCORE Volunteers to the SCORE Board of Directors

The SCORE Association Board of Directors is composed of up to 16 individuals, 60 percent from within the SCORE organization and 40 percent from without the SCORE organization (independents). SCORE volunteers interested in being considered for membership on the board of directors must respond to the board Nomination Committee call for candidate nominations each year. A potential SCORE candidate may be nominated by another volunteer of SCORE or may self-nominate. The nominating committee is required by the bylaws of the SCORE Association to present to the board a list of qualified candidates from within the SCORE organization.. The board of directors will then select members from that list by majority vote. The board elects both SCORE and Independent (non-SCORE) board members.

Chapter 3: Recording Chapter Operations

The SCORE Association is required by the SBA and Congress to report on services provided to the small business community and the contributions made by SCORE volunteers. To effectively report to the SBA and Congress, all chapters are required to submit Form 1, Monthly Report of Operations, by the 20th of the following month to the SCORE Association office. This information is used in funding requests, planning and budget allocation.

MIS Reports

The Management Information System (MIS) was developed by SCORE and the SBA to provide accurate information and statistics about SCORE membership, counseling and training activities and other operations. The information is provided to the association office by each chapter monthly. The association office enters the data and produces a monthly MIS Report. This report is sent to the SBA, SCORE district directors and each chapter monthly. A full and accurate picture of SCORE's activities is dependent upon timely and accurate reports from all chapters.

MIS data is vital to show the SBA, Congress and other interested parties the work SCORE is doing to provide services to the business community.

Forms

Accurate reports from chapters are so vital to SCORE's effectiveness that a chapter's charter could be revoked if it consistently fails to provide the reports required by the SCORE Association office. To facilitate chapter reporting, originals of all necessary forms are provided in the *Chapter Daily Desktop Guide*. **Forms are updated from time to time and chapters should be sure to only use the most recent version of all forms.** An updated version of the *Chapter Daily Desktop Guide* is sent to each chapter annually, and all forms include instructions for completing them.

Note: SBA forms approved by the Office of Management and Budget (OMB), including Forms 641 and 641A, may not be changed without approval of the originating agency.

The following forms are included in the *Chapter Daily Desktop Guide*:

- **Form 1 — Monthly Report of Operations.** Reflects the activity and operations of the chapter. It is to include data for all branches and is mailed simultaneously to the district director and the SCORE Association office for receipt by the 20th day of the following month.

Chapter 3: Recording Chapter Operations

- **Form 3 — Chapter Annual Report.** Provides data for the past fiscal year about the chapter. Must be received by the district director by October 31. District directors will forward the Form 3 and a copy of the reconciled bank statement to the association office by November 15. The ending balance on Form 3 should be the same as the reconciled bank balance.
- **Form 4 — Application for Membership.** Must be completed by all new volunteers. An applicant is not a volunteer or is not protected by the Federal Tort Claims Act until the application is received by the SCORE Association office. A copy of the completed application should be placed in the volunteer's personnel file.
- **Form 5 — Non-Counseling Contacts.** This form is used to count all of the instances when SCORE volunteers directly educate the public about our valuable work. Non-counseling contacts are whenever a SCORE volunteer provides information about SCORE that does not fall under the definition of a counseling case or a workshop.
- **Form 7 — Chapter Member Change.** To be completed by the chapter or district director and sent to the SCORE Association office. This enables the association office to maintain an accurate roster for each chapter. A copy should also be placed in the volunteer's personnel file. In addition, the association office will send out rosters to each chapter twice a year to review for changes.
- **Form 11 — Application for Awards.** See Chapter 7 for more information.
- **Form 14 — Total Expense Reimbursement Form.** SCORE volunteers or chapters must submit this form to be reimbursed for out-of-pocket expenses, with the necessary approval/signatures, to the SCORE Association office. See Chapter 5 for more information.
- **Form 15 — Acknowledgment of Receipt of Gift to SCORE.** Chapters should complete this form upon receipt of gifts, either in-kind or cash. Give a copy to the donor and retain a copy for chapter records.
- **Form 16 — SCORE Chapter On-Site Review (SOSR).** This form is used by district directors or their designate to monitor and support chapter performance. This review should be conducted at least biennially.
- **Form 22 — Model Bylaws for Chapters.** A sample is provided. All chapters must have operating bylaws.
- **Form 23 — Congressional Contact Report.** To be completed when contact is made with a member of Congress or congressional staff. Contact can be in person or in writing. The contact must be face-to-face to be counted towards the chapter's goal. A copy of this form must be sent to the SCORE Association office.

Chapter 3: Recording Chapter Operations

for a chapter to receive credit. This also enables the association office to contact the congressional office in Washington to follow up on the original contact.

- **Form 24 — Chapter Membership Agreement.** This form must be completed and signed by all necessary parties before a chapter charter will be issued.
- **Form 25 — Chapter Chair’s Oath of Office.** A sample is provided to be used when installing a new chapter chair.
- **Form 30 — Small Business Success Profile.** This form must be completed by the SCORE counselor and signed by the business owner for release of information. This form is also used to update success stories for goals reporting.
- **Form 35 — Tabletop Display Reservation.** A sample is provided to be used when reserving the tabletop display booth.
- **Forms 100 and 101 — Chapter Expense Voucher Transmittal Sheets.** These forms are used to submit expense vouchers (Form 14) to the association office. Chapters complete Form 100 to accompany the expense vouchers and at the district director’s discretion, send the forms directly to the association office or to the district director. If Form 100 is sent to the district director, then a Form 101 must be completed by the district director before forwarding the expense vouchers to the association office.
- **Form 641 and 641A.** This form is two-sided, but chapters can choose to use these forms as single-sided if desired. No other changes can be made to these forms without permission from the U.S. Office of Management and Budget and the U.S. Small Business Administration. The request for counseling is initiated by the client completing the 641. The counselor must complete the 641A (second side of form) after each counseling session and follow-on session.
- **Form 888.** Management Report Form – Should be used to record workshop information and attendance.
- **Chapter Goals Form.** All chapters are required to determine goals for the next fiscal year. Goals will be used to help the association project and measure growth and success. Progress toward goals will be taken into account during the budget process. Chapters and district directors will receive a monthly goals report from the association office showing their progress toward their goals.
- **Email Counseling.** The client’s request for counseling serves as Form 641 and the written responses by the counselor serve as Form 641A. Hard copies of the request and responses must be retained by the chapter and used for inclusion on Form 1.

Chapter 3: Recording Chapter Operations

- **IRS Form 990 — Return of Organization Exempt from Income Tax.** Chapters with gross receipts of \$25,000 or more may be required to file this return with the IRS. Revenues include gifts and donations. Chapters should consult with an accountant to determine whether they are required to file a return. If a 990 is filed with the IRS, a copy must be sent to the SCORE Association office. SCORE's fiscal year ends September 30. All 990s are due to the IRS February 15 of the following calendar year.

Retention of Forms

The chapter must keep all forms, including 641 and 641A, for four years, except as otherwise noted in the SOM. All records pertaining to volunteers, including membership applications, must be kept for seven years after a volunteer leaves SCORE.

Chapter 4: Counseling, Workshops and Case Reporting

All chapters are required to use the following definitions of counseling sessions and workshops or seminars.

Counseling Cases or Counseling Sessions

Counseling occurs when a SCORE counselor or team of counselors receives a request for business advice and responds by providing substantive advice. The client must complete a Form 641 Request for Counseling or have submitted a request via email to be counted as a case. For telephone counseling, the counselor will complete the Form 641. In addition:

- To be counted as a counseling case or session, the advice given should be of sufficient value to have resulted in a billable client service by a paid consultant.
- A counseling case or session may be face-to-face or by any regularly accepted means of communication.

A session with two or more individuals representing a single business entity or client counts as one counseling session or case.

A session with two or more counselors (team counseling) and a single business entity or client counts as one counseling session or case.

What Does Not Constitute Counseling

Providing non-business information or advice is not to be counted as a case or session. The following are examples of some of the activities that **do not** constitute a counseling case or a session:

- Client calls for and receives directions to the chapter or information about office hours or SCORE activities.
- Client calls for and receives the telephone numbers of local or state government offices for business registrations or other contact information for other potential resources.
- Client visits or is referred to a chapter, counselor or other web site for information.
- Client registers on a chapter or volunteer web site for any purpose other than a request for email counseling.

Chapter 4: Counseling, Workshops and Case Reporting

- Client downloads information, software, templates or other files from a chapter volunteer or other web site without counselor contact that meets the definition of a case.
- Client is sent an email newsletter or other information electronically without additional counselor contact that meets the definition of a case.
- Counselor contacts a client for the purpose of scheduling a meeting, and the conversation does not meet the definition of a case.
- Counselor contacts a client for the purpose of “following up” or “checking in” and the conversation does not meet the definition of a case.
- Counselor or chapter “closes out a case” for administrative or other purposes, without additional client contact that meets the definition of a case or session.

Workshops and Seminars

A workshop or seminar is an educational or training program for a group of individual attendees (non-SCORE volunteers) on a business-related subject.

- This activity may be sponsored by either SCORE or another entity, with SCORE contributing significantly to the program presentation.
- A workshop or seminar may be conducted live, face-to-face, or by any regularly accepted means of communication for this type of activity.
- Attendees must register and attend the workshop to be counted.

What Does Not Constitute a Workshop or Seminar

The following are examples of activities that **do not** constitute a workshop or seminar:

- Chapter volunteers staff an exhibit booth at a trade show and interact with attendees.
- Chapter volunteer speaks at a local service club, for the purpose of recruiting volunteers or educating the organization on SCORE.
- Chapter volunteer participates in a television, radio or web-cast presentation on a business-related topic, for which participants do not register or for which attendance is not taken or cannot be taken.

Chapter 4: Counseling, Workshops and Case Reporting

- Chapter volunteer participates in a workshop or seminar sponsored by a third party, and the volunteer's remarks are limited to recruiting or an overview of SCORE services.

Case Reporting

A request for counseling is generated when a client submits a signed Form 641 or submits a request for counseling via email. When counseling occurs on the telephone, the counselor should complete the Form 641. In the case of email, the client's request for counseling serves as the 641 and the counselor's responses serve as the 641A. For email counseling to be counted as a case, counselors must print out copies of their correspondence with the client. Copies of the 641, 641A and email correspondence must be retained by the chapter for four years.

A completed 641A is necessary for all follow-ons. Follow-ons should be reported in the venue in which they occur. Report all follow-on sessions based upon the counseling method used, face-to-face, email, etc. for that session. Follow-ons are a good barometer of the quality of the counseling experience.

All chapters are expected to encourage their volunteers to follow up with their clients, and each chapter should have systems in place to ensure that counselors are meeting clients' needs. This includes a procedure for follow-ons, counselor evaluations and measuring client satisfaction. Counselors are expected to conduct themselves with professionalism.

Non-Counseling Contacts (Information Transfer)

Non-counseling contacts are whenever a SCORE volunteer provides information about SCORE that does not fall under the definition of a counseling case or a workshop. Instances when SCORE volunteers directly educate the public about our valuable work. Compiling the total number of hours given by SCORE volunteers remains an important way to measure SCORE's impact.

SCORE volunteers do a lot of additional work that has not been reflected in our reporting. By counting all of the instances when SCORE volunteers directly educate the public about our valuable work, our volunteers will receive the credit they deserve.

Chapter 5: Total Expense Reimbursement System

SCORE volunteers and chapters are eligible to have expenses reimbursed that are incurred in the course of SCORE-related activities. To be reimbursed, SCORE counselors must use the Total Expense Reimbursement System (TERS) described in this chapter. The rules for reimbursement are established by the SCORE Board of Directors, and all expenses are charged to the budget allocated to the chapter by the district director.

Donating Expenses

Volunteers may file claims for reimbursement, but are not required to do so. They may elect to donate their expenses by not claiming reimbursement. Volunteers may be able to deduct these expenses from their individual income tax returns and should seek advice from their tax advisor.

Requirements for Reimbursement

Reimbursement for SCORE-related expenses will be according to the following conditions:

- Volunteers may choose to affiliate with a chapter located some distance from home, rather than with the nearest chapter. Where this is permissible, expenses will be reimbursed for the mileage to the chapter nearest the home only. The district director will monitor this carefully.
- Vouchers will not be paid if the expenses occurred more than 60 days prior to the date the expense is received by the association office. (For example, an expense dated March 2 must be received at the SCORE Association office on a properly completed form, including approvals, on or before May 1.)
- Expense vouchers received more than 60 days after the date the expense was incurred or vouchers that are not properly documented will be referred to the district director for disposition.
- Volunteers desiring reimbursement should submit the Form 14 monthly.
- Volunteers must submit the expense voucher to their chapter chair, or the chair's designate, who will verify that the expense is appropriate, that all receipts are attached and the form is completed properly before approving the voucher for payment.
- A chair may not approve another chair's or co-chair's expense voucher, nor may chapter volunteers approve a chair's expense voucher. The voucher of a chair

Chapter 5: Total Expense Reimbursement System

must be approved by the district director. The district director must also approve all vouchers for reimbursement that are paid directly to the chapter.

- The chair or chair's designate will complete Form 100 and send it along with the Form 14s to the district director or directly to the association office at the district director's discretion. A copy of the Form 100 should be retained for follow-up purposes.
- If the district director elects to approve all chapter Form 14s, the district director will prepare Form 101 and authorize payment of the Form 14s by signing Form 101. Several times each month the district director should forward the expense vouchers to the association office for payment.
- If the district director is unable to perform these functions, the assistant district director may perform them.
- The association office will not reimburse vouchers that are not accompanied by the required forms and approval signatures. Such claims will be returned to the chapter chair or district director for appropriate completion.
- The association office does not provide quantities of forms, including Forms 14, 100 or 101. Originals of all forms are in the *Chapter Daily Desktop Guide* and should be duplicated as needed.
- The SCORE Association office will not pay claims for any expenses incurred by volunteers during a government shutdown. (See Chapter 12 for more information.)
- All payments will be made by check only.
- Travel will be reimbursed at the SCORE-approved mileage rate in force on the day the approved travel expense is incurred. The mileage rate is determined by the SCORE Board of Directors.
- Per diem rates used by SCORE are contained in the General Services Administration (GSA) publication *Federal Travel Regulations* (FTR) and are periodically revised. Maximum permissible lodging, including taxes, meals and incidental expenses (M&IE) are contained in the FTR and reimbursements may not exceed these amounts. M&IE is reimbursed for travel on partial days at a flat three-quarters of the daily per diem. To be eligible for the partial per diem, a volunteer must be away from home for 12 hours or more.
- Chapters may institute a policy limiting expenses that are to be reimbursed, with the approval of the district director.
- No expenses can be claimed for attendance at any social event.

Chapter 5: Total Expense Reimbursement System

- When two or more volunteers travel together, only the owner of the car may file for reimbursement.

Reimbursable Expenses

Reimbursable expenses include costs associated with the following activities:

- **Counseling.** Commuting expenses or mileage at the SCORE-approved rate to and from SCORE offices or counseling locations, Business Information Center (BICs), a client's place of business and research sites on behalf of a client. The cost of tolls, parking, public transportation and taxis is allowed. A receipt is required for all expenses over \$5.00.
- **Chapter meetings.** Travel to and from chapter meetings. This payment is a local chapter policy decision, with the approval of the district director.
- **Chapter operations.** Expenses incurred by chapter officers and committee members to maintain the efficient operation of the chapter. This includes expenses incurred by volunteers performing administrative duties for the chapter and expenses incurred in the planning and production of workshops or seminars. Reimbursement can be made directly to the chapter for postage, equipment, office supplies, publications, marketing, rent and other chapter expenses.
- **District meetings.** Expenses incurred in attending district meetings. Only those volunteers invited to the meetings are authorized to claim reimbursement. SCORE funds cannot be used to cover the cost of alcohol. Attendees are responsible for their incidental expenses.
- **Training.** Expenses incurred to plan, produce or attend chapter-training sessions.
- **Promotion of SCORE.** Expenses incurred giving speeches representing SCORE to the local community.
- **Registration fees for SBA and non-SBA-sponsored events.** These are reimbursable as a means of paying for meeting rooms, breaks, banquets, audiovisual equipment rentals, etc. The cost of any meals included in the registration fee *must* be deducted from the per diem allowance.

Note: The cost of contributed items must not be charged to the chapter or district budget. For example, if volunteers are attending a meeting where someone else is hosting a luncheon, the cost of that luncheon must be deducted from the per diem.

Chapter 5: Total Expense Reimbursement System

Expense Guidelines for District Directors

The following expense guidelines apply to district directors:

- Should establish separate budgets for district and chapter expenses
- Are responsible for allocating and monitoring chapter budgets
- Must submit their own expense vouchers for approval to the CEO or his or her designate

Completing Form 14 — Total Expense Reimbursement Form

Follow the directions below to complete Form 14:

Box 1, Chapter and District Expenses

- Chapter expenses: Complete the box in full.
- District expenses: Omit the chapter number.

Box 3, Social Security Number

This information is required to properly reimburse a volunteer for expenses. For reimbursement to the chapter, only the chapter number is required.

Boxes 9 and 10, Approval Signatures

- All Form 14s must be signed by the claimant and approved by the chapter chair or the chair's designate.
- The district director must approve all Form 14s for chapter chairs and reimbursements paid directly to the chapter.
- Form 14s for district directors will be approved by the CEO or his or her designate.

Processing of Vouchers

The SCORE Association office processes expense vouchers daily and prints checks twice a week. All vouchers received by the last day of the month are included in the monthly reports provided to district directors. These monthly reports provide the district directors

Chapter 5: Total Expense Reimbursement System

with the status of their budgets and those of their chapters. The monthly reports are sent to each district director and assistant district director prior to the 10th of each month.

Least Cost Principle

SCORE will reimburse expenses using the “least cost” principle. For example, if it is possible to rent a car and drive to a district meeting rather than fly there, and it costs less to do so, SCORE will reimburse only an amount equivalent to the cost of the car. This least cost principle also applies to parking fees and the use of public transportation. Volunteers should keep this reimbursement principle in mind and minimize costs whenever possible.

Accounting Classification Codes

Form 14 contains the following accounting classification codes. These codes are used to allocate expenses:

- (1) **Counseling.** Includes all travel and related expenses incurred when counseling a client. All volunteers may use this account.
- (2) **Counseling Development and Support.** Includes expenses incurred that are not related to counseling. These include travel to chapter offices, meetings, travel for non-counseling duties, expenses incurred by the chapter including telephone, office supplies, equipment, etc., and expenses for developing or conducting workshops and seminars.
- (3) **Training.** Includes expenses incurred for volunteer training. This includes travel to district meetings or special training sessions. It also includes the costs of materials used in training.
- (4) **District Director and Assistant District Director Travel.** Includes expenses incurred by the district director and assistant district director while administering district operations. Only district directors and assistant district directors may use this account.
- (5) **District Meetings.** Covers travel and all approved expenses while attending a district meeting. Any volunteer authorized to attend the meeting may use this account.
- (6) **District Director Annual Conference.** Covers travel and approved expenses while attending the annual conference. All invited attendees may use this account.

Chapter 5: Total Expense Reimbursement System

- (7) **National Meetings.** Covers the costs of travel and approved expenses for any meetings sponsored by the association office. All invited attendees may use this account.
- (8) **Board of Directors Meetings.** Covers the costs of travel and approved expenses to attend SCORE Association board meetings. All board members and invited attendees may use this account.
- (9) **Business Information Center Staffing.** Includes all expenses incurred by volunteers while staffing a Business Information Center (BIC), U.S. Export Assistance Center (USEAC), Business Resource Center (BRC), One-Stop Capital Shop, and Enterprise or Empowerment Zone. All volunteers may use this account.

Chapter 6: Sources and Uses of Chapter Funds

Each district is provided an annual operating budget to cover most SCORE-related district and chapter expenses for the fiscal year. District directors allocate funds for district and chapter expenses, and all funds are available on a reimbursement basis.

Use of Funds

Chapters may use their annual allocation to reimburse volunteers or the chapter for expenses that support the mission of SCORE. However, chapter funds may also be used to cover any of these expenses. Only after a chapter has used its treasury funds to meet its needs may it contribute chapter funds to provide scholarships, awards, and endowments that promote the SCORE program objectives and mission of SCORE. Chapter funds shall not be used for expenses of a personal nature or for the personal benefit of the chapter's volunteers.

The following, subject to the district director's concurrence, are some of the ways chapter funds may be used:

- **Clerical support providers** can be paid directly by the association office or paid by the chapter, which can then be reimbursed. The association office must approve all clerical support providers, including those paid directly from chapter treasuries. Chapters must use a national, local or regional provider of temporary employment services. The local or regional provider must furnish evidence or certify that it is authorized to act as such in its state or local jurisdiction and that it complies with all applicable federal and state payroll tax laws and other applicable requirements. A copy of the contract between the local or regional provider and the SCORE chapter or district must be furnished to the association office for approval. The contract must be renewed annually. The local provider cannot be or include a volunteer of SCORE. The local provider must be available to provide clerical services to more than one customer.
- **Postage, office supplies, office equipment, software, publications, furniture, property and liability insurance, volunteer recognition and chapter rent.** Chapters should submit a Form 14, Expense Reimbursement Form to the association office. The chapter chair or the chair's designee *and* the district director must approve expenses reimbursed to the chapter.
- **Advertising and marketing programs** to enhance public knowledge and client awareness of SCORE services and the recruitment of volunteers.
- **Workshop activities**, including advertising, purchase of materials, equipment for presentations and room rental costs.

Chapter 6: Sources and Uses of Chapter Funds

- **Promotion of and cooperation in activities with other groups or agencies that support small businesses**, including dues or registration fees.
- **Travel expense, including mileage, parking, taxis, per diem, airfare, hotel expenses and miscellaneous expenses** will be reimbursed to volunteers via a properly completed and approved Form 14, Total Expense Reimbursement Form. Reimbursement is at the discretion of the chapter when approved by the district director. Mileage will be paid at a rate determined by the SCORE Board of Directors.

All expenses other than clerical must be submitted on a Form 14, Total Expense Reimbursement Form. Chapters may be reimbursed directly for expenses with a properly approved Form 14.

More Notes on Funds

Following is additional information on the use of chapter funds:

- Chapters are responsible for the expenses of their branches. The chapter chair or the chair's designee must approve all expenses for branches, including those of the volunteers.
- All chapter funds belong to the association. If the chapter closes for any reason, all monies revert to the association office.
- All items, including computer equipment, postage meters, telephones and supplies purchased with chapter funds or national funds are for official SCORE business. This includes items donated in the name of SCORE.
- The district director must approve all expenses paid directly to the chapter.
- In the event of a government shutdown, volunteers should not counsel and will not be reimbursed for any expenses incurred during the shutdown. Volunteers are not covered under the Federal Tort Claims Act or Federal Employees Compensation Act (FECA) during a shutdown. (See Chapter 12 for more information on Federal Tort Claims and FECA.)
- Each year, chapters are required to submit a Form 3, Chapter Annual Report. Please see the form, located in the *Chapter Daily Desktop Guide*, for instructions.

Chapter 6: Sources and Uses of Chapter Funds

Sources of Income

Donations

Chapters are encouraged to solicit and may accept donations of funds, property or services from outside sources in order to assist them in their activities.

All SCORE chapters receive their Federal Tax Exempt status under the umbrella of the national association. Each chapter has its own unique tax identification number and may contact the association office for that number. The association office will apply for and obtain a tax number for each new chapter. (*Note:* Chapters with Federal Tax Exempt status that receive annual gross receipts of \$25,000 or more may need to file IRS Form 990.)

Gifts to chapters with tax exempt status are tax deductible for the donor. Form 15, Acknowledgement of Receipt of Gift to SCORE, should be completed by the chapter and given to the donor. Chapters must provide a copy of the Form 15 to all donors of \$250.00 or more.

Chapters should notify the district director before initiating a general or broad solicitation of funds from outside parties, and they should notify the CEO and district director before soliciting or accepting a gift of funds in excess of \$10,000 from any one contributor in one year.

Sales to Other Chapters

If a SCORE chapter develops or obtains a publication, training course, video or other product it believes would benefit other chapters, it may sell the material to those chapters. The chapter selling the product is responsible for the costs to develop or reproduce it. It is prudent for the chapter to have materials reviewed by the association office to avoid duplication of efforts or conflicts with existing materials.

Chapter 7: National and Chapter Achievement Awards

The SCORE Association has an awards program that recognizes volunteers, both at the national and chapter level, who have made exceptional contributions to SCORE.

National Awards

Candidates from all SCORE chapters are considered for the following two awards:

The Platinum Leadership Award and Certificate

This is the highest award that can be given by the association. The volunteer receiving it shall have demonstrated meritorious service and made a significant contribution to SCORE. To be eligible for this award, a volunteer must have:

- Provided a minimum of seven years of meritorious service, and have served in a position of leadership during that period, in one of the following offices:
 - Director or alternate director
 - District director (manager)
 - Assistant district director (manager)
 - Chapter chair, vice chair, secretary or treasurer
 - Regional coordinator
 - National program director
 - Branch manager

The award shall be initiated by resolution of the chapter's Executive Committee and be:

- Accompanied by written documentation verifying that the eligibility requirements have been met
- Accompanied by a completed Form 11, Application for Awards
- Approved by the district director
- Authorized by the CEO
- Issued by the SCORE Association office

Chapter 7: National and Chapter Achievement Awards

The Gold Member Award and Certificate

This is the highest award that can be given to a volunteer who has not held a position of leadership with SCORE. To be eligible for this award, a volunteer must have:

- Provided a minimum of seven years of distinguished service, and
- Made an exceptional contribution to the chapter and the association through activities such as:
 - Workshop participation
 - Administrative roles
 - Community service and outreach programs

The award shall be initiated by resolution of the chapter's Executive Committee and be:

- Accompanied by written documentation verifying that the eligibility requirements have been met
- Accompanied by a completed Form 11, Application for Awards
- Approved by the district director
- Authorized by the CEO
- Issued by the SCORE Association office

Chapter Awards

These awards are given at the chapter level in recognition of exemplary volunteer service.

The Award of Meritorious Service

This award shall be given to those volunteers who have consistently provided above average service to the chapter *AND* are terminating their SCORE membership for any of the following reasons:

- Health, medical disability or death (The award may be issued posthumously.)
- Family illness where the volunteer leaves SCORE to attend to a family member (This does not include those who seek a temporary leave of absence.)
- Personal, such as pursuing other interests, family matters or other situations that prevent the volunteer's continuing commitment to SCORE

Chapter 7: National and Chapter Achievement Awards

This award shall be a local decision and be administered by the chapter and the district. The eligibility requirements for it are as follows:

- A minimum of five years of service to the chapter
- An above-average contribution of services that may include counseling, workshop activities or administrative service

The chapter shall initiate and issue the award, with the district director's approval. This award should not be given to volunteers whose service has been less than satisfactory.

Send a completed Form 11, Application for Awards, to the association office when requesting this award.

The Distinguished Service Award

This award honors SCORE volunteers and paid or volunteer chapter support personnel who have provided excellent service to their chapters in areas such as:

- Workshops
- Public relations
- Computers
- Marketing
- Recruiting
- Administrative support

This award must be initiated by the chapter chair or chapter executive committee. A written request should be sent to the association office. Include the name of the person and the specific wording for the award. See the *Chapter Daily Desktop Guide* for examples. A Distinguished Service Award Certificate may be ordered from the association office to be signed by the chapter chair or district director.

The Emeritus Membership Certificate

SCORE has established an emeritus membership status for volunteers to recognize their meritorious service, contribution or accomplishment on behalf of the chapter. This is an honorary membership position that allows volunteers to continue to associate with and serve SCORE in an as-needed advisory capacity.

A volunteer may request emeritus status or the chapter chair or chapter executive committee may initiate emeritus status for a volunteer. The chapter chair or executive committee must approve applications for emeritus status. An emeritus member serves the chapter in a capacity defined by the chapter chair or chapter Executive Committee. Emeritus members:

Chapter 7: National and Chapter Achievement Awards

- Will receive all chapter publications and meeting minutes
- May not hold chapter office
- May participate in all chapter activities on a non-voting basis
- May counsel in a team with another counselor, or group of counselors, when approved by the chapter chair or executive committee
- Will continue to receive *SCORE Today*

An emeritus certificate may be ordered from the association office to be signed by the chapter chair. It includes the signature of SCORE's CEO. Chapters will be asked to identify Emeritus members by using an Emeritus code option on the chapter roster that is periodically sent to chapters by the association office. Emeritus members should not be included in the chapter's membership count on Form 1.

Years of Service Awards

Years of Service Awards and Certificates are available based on years of service with SCORE. (*5 through 30 years in 5 year increments*)

A chapter officer may request years of service awards and certificates. All requests must be in writing and include the recipient's name. Submit request (via fax, email, US mail) to the SCORE Association Office.

Honorary Membership

Honorary Membership is extended to those who have provided ongoing support of SCORE's mission and significant contributions to SCORE. This honorary membership is intended for people who are not SCORE volunteers (i.e., members of Congress, those who donate money, space, etc or in-kind services that support the mission and growth of SCORE.)

A chapter officer may request Honorary Membership. All requests must be in writing and include the recipient's name and address. Submit request (via fax, email, US mail) to the SCORE Association Office.

Other Awards

In addition to national and chapter awards, SCORE presents several special awards:

Chapter 7: National and Chapter Achievement Awards

The Walter H. Channing Award of Excellence

This award shall be given to an organization or volunteer who has consistently provided outstanding service to the SCORE Association. Nomination for the award shall be initiated by a chapter, district director, board member or the CEO, presented to the Executive Committee of the board for approval and approved by at least 75 percent of the board. It must be accompanied by written documentation that the eligibility criteria have been met. The award will be issued by the SCORE Association office. Only one recipient may be named in any one fiscal year, and the award might not be given each year.

The eligibility requirements for this award are:

- The recipient must have made a *significant* contribution to the progress, growth and development of the SCORE organization.
- The activity or participation with SCORE exceeds expectation.
- The contribution shall have been continuous and long-term.

The Eugene F. Rowan Memorial Award

This award is established to honor volunteers who have significantly contributed to SCORE's Congressional Information Program. This award is established in memory of Eugene F. Rowan, former SCORE director of legislative affairs.

The award shall be initiated and given by the current legislative affairs director and the CEO of SCORE.

Chapter Recognition Programs

The SCORE Association shall provide national recognition and awards to chapters meeting or exceeding the established national criteria *AND* to those chapters that have developed successful programs that benefit their community and/or the SCORE Association. All chapters are encouraged to apply for these awards.

District Chapter of the Year Award

District directors should submit to the association office the name of the chapter to be recognized as the District Chapter of the Year. No other paperwork is required, and all such submissions will be recognized. Each district winner will receive a certificate and a plaque signed by the CEO. Each winning chapter will also be honored in *SCORE Today* and will receive templates for assistance with media coverage.

Chapter 7: National and Chapter Achievement Awards

District directors should submit the name of the chapter selected in their district to the association office by January 31.

National Chapter of the Year (COTY) Award

Chapters requesting consideration for the National Chapter of the Year Award shall submit the required documentation along with the following information to the district director no later than December 31.

Each district director will submit only one chapter to the SCORE Association office for consideration as the National Chapter of the Year. The selection must be submitted to the association office by January 31.

Up to 10 chapters will be selected as finalists. This selection process will be completed by February 20. Chapters failing to meet the required criteria will not be considered.

A committee of SCORE volunteers will make the final selection. The selection will be made no later than March 15 of the same year.

National Chapter of the Year Selection Criteria

The National Chapter of the Year shall meet the following criteria based on chapter plans, results and other information submitted for the most recently completed fiscal year (Example: The selection of the Chapter of the Year for 2002 will be based on the results for fiscal year 2001.) There is no formal “application form.” The selection of the COTY shall be judged according to the following criteria:

Summary Narrative

The chapter is asked to submit a supporting narrative that describes the activities of the chapter, how it meets the specific needs of its local small-business community and unique or creative activities or programs it delivers. Emphasis should be placed on client service, efforts to improve quality and community outreach.

This should be a summary of the following four sections and should not exceed 5 pages.

Basic chapter services (20%)

Each chapter shall identify:

- Increase in new counseling cases during the past fiscal year
- Increase in total counseling sessions during the past fiscal year
- Increase in the number of attendees at workshops/seminars during the past fiscal year
- Percentage of follow-on cases in the past fiscal year
- Percentage of women and minority chapter volunteers as of the fiscal year
- What percentage of the geographic area is currently being covered

Chapter 7: National and Chapter Achievement Awards

The above statistics to be based on SCORE Association office MIS data and your chapters goals.

Also to be included in this section is the organization chart, the personnel staffing and their areas of responsibility.

This section should not exceed 15 pages.

Chapter business plan (30%)

Each chapter shall submit a business plan developed at the start of the most recently completed fiscal year identifying the following measurable criteria:

- Chapter goals for the fiscal year
- Chapter budget for the fiscal year
- Chapter marketing plan
- Chapter recruitment plan
- Chapter plan for leadership succession
- Fundraising activities
- Business alliances

A short summary may be submitted for each category in the business plan, explaining the specific category and how the chapter met the goals. Chapters may highlight such items as committees assigned to achieve the goal, how the committee operates and how they measure results. There is no need to provide extensive background material. The point is to briefly summarize how the goals of the plan were met.

This section should not exceed 15 pages.

Chapters support for SCORE's Core Values (25%)

Each chapter shall submit information regarding their efforts to address the following SCORE identified core values:

- Client focus
- Delivering quality
- Professionalism

Chapters should list training methods and procedures to ensure that volunteers are delivering quality, professional counseling services. Chapters should comment on the method of counseling evaluation to assure top-notch counselors. You may list a limited number of testimonials as to the effectiveness of quality counseling.

This section should not exceed 15 pages.

Chapter 7: National and Chapter Achievement Awards

Chapter business and community services (25%)

Each chapter shall submit information identifying contributions to their small business community.

This should include:

- Committee outreach
- Participation in community business and educational programs
- Community alliances
- Support and participation in U.S. Small Business Administration (SBA) programs

The chapter shall submit information related to their community involvement. Each category should be explained listing the alliances, outreach activity and relationship, if any with the SBA.

It is important to list specific alliance partners in the community and the nature of the relationship. The narrative may be further supported by no more than 10 pages that might include press clips, success stories, marketing material, special brochure or training material and two letters of support, only one which can be from the SBA or the local chamber of commerce.

This section should not exceed 20 pages.

The National Chapter of the Year (COTY) submission should not include photocopies of chapter rosters, core assignments, chapter manuals, etc.

Presentation of the National Chapter of the Year Award

The National Chapter of the Year Award will be presented to the representative of the winning chapter at the annual SBA Small Business Week Award presentations.

The winning chapter will select the person most responsible for the chapter's success and that person shall be designated to receive the award.

Chapter volunteers will receive an appropriate gift as recognition of their contribution to the achievements of the chapter.

Chapter 8: Relations with SBA and Its Resources

It is SCORE's policy to work cooperatively with the SBA and its resources. SCORE may also work closely with all other governmental and private agencies to foster and promote small business. Consequently, it's important to be aware of the following:

- SBA has the authority to coordinate its resources, including SCORE, in order to leverage their effectiveness.
- Chapters and district directors have direct relations with their SBA field office counterparts who are responsible for communication and/or support for SCORE operations within their jurisdictions.
- When SBA asks a chapter to enter into written agreement or a Memorandum of Understanding (MOU), the chapter should consult with the CEO about the purpose for and contents of the document.
- Each MOU has legal consequences for all parties.
- All such documents and MOUs shall be approved by the CEO and if deemed advisable, legal counsel or the board of directors. Once the MOU is approved, a copy goes to the district director.

Communicating with the SBA

The SCORE Association office keeps the SBA Headquarters office informed of all association matters and issues of national importance. It is also important that SBA district officials are kept informed of local SCORE activities. As a matter of courtesy, the SBA district office should be sent copies of all chapter newsletters and minutes of chapter meetings as well as other appropriate communications.

In addition, the district director shall:

- Serve as a conduit and facilitator for information between the SBA district office and the SCORE chapters within the district.
- Send copies of chapter letters and memorandums to the SBA district offices, when he or she deems it advisable.

Chapter 9: The SCORE Code of Ethics and Conduct

By signing the application form for membership, each volunteer agrees to adhere to the SCORE Code of Ethics and Conduct. Volunteers are asked to read the Code of Ethics and Conduct annually and to sign a document reaffirming their commitment to them.

Client Interests

To best serve SCORE clients, SCORE volunteers shall:

- Always conduct their counseling and other SCORE activities in a manner that unequivocally places the interests of their clients first. Volunteers shall ensure that all available resources are offered to clients, including assistance by other counselors or chapters, or by outside organizations where appropriate.
- Initiate follow-up contacts to ensure the potential success of their clients. Volunteers will continue counseling a client as long as the counseling is of value to the client. If the volunteer is unable to continue counseling for personal reasons, the case will be reassigned to another volunteer.
- At all times protect the confidentiality of business information provided by the clients. No disclosure will be made of any information, or of the existence of a counseling relationship, without the client's prior approval.
- Not counsel two or more competing clients at the same time without the full knowledge and approval of all parties.
- Not accept or participate in counseling that creates a conflict of interest between the counselors and their or their family's outside business or financial activities or interests.

Compensation

As unpaid volunteers, SCORE volunteers shall:

- Neither charge nor accept fees, honoraria or things of value as payment for individual counseling services or for their participation in training activities on behalf of SCORE
- Not accept payment from a client for travel or other expenses incident to counseling or training or any other activity, since those expenses are eligible for reimbursement by SCORE

Chapter 9: The SCORE Code of Ethics and Conduct

A SCORE volunteer assigned to counsel a client ***may not*** become a paid consultant for or accept other employment from a client being counseled or a participant in a workshop. In the event that a volunteer does accept employment from a client they must immediately resign from SCORE. The chapter chair will take the following actions:

1. Immediately remove the volunteer from the chapters roster and notify the association office by using Form 7.

Immediately write the client that has employed the counselor and inform them that the counselor is no longer a volunteer of the SCORE association or the chapter and that SCORE cannot be held accountable for the future actions or advice of the former counselor.

Third Parties

The following guidelines apply to interactions between SCORE volunteers and third parties:

- SCORE volunteers shall not accept fees, commissions, kickbacks or things of value from third parties as a result of recommending any services, equipment or supplies, nor shall they recommend the purchase of goods or services in which they have a direct or indirect interest, financial or otherwise.
- When volunteers perform SCORE services for another organization or agency (other than SBA or SCORE clients), the organization may reimburse SCORE for the expenses of the volunteers by providing an honorarium to SCORE or the chapter, which can then reimburse the volunteers for their expenses.
- SCORE volunteers shall neither charge nor accept fees or things of value for assistance in the preparation of loan applications nor accept so-called finders fees for the location of lending sources.
- SCORE volunteers, when advising clients about obtaining professional or other services or goods, shall identify, whenever feasible, several sources from which the client may select.

Personal Interests

To safeguard the integrity of the SCORE mission, it is vital to avoid any actual or apparent conflict of interest. To that end, SCORE volunteers shall not:

- Advertise, solicit or propose the use of their outside businesses in the course of their counseling and/or business training activities. SCORE membership is not to

Chapter 9: The SCORE Code of Ethics and Conduct

be used as a source of or basis for developing business contacts for personal or family gain.

- Directly or indirectly become officers, directors or shareholders, or provide funding (by way of investing, loans or otherwise) for a for-profit business organization that is seeking counseling assistance from SCORE or has received it within the past three years.

Personal Conduct

As long as they are part of the association, SCORE volunteers shall:

- Participate in chapter activities in addition to counseling, including attending meetings, and shall maintain the standards for conduct and counseling agreed to by the volunteer.
- Be responsible for staying current with continuing advances in successful business practices and relevant technical developments.
- Not discriminate in any of their SCORE-related activities against any person because of race, color, national origin, sex, age, religion, marital status, handicap or sexual preference.
- Not make public statements that appear to associate SCORE with personal opinions of the volunteers or which are critical of SCORE or any of its sponsors.
- Not make statements that appear to identify SCORE with a political party or a candidate for federal, state or local office.
- At all times, during the performance of their services, conduct themselves in such a manner as not to discredit themselves, SCORE or SBA.
- Not engage in any form of sexual harassment or sexual discrimination. Sexual harassment includes the making of deliberate or repeated unsolicited verbal comments, gestures or physical contact of a sexual nature in circumstances where such conduct reasonably is or would be unwelcome to the offended person or persons. Further, when such unwelcome conduct reasonably interferes with or creates an intimidating, offensive or hostile counseling or other work environment, it is considered sexual harassment.
- Seek advance advice about the propriety of any action or inaction that they have reason to believe may be or may lead to a violation of the SCORE Code of Ethics and Conduct before they or others engage in the activity or fail to act. If needed, the chapter chair shall consult the district director or CEO concerning the proper

Chapter 9: The SCORE Code of Ethics and Conduct

decision. Any volunteer requesting advice from any chapter, district or national officer shall receive a decision in writing.

Commitment to the Code

Volunteers shall be fully aware of the SCORE Code of Ethics and Conduct. When individuals apply for membership in SCORE, they agree by signing the membership application that they “shall comply with the provisions of SCORE’s Code of Ethics and Conduct, which I have read, and also with the other rules for its volunteers.”

Accordingly, applicants shall receive and retain a copy of the current Code of Ethics and Conduct at the time they receive an application for membership. Further, since changes may occur in the Code of Ethics and Conduct and to refresh volunteers’ knowledge of the provisions of the code, each chapter shall:

- At the beginning of each fiscal year, give each volunteer a current copy of the Code of Ethics and Conduct.
- At that time require each volunteer to sign and date a statement that says, “I have reread the SCORE Code of Ethics and Conduct and reaffirm my agreement to comply with its provisions.”

Chapter 10: Grievance and Complaint Procedures

When a SCORE volunteer, client or other person has a complaint concerning any SCORE activity or service, there are specific procedures to follow in addressing and resolving the grievance.

Alleged Ethics Violations

When a violation of the SCORE Code of Ethics and Conduct is alleged, every effort should be made to resolve differences through informal discussions. Should that fail, the following procedure shall be used:

- The chapter chair shall notify the volunteer in writing of the alleged violation of the Code of Ethics and Conduct and shall request the volunteer respond in writing to the charge.
- After an investigation of all facts and circumstances of the alleged noncompliance with the code has occurred, and if the chapter chair and chapter Executive Committee concur that a violation of the Code of Ethics and Conduct has taken place, the volunteer shall be notified in writing of their decision to terminate or suspend that person's membership in SCORE. The chapter roster will be modified accordingly and notification will be given to the association office.
- If the chapter chair and chapter Executive Committee conclude that there has been no violation, they shall notify the volunteer in writing. If a violation is found, but does not warrant removal or suspension, a written reprimand shall be sent to the volunteer including the reasons for such action.
- The volunteer may make a written request for review by the district director, of any decision adverse to the volunteer, including all pertinent information concerning the alleged violation. The district director may conclude there was no violation or that the corrective action taken was too severe. If so, the district director shall notify the chapter chair in writing of that conclusion, including the reasons for it, and will direct the chapter chair to amend the action taken. The district director may also affirm the action. In either case, the volunteer shall be notified in writing of the decision and its basis.
- If the chapter chair or chapter Executive Committee is unable to resolve the violation, and if the district director is unable to resolve the violation, the district director shall prepare a report and forward it, together with all written documentation, to the CEO with a request for the CEO's intervention.

Chapter 10: Grievance and Complaint Procedures

- Either the volunteer or the chapter may request, in writing, a final review by the SCORE Executive Committee, whose decision is final and shall be communicated in writing to all parties.
- If the chapter chair is the volunteer involved in the alleged violation, the district director shall be substituted for the chapter chair in the proceeding.

When a district director has sufficient information to believe that a chapter volunteer or officer has acted or plans to act in a manner that violates SCORE rules or its Code of Ethics and Conduct and feels that immediate action is needed, the district director shall notify the volunteer or officer in writing of his or her suspension from membership or office, with these conditions:

- The suspension may be in effect for no more than 60 days, during which time appropriate action is taken to resolve the matter.
- The district director shall provide for continued leadership of the chapter during any suspension of the chapter chair.

Other Grievances

When a SCORE volunteer, client or other person has any other grievance, the following procedure shall be used:

- A written statement clearly stating the details of the grievance and the desired outcome shall be sent to the chapter chair.
- If the chapter chair, chapter Executive Committee or the district director is unable to resolve the grievance, the district director shall prepare a report together with all written documentation and forward it to the CEO with a request for the CEO's intervention.
- The CEO may enlist the assistance of the SCORE Executive Committee to resolve the grievance. The decision by the SCORE Executive Committee shall be final and communicated in writing to all parties.

The records of both the ethics violation and grievance procedures shall be retained at the SCORE Association office for five years.

Chapter 11: Chapter Formation and Termination

The chapter is recognized as the most important unit of SCORE because its volunteers deliver the services that are basic to SCORE's operation. The formation of chapters is encouraged in areas where there are a sufficient number of small businesses that may require SCORE's services and where people with essential skills and experience are available.

Applying for a New Chapter

To apply for a chapter charter, a Membership Agreement (Form 24) must be signed by an authorized representative of the applicant, endorsed by the district director and sent to the SCORE CEO. The Agreement must be accompanied by additional data supporting a conclusion that the chapter would be viable.

The application must be approved by the CEO and the secretary of the SCORE Board of Directors. Once the application is approved:

- The CEO will notify the district director. The district director will notify the applicant and appropriate SBA officials.
- Officers shall be elected and essential committees formed.
- Bylaws shall be prepared and made ready for approval. These bylaws shall supplement the SOM and shall not void any SOM requirement.
- When all operational and startup details are finalized, the secretary of the board will issue a charter and a chapter number.

If the application is not approved because of a shortage of experienced volunteers with the needed skills and knowledge of chapter operations, or because of the size and business composition in the area:

- The applicant shall be notified in writing, with reasons given and suggestions as to how the deficiencies may be overcome.
- The group shall be given the option of becoming a branch of an existing chapter, with the concurrence of that chapter. The district director will notify the SCORE Association office of this branch status.
- When the deficiencies are overcome, the branch may be converted back to an independent chapter.

Chapter 11: Chapter Formation and Termination

Chapter Identification

In addition to its chapter number, a chapter will identify itself by a name that represents its community or the geographic area it services.

Note: A chapter name may not refer to a person or organization, except SCORE.

Chapter Criteria

All SCORE chapters shall meet the following criteria in order to remain a unit member of the SCORE Association. All chapters shall:

- Have written bylaws as a part of a permanent file
- Establish annual business (operational) plans, budgets and chapter goals
- Establish minimum standards for membership retention (to be approved by the district director)
- Require all volunteers to annually certify that they will comply with the SCORE Code of Ethics and Conduct, and have completed a chapter approved training and orientation program
- Have a SCORE On-Site Review at least biennially
- If possible, have a minimum of 10 active volunteers with the skills, experience and willingness to devote the time to counseling and to chapter administration

Termination of a Chapter for Cause

The membership of a chapter shall continue until its charter is terminated either for cause or at the request of the chapter. Grounds for termination include the persistent failure to meet the needs of the community or market area by:

- Not recruiting volunteers with requisite skills.
- Not removing inadequate or nonproductive volunteers.
- Not effectively serving the small-business community.
- A combination of the above or other deficiencies in operations that are unwarranted by circumstances.

Chapter 11: Chapter Formation and Termination

- Failing to conduct chapter operations in material and substantial accord with the *SCORE Operating Manual (SOM)*, including a chapter's consistent failure to provide the information about its activities needed for SCORE's Management Information System (MIS).
- Failing to conduct its affairs in accordance with the SCORE Code of Ethics and Conduct.
- Maintaining a membership roster of those actively providing a range of services that is consistently less than 10 volunteers. A lower minimum may be approved by the district director, during which time efforts will be made to attain full chapter effectiveness.
- Demonstrating inadequate self-management capability.
- Identifying that the potential market for a chapter is inadequate to sustain a full-scale chapter.

The district director responsible for overseeing a chapter's operations shall initiate action to terminate the chapter when he or she concludes, after and despite communications in person or in writing and by fax or telephone with the chapter and reasonable efforts to assist the chapter to meet necessary requirements, that one or more grounds for termination may apply. Under such circumstances, the district director shall:

- Send a written notice to the chapter that states the relevant facts and circumstances regarding the grounds for termination (a copy of this notice shall be sent to the CEO and appropriate SBA officials).
- Provide the chapter an opportunity to respond in writing, or at a meeting, within 30 days.
- If the CEO decides that one or more grounds for termination exist, a written notice shall be sent to the chapter setting forth the reasons for the proposed termination and revocation of the chapter charter, subject to the approval of the CEO. The notice shall designate the proposed disposition of chapter funds, records and property, and other relevant matters.
- Send a copy of the notice to the CEO, the SCORE secretary of the board, the SCORE Association office and appropriate SBA officials.
- Following action by the board of directors, provide written notice of it to the chapter and, if appropriate, establish a termination date.
- Arrange for chapter volunteers who wish and are eligible to continue with SCORE activity to form or join another chapter or to become volunteers of a branch group under the direction of another chapter. Volunteers who elect not to

Chapter 11: Chapter Formation and Termination

join another chapter or branch shall be removed from the roster by the district director.

Voluntary Chapter Termination

A chapter may seek voluntary termination and surrender its charter with the consent of the district director.

- If a chapter is terminated, the district director shall send a written notice of the action to the CEO, the SCORE Association office, the SCORE secretary of the board and appropriate SBA officials.
- The district director shall arrange for disposition of the chapter's funds, records and property.
- The district director shall also handle the placing of chapter volunteers elsewhere, or possible branch status and other relevant matters.

Disposition of Chapter Assets Following Termination

A chapter that is being terminated voluntarily or otherwise may own or have a proprietary interest in monetary funds or property, such as equipment, furnishings, publications, leases or supplies that were obtained in the course of SCORE activities. If so, the district director is authorized to take appropriate and effective measures on a timely basis to secure, control and dispose of the chapter's records, monies and property for continued SCORE uses.

In addition:

- Assets belonging to the SBA or purchased with appropriated funds are subject to final SBA control.
- Chapter officers and volunteers shall assist in the disposition process.
- When a branch office is closed, similar action is to be taken by the chapter and/or the district director.

Chapter Reinstatement

Reinstatement of a chapter charter may be considered upon a formal application that follows the same procedures required to form a new chapter. These procedures, set forth above, will particularly need to show how the deficiencies that caused the chapter to be terminated have been or will be rectified.

Chapter 11: Chapter Formation and Termination

Note: The charter of the newly reactivated chapter may use the former chapter's number and/or name if still available, but will show a new formation date, and a new Employer Identification Number (EIN) will be issued.

Chapter Branches

A SCORE chapter may wish to extend the area it can serve by establishing a separate location—a branch—capable of providing most of the services of a regular SCORE chapter. These include the ability to:

- Provide counseling on a regular, scheduled basis
- Receive and make phone calls
- Schedule counseling sessions
- Receive mail and other deliveries

Internet access is also highly desirable for a branch, but is not mandatory at this time.

In addition to the above requirements, the following criteria apply to chapter branches:

- The decision to establish a branch shall be made by the chapter and approved by the district director.
- The results of any and all branch activities shall be transmitted to the SCORE chapter location for inclusion in the chapter's records and reports.
- The branch will have a designated volunteer manager that is responsible for coordinating branch activities and reporting.
- The chapter may establish other criteria in addition to these listed including attendance requirements at chapter meetings as well as the branch manager's participation in chapter committees.
- Branches are urged to develop partnerships or affiliations with local economic development organizations including chambers of commerce, SBDC, Women's Business Centers and city, county or state sponsored organizations.
- If a branch should decide to become a chapter, it shall meet all the criteria necessary for the establishment of a SCORE chapter.

Chapter 12: Statutory, Legal and Insurance Issues

SCORE volunteers have special responsibilities, rights and privileges that originate from:

- The statutory laws and rules under which the SCORE volunteer program is established and conducted
- The operational rules established by SCORE itself

Each chapter is obliged to inform its volunteers of these rights and responsibilities, and each volunteer should be aware of them.

Further, all available legal protections are afforded SCORE volunteers while conducting official SCORE business. Protections do not extend to non-SCORE activities.

Federal Statutes That Apply to SCORE

SCORE operates under the aegis of the U.S. Small Business Administration (SBA), a U.S. government agency. The SBA performs functions authorized by federally enacted laws.

- The laws that apply to SCORE are found in Section 8(b) of the Small Business Act. These provisions require the SBA to provide technical and managerial aid to small business. Section 8(b) authorizes:
 - Financial support for volunteer programs helping SBA in such work (SCORE is specifically mentioned)
- Volunteers may be reimbursed by the SBA for “all necessary out-of-pocket expenses” incurred by individual volunteers incident to their SCORE work under the Act.

In addition, the law contains other provisions and benefits for those volunteers. They include:

- The personal protections that federal employees have under the Federal Tort Claims Act (FTCA) if SCORE volunteers are accused of negligent or wrongful acts while engaged in SCORE activities and thereby become liable for damages to the claimant
- The benefits federal employees have for compensation under the Federal Employees Compensation Act (FECA) should a volunteer be injured or killed while engaged in SCORE work (see Work Injuries below for more information)

Chapter 12: Statutory, Legal and Insurance Issues

- Counsel, counsel fees, court costs, bail and other expenses incidental to defending SCORE volunteers as parties in judicial or administrative proceedings that arise directly from their performance of SCORE activities
- Declaring that reimbursement to SCORE volunteers for expenses incurred in their provision of SCORE services is not compensation or wages for tax or other purposes

Civil Claims and Lawsuits

Under current law, except for certain generally stated situations, SCORE volunteers will not be subject to civil claims or lawsuits connected with SCORE activities and will not be held liable for paying monetary damages, even if they committed the torts. The U.S. government will take over and defend the action and make payments, unless:

- The volunteer is found to have committed the tort while acting outside the scope of SCORE activities. Generally speaking, if the wrong is committed with malice or intent to injure, or if the act is done with such gross negligence as to be willful, the volunteer may be found *NOT* to be working for SCORE. The U.S. government believes its employees should have personal responsibility in those instances. SCORE agrees that the same principle should apply to SCORE volunteers.
- The volunteer is found to be responsible for a “constitutional” tort. A constitutional tort is a wrong committed in violation of one or more of the fundamental rights found in the U.S. Constitution, that is, unlawful search of a home or person, cruel and unusual punishment, or deprivation of the right to liberty or due process. It is unlikely such a tort would be committed by a volunteer in the course of SCORE work.
- The volunteer acted contrary to a specific statute that (regardless of the FTCA) allows federal employees to be personally liable for the tort. There are currently no specific statutes applicable to SCORE volunteers under this exception.

If there is an incident that might create the basis for a claim against or involving a SCORE volunteer, or notice of a claim is made or threatened, the chapter chair, district director and CEO shall be promptly notified.

Government Shutdowns

During a government shutdown, services normally provided under the Small Business Act are deemed unavailable. Consequently, none of the benefits provided by Section 8(b) of that Act will be available to volunteers for claims that arise during the period of any such shutdown. These benefits include coverage by the Federal Tort Claims Act and the

Chapter 12: Statutory, Legal and Insurance Issues

Federal Employees Compensation Act, and reimbursement by the SCORE Association office from appropriated funds for out-of-pocket expenses or clerical support.

Work Injuries

Work injuries for SCORE volunteers are also covered. The law states that volunteers who are physically injured or killed while performing SCORE activities shall be entitled to “workers compensation” benefits that federal employees are entitled to under the Federal Employees Compensation Act. This coverage extends to accidents while traveling on official SCORE business.

- Accident reports and claim forms are submitted to and handled by the SBA and transmitted by the SBA to the U.S. Department of Labor for processing and decision.
- If there is any question about whether a volunteer is entitled to make such a claim, the SCORE Association office is available for assistance.

Tax Benefits to Volunteers

Tax benefits also accrue to SCORE volunteers. A volunteer may deduct, as a charitable contribution, the reasonable, ordinary and necessary out-of-pocket expenses incident to SCORE services to the extent they exceed the amount of any reimbursement.

Note: It is the volunteer’s responsibility to maintain adequate records that establish the amount, nature and purpose of each expenditure for which reimbursement is sought or for which the tax deduction is claimed. Consult with your tax advisor for advice.

SCORE’s Tax Exempt Status

SCORE is a nonprofit corporation organized in the District of Columbia for charitable and educational purposes and has received income tax exempt status from the U.S. Internal Revenue Service and from the District of Columbia. Accordingly:

- Donations made to SCORE are not taxable as income to SCORE, and donors may declare them as income tax deductions made to a charitable organization. (However, in determining the need to file IRS Form 990, such donations must be included in a chapter’s gross income. See Tax Filing, below.)
- All gifts, in cash or in kind (i.e., services or property), shall be used solely to foster and promote SCORE operations.

Chapter 12: Statutory, Legal and Insurance Issues

- In-kind gifts may include, for example, office equipment and materials, costs of housing SCORE chapters, providing media advertising space, printing and publishing, food, entertainment, rental space provided or paid for meetings and performing various services.
- Each chapter shall permanently keep the document that designates its tax-exempt status in its office files.

Tax Filing

While payments made to chapters for volunteer travel reimbursement and other SBA supports are not chapter income, the following are considered income for tax purposes:

- Workshop fees
- Annual administrative funds from the SBA
- Bank interest
- Reimbursement of clerical expenses
- Donor gifts
- Dues and volunteer contributions
- Sales of publications

All these should be included as gross income for a chapter when determining the chapter's obligation to file Form 990, Return of Organization Exempt from Income Tax, with the Internal Revenue Service. ***All chapters with a gross income of \$25,000 or more may be required to file this form.***

It is important to note that the tax-exempt status of SCORE chapters is the result of that status granted to the national organization. Each chapter is a unit member of the association and must comply with the IRS rules and regulations that govern tax-exempt organizations. Failure of one chapter to comply with IRS regulations can jeopardize the status of the entire organization, so it is vital each chapter strictly adhere to IRS requirements. The SCORE Association office will assist with securing answers to any questions on tax exemption.

State and Local Taxes

To avoid paying state or local sales, income or excise taxes, including room taxes, chapters may wish to seek state income tax and sales tax exemptions. Obtaining such exemptions is the responsibility of the chapter.

Group Exemption and Employer Identification Numbers

In 1976, the national organization of SCORE was granted Federal Tax Exempt status from the Internal Revenue Service (IRS) under section 501 (c) (3) of the Internal Revenue Code. In April 1990 the IRS granted group exemption for SCORE chapters (called subordinates by the IRS) and assigned a Group Exemption Number (GEN) to SCORE. That number is 3259, and is the same for every chapter. Copies of the original IRS determination letter and the letter granting the group exemption can be found in the *Chapter Daily Desktop Guide*.

In addition, each chapter has a unique Employer Identification Number (EIN) assigned by the IRS. The association office applies for EINs for each new chapter and annually reaffirms the status of each SCORE chapter with the IRS as one of the requirements for maintaining the group exemption. Chapters will need their EIN when opening a bank account or securing donations.

Loss or Damage to Personal Property

Volunteers who incur a loss of or damage to their personal property when they are directly engaged in an official SCORE activity may submit a claim to SCORE for reimbursement of these out-of-pocket expenses, subject to the following conditions, limitations and procedures:

- “Out-of-pocket” means an expense that is not otherwise reimbursable from some other source of payment to which the volunteer may be entitled, including insurance.
- The incident occurred without any lack of due care such as negligence on the part of the volunteer.
- The incident that caused the damage or loss occurred at a time when the volunteer was directly engaged in an official SCORE activity, i.e., not when the volunteer was on a personal detour of his own during the SCORE activity.
- The maximum claim payable is \$250.
- The district director must approve all claims.
- All claims will be charged to the chapter or district budget.
- The details documenting the claim must be submitted in writing to the SCORE Association office for review and approval within 60 days of the occurrence of the incident.

Landlord Insurance Issues

SCORE chapters and branches often meet at and conduct counseling sessions or workshops at locations owned by churches, chambers of commerce, libraries or other organizations. The landlords or owners of these properties frequently have questions about their own liability if a claim should arise against the SCORE group using their premises. The following points offer some answers:

- SCORE chapters or volunteers cannot agree to hold the landlord harmless, but if a suit is brought against the landlord as a result of a client or attendee's injury, and SCORE is truly responsible for that injury, SCORE would want the landlord to be protected.
- The best way to ensure such protection is through liability insurance, which any landlord would almost certainly have. To further guarantee a landlord's protection against claims by injured parties, SCORE can ask the landlord to add the chapter name to the landlord's insurance policy.
- The chapter will pay any increased premium necessary to add SCORE's name to the landlord's insurance policy, but that premium should be low, since the physical area used by SCORE is likely to be quite small compared to the total area owned and used by the landlord.
- Chapters can also purchase liability insurance themselves. If a chapter is residing daily in a location requiring liability insurance, this may be necessary. This is a legitimate chapter expense and can be reimbursed against the chapter budget.

All volunteers are encouraged to contact the CEO whenever they feel an opinion is warranted on any legal issue they may encounter.

Chapter 13: Job Descriptions for the CEO, DD and ADD

Chief Executive Officer

The chief executive officer (CEO) is responsible for the leadership and management of the SCORE Association. SCORE is a not-for-profit organization composed of active and retired volunteers who provide free small business counseling, professional guidance and information through a national network of chapters, strategic private and public sector alliances, and a partnership with the U.S. Small Business Administration (SBA).

The organization provides the following services:

- Face-to-face, electronic and telephone small business counseling at the chapter level
- Cyber counseling (online) through the network of counselors accessed through the SCORE web site
- Business information through a series of workshops and seminars conducted at the chapter level
- Knowledge of the wide variety of small business assistance and loan programs offered by the SBA

The CEO reports to and works in partnership with the board of directors and is responsible for preparing and directing execution of an approved business plan for the association consistent with the strategic goals and objectives established by the board.

Required Qualifications and Experience

A CEO must have the following qualifications and experience:

- Experience in leading an organization, supervising staff and working with a board of directors
- Technology expertise and capabilities
- College degree and extensive experience in not-for-profit organizations
- Working knowledge of not-for-profit fiscal management, including fund accounting and budgeting

Chapter 13: Job Descriptions for the CEO, DD and ADD

- Demonstrated ability in public speaking, written and oral communications and interpersonal relations
- Experience in fundraising

Responsibilities

The CEO must:

- Deliver results consistent with SCORE's goals and objectives
- Oversee all programs, services, and activities to ensure the program objectives are met
- Develop programs to support association volunteers with needed resources for the delivery of counseling, educational and advisory services
- Coordinate the provision of resources to support chapter administration, membership development, marketing and public relations
- Appoint, support and coordinate the activities of national leadership, i.e., national program coordinators, district directors, etc.
- Direct programs designed to increase national public awareness of the association and utilization of the services that it offers
- Determine the need for new services, new means of service delivery and new locations for service delivery
- Direct programs that monitor the quality of service delivery
- Develop office and personnel policies
- Conduct personnel searches and appoint staff
- Help the board chairman plan the agenda and develop background materials for meetings of the board of directors
- Facilitate a regular strategic planning process
- Prepare an annual business plan and budget to be approved by the board
- Approve all expenditures, including a program for reimbursement of volunteers' approved expenses

Chapter 13: Job Descriptions for the CEO, DD and ADD

- Work closely with the board and staff to raise funds from outside sources
- Serve as chief liaison with other community organizations and key constituent groups
- Maintain effective working relationships with our primary sponsor, the U.S. Small Business Administration, including:
 - SCORE program management staff
 - SBA professional support functions (fiscal, legal, technical, etc.)
 - SBA regional and field management

District Director

The district director is a management position reporting directly to the SCORE Association chief executive officer (CEO). The district director is responsible for the management of the district and its chapters consistent with the SOM (*SCORE Operating Manual*).

The CEO appoints district directors.

The district director is responsible for the district's performance.

Duties of the District Director

The district director must:

- Manage and administer the policies, programs and procedures authorized by the SCORE Association and the CEO.
- Assist chapters with policy and program implementation; ensure timely chapter reporting; and provide chapters with resources and support.
- Develop and provide effective communications among chapters concerning operating methods, counseling techniques, recruiting, marketing, training and other activities to enhance client services.
- Resolve the problems or grievances of chapters or volunteers in accordance with the SCORE operating procedures.

Chapter 13: Job Descriptions for the CEO, DD and ADD

- Prepare district business and financial plans; review and evaluate chapter business and financial plans; and assist chapters with the development of goals and work with them to achieve stated goals.
- Manage the district budget and ensure chapters' adherence to budgetary constraints.
- Make recommendations for establishing and closing chapters.
- Serve as a liaison between the SCORE CEO, association office, the SBA and chapters.
- Develop and maintain effective relationships with the SBA and other business and community organizations that will enhance SCORE's role in the community.
- Appoint the assistant district director, delegate responsibilities and mentor future district leaders. District directors may have more than one assistant district director.

Assistant District Director

This position is appointed by the district director and is responsible for helping him or her manage the district.

Duties of the Assistant District Director

The assistant district director must:

- Perform the duties delegated by the district director
- Assume the district director role when requested

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