

American Association
of Medical Assistants, Inc.
(AAMA)

**Chapter
Management
Guide**

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All documents for the AAMA have been developed in accordance with policies established by the AAMA Board of Trustees/Endowment. Any discrepancies in policy statements inconsistent with current policies should be brought to the attention of the AAMA Executive Office and the Board of Trustees. The AAMA Board of Trustees apologizes for any inconvenience this may cause

GENERAL INFORMATION

The basic organization of AAMA is the local chapter. In densely populated areas, there may be more than one chapter in an area. In sparsely populated areas, local chapters may draw members from more than one county/area.

In conducting business of a local chapter, a copy of all official correspondence should be sent to the chapter president and any other appropriate officer, committee chair or committee member.

After election of officers and the selection of committee chairs, a list of their names, addresses, and phone numbers should be promptly sent to the state president and to the Executive Office of AAMA. This is extremely important. Keeping mailing lists up to date is the only way of maintaining effective communication.

The Order of Business as given in the official parliamentary authority or the Bylaws should be followed at a regular meeting. However, the order of business may be changed to accommodate the program speaker.

Presiding officers should conscientiously request that all state and national communications be read at the next meeting following receipt of such correspondence.

FORMATION OF A NEW CHAPTER

Before an organizational meeting can be set up, you must have people who are interested and willing to work on establishing the new chapter. They can be secured by word of mouth or by letter (See sample form letter).

When preparing for an organizational meeting a motivational letter (sample follows) should be sent to medical offices throughout the county or area. The letter should be routed to the medical assistants of the office. One week later telephone calls to the same offices should be made using the points to cover that have been provided.

After talking to prospective members and ascertaining their interest, arrangements can then be made for a preliminary meeting between interested parties and representatives of the AAMA.

- I. PRELIMINARY MEETING
 - A. Discuss the objectives and benefits of AAMA.
 - B. Give the details of what will be expected at the organizational meeting (See II: Organizational Meeting).
 - C. Decide on a date for the organizational meeting. It should be within two weeks of the preliminary meeting.
 - D. Publicize the organizational meeting.
 1. Request that the medical society notify the physicians in the area.
 2. Send out letters to interested medical assistants and area schools having medical assisting programs.

FORMATION OF A NEW CHAPTER (CONT'D)

- E. Elect a temporary chair and secretary from among the assembly to lead the organizational meeting.
- F. Appoint a committee to draft tentative bylaws which will be voted upon at the organizational meeting (See sample bylaws).
- G. Appoint a nominating committee to prepare a slate of officers to be elected at the organizational meeting.
- H. Get a key group to begin making a list of possible projects for the new chapter to undertake which will attract and challenge new members.

II. ORGANIZATIONAL MEETING

- A. The temporary chair is the presiding officer and calls the meeting to order, explains the objectives and purpose and gives a brief history of AAMA.
- B. A poll should be taken to determine how many present are interested in affiliation with AAMA.
- C. The appointed committee will now present the proposed bylaws, making sure that everyone has a copy. Each section should be gone over and discussed with the group.
- D. After discussion, a vote is taken to adopt the bylaws.
- E. After the bylaws are adopted, a recess is called for the purpose of enrolling members on a permanent record sheet. By signing this permanent record sheet, members agree to abide by the bylaws and pay dues promptly. These members will be the charter members of the new chapter.
- F. Following the bylaws just adopted and *Robert's Rules of Order Newly Revised*, most current edition, the election of officers is the next order of business. The voting body is made up of the charter members.
- G. The nominating committee presents its slate of candidates and the presiding officer calls for nominations from the floor.
- H. Voting should be by ballot as outlined in the bylaws. Three tellers should be appointed to count these ballots.
- I. The head teller hands the report to the presiding officer after reading it to the membership. The presiding officer declares the results and steps aside to allow the newly elected president to become the presiding officer.
- J. The new president presents possible goals, plans, and projects the group may wish to consider.
- K. The treasurer should start a new account in the chapter's name at a local bank and begin keeping accurate records of income and expenses.
- L. Before adjourning, the assembly should vote on the next and future meeting dates if this was not provided by the bylaws.

III. BOARD MEETING

- A. Shortly after the organizational meeting (preferably within two weeks), the president should call a board meeting of the officers and chairs of all committees which he or she has appointed.

FORMATION OF A NEW CHAPTER (CONT'D)

- B. The president should present each officer and chair with an outline of duties and instruct each to report progress to date at all board meetings.
- C. Special emphasis should be placed on the responsibilities of the Program Committee since its job is to develop programs that fall within the Role Delineation Study or the advanced practice of Medical Assisting Document and will qualify for CEUs.

IV. LEGALITIES

To secure the approval of the state society, it will be necessary to contact the current state president regarding the proper procedure. Usually the procedure includes:

- A. A letter requesting affiliation with the state society addressed to the President.
- B. Copies of chapter bylaws are sent to:
 - 1. State President, along with a letter requesting state affiliation.
 - 2. State Recording Secretary (for file).
 - 3. State Bylaws Chair and members.
- C. Some state societies may request a letter of support from the county or local medical society.

The state society will notify the chapter when its bylaws have been accepted. If there are areas of conflict with sections of the state or national bylaws, the local chapter may be given provisional approval, with the understanding that the chapter must bring those areas into compliance. The state society will then notify the Executive Office of AAMA of the official name of the new chapter. The state will prepare a charter for the new chapter and will notify the chapter when the charter will be presented to the new chapter.

V. INSTALLATION

After the election of officers, an installation should be planned. The president of the state society or his/her representative is an ideal choice to install the new chapter officers. Presentation of the charter may be made at this installation, though many states and chapters prefer the presentation to take place at the next state convention when greater recognition can be given to the new chapter.

PROCEDURE FOR FORMATION OF A NEW LOCAL CHAPTER WITHIN AN ORGANIZED COUNTY/AREA

In large cities and counties, it is sometimes an advantage to have more than one chapter in the county/area. The same procedure is followed in organizing a second, third, or fourth chapter within a county/area with some additional considerations: make sure there is no regulation in the state bylaws that prohibits multiple chapters within a given area; make sure there are no stipulations in the state bylaws that would immediately cause the new chapter to be in conflict with a higher authority.

The organizing chapter should keep the state president informed of organizational progress. The formation of a new chapter may affect other chapters in the area, and a courteous, straightforward approach is essential.

In an organized county, a member may transfer to a new chapter if it is more conveniently located to home or employment. Members of one chapter might assist in organizing an additional chapter in an area where it would promote membership and activity in medical assistant organizations.

OBTAINING A CHARTER FOR LOCAL CHAPTER

Most states present a charter to new local chapters after all requirements for state and national recognition have been fulfilled. This state charter is a certificate affirming the affiliation of this chapter with the state society and the AAMA. The charter is usually presented at the annual meeting of the state or at the first installation of permanent officers of the new chapter.

Any chapter wishing to incorporate as a not-for-profit association should write to the office of the Secretary of State in that state for the exact procedure.

LOSS OF STATE ASSOCIATION CHARTER

A local chapter may lose its charter because of failure to comply with state and/or national bylaws requirements. If a local chapter becomes inactive for a time, all official papers including the charter are to be returned to the state president or recording secretary and retained in the permanent files.

Only one charter is issued to a local chapter by a state association. If a local chapter loses its charter by revocation, resignation, or inactive status, it is no longer entitled to be represented in the delegation at the state annual meeting. However, an individual member may request to continue as a member-at-large of the state society.

State Bylaws will usually contain the procedure for revoking the charter of a local chapter.

PROCEDURE FOR FORMATION OF A NEW LOCAL CHAPTER WITHIN AN ORGANIZED COUNTY/AREA (CONT'D)

RIGHT OF APPEAL

A local chapter against which action is taken causing it to lose its charter should have the right to appeal this decision to a special session of the board of directors at the next regular meeting. A three-fourths vote of this board would be required to overrule the previous decision which caused the surrender of a charter. The decision of the board of directors would be final.

REAPPLICATION FOR CHAPTER CHARTER FROM STATE ASSOCIATION

Reapplication for a local chapter charter after it has lapsed or been revoked would entail exactly the same procedures as the initial application, except that it must be accompanied by a letter asking for reactivation or reinstatement as an affiliate of the state society and the AAMA. The state society's delegated authority must review the bylaws and the letter for request for reinstatement.

When it is apparent that all requirements are met, the state society will issue a new charter indicating that it is "reinstated" or "reactivated" as of that date.

It is not issued as a new charter as though no previous charter existed nor is the original charter used since it would not reflect the period of revocation or inactive status.

The term "reinstated" would be used if the charter had been revoked. The term "reactivated" would be used if the chapter had gone through a period of inactivity and had disbanded as a chapter in good standing.

**SAMPLE LETTER TO MEDICAL ASSISTANTS WITHIN THE
AREA THAT MIGHT BE INTERESTED IN ESTABLISHING
A NEW CHAPTER**

Dear (Medical Assistant)

We are writing you in the hope of getting your support for the establishment of a new chapter in our area of the American Association of Medical Assistants (AAMA). This premier organization for medical assistants is dedicated to providing continuing education for its members.

You are no doubt successful at your job and dedicated to your profession. However, if you are like other medical assistants, you feel the need to improve yourself in your diversified profession.

You may have had some formal training as a medical assistant, but there is a great likelihood that your training is a combination of formal education, experience, and independent study. Just as the physician must constantly study to keep up with the progress in medicine, you, too, must keep up to date in your administrative and clinical techniques.

If you are a Certified Medical Assistant, then you know that in order to remain current you must recertify every five years by continuing education or re-examination. Formation of a new chapter will allow you ready access to AAMA approved continuing education units making recertification a much easier process.

The American Association of Medical Assistants (AAMA) benefits from the close cooperation and support of the American Medical Association and its component state and county medical societies. Ours is the only medical assistants' organization to have been granted official observer status by the AMA House of Delegates.

When we succeed in forming this new chapter, your AAMA membership will provide you with the opportunity and stimulation you will need for your professional growth and job satisfaction, make you a more valuable employee, and make you of greater service to your community. Membership will also provide you with networking opportunities with other dedicated professionals, such as yourself, throughout our area, state and even across the nation.

DON'T PUT THIS LETTER ASIDE! Do something about joining now. Call or write the address above today! We are scheduling an organizational meeting and we would like to have access to your skills and knowledge in forming this new chapter.

Sincerely,

POINTS TO COVER WHEN MAKING TELEPHONE RECRUITMENT CALLS

1. Introduce yourself and explain that you are calling about starting a new chapter of medical assistants in your area. Ask if they received the letter that was sent to their office.
2. Explain the purpose of the American Association of Medical Assistants
 - a. Promotion of medical assisting profession through certification and education
 - b. Protection of the medical assistant's right to practice
 - c. Networking opportunities available with other medical assistants in your area
3. Give date, time and place for organizational meeting.
4. Ask for a fax number to send a flyer with all the meeting details.

SAMPLE LETTER TO PHYSICIANS

Dear Dr. _____:

This letter is about the American Association of Medical Assistants (AAMA). The AAMA is the professional organization for medical assistants--your office employees, both administrative and clinical. It is organized on a national, state, and local basis, just like the American Medical Association (AMA) and its state and county affiliates.

As a physician you are aware of how important continuing education is in the ever changing field of healthcare. The main purpose of the AAMA is to provide and encourage educational opportunities for medical assistants so that they can grow professionally, become more skilled and valued employees, and have greater job satisfaction.

The AAMA also sponsors and supports the credential of Certified Medical Assistant (CMA), which is a professional credential, awarded to medical assistants who have graduated from accredited programs by the AAMA after successful completion of an examination utilizing the National Board of Medical Examiners as the test consultant.

An application form for membership for your medical assistants in the AAMA is enclosed. It may be photocopied for more than one employee. Physicians find that paying AAMA membership dues for their employees is a very cost effective way of insuring that they have medical assistants who have ready access to educational opportunities that will enhance their value as employees.

An organizational meeting for a new local chapter of the AAMA is being planned in your area. A separate mailing has been sent to the medical assistants you employ.

Please encourage your medical assistants to learn more about the AAMA by attending the organizational meeting. You won't regret it!

Sincerely,

CHAPTER PRESIDENT

The president presides at all meetings of the general membership and board of directors, appoints all committees except the nominating committee, and is an ex-officio member of all committees except the nominating committee. The president also represents the chapter at all state and other functions.

He or she should be familiar with parliamentary procedure and *Robert's Rules of Order Newly Revised*, most current edition and be comfortable asking for guidance from the parliamentarian. The president, however, does make the final ruling.

He or she appoints a parliamentarian and corresponding secretary in accordance with the bylaws and with the approval of the board of directors and fills all vacancies of committee chairs and all board members except the president elect or vice president. Should the office of president elect or vice president become vacant, a special election may be held or the office remains vacant until the next annual meeting.

The president appoints all committee chairs as outlined in the bylaws and any special committees as directed by the general membership with the approval of the board of directors.

He or she may attend committee meetings as an ex officio member, except the nominating committee, but is not required to attend. However, the committee should keep the president informed of its activities and progress on all projects.

He or she prepares a packet of general information for the members of the board of directors at the beginning of the year. This packet should contain the names, addresses and the phone numbers of each officer and committee chair. It should also contain an outline of the duties of each officer/committee chair to assist the member in fulfilling these duties. A copy of the chapter bylaws and policy manual should be included.

The president should send copies of all correspondence to the officers so they will be informed of all activities involving the chapter.

He or she should prepare an agenda for each meeting. Ideally, a copy of the agenda should be available to all members attending the meeting. If this is not possible, copies of the agenda should be given to all officers and the parliamentarian.

The president should attend the chapter presidents' meeting at the state meeting, if held, and, if possible, attend the state board of directors meetings so he or she will be fully informed about the state activities.

The president should prepare a calendar of events and deadlines for the year and keep all officers and committee chairs informed of all activities.

CHAPTER PRESIDENT (CONT'D)

He or she should be able to co-sign all checks for the Chapter.

He or she should transmit a list of officers to the state and AAMA office at the close of the meeting at which officers are elected.

The president should verify that an audit of the chapter financial records has been done and will be presented at the next meeting following the close of the fiscal year. The president should verify that all tax returns required by the IRS (if any) have been filed on time.

He or she appoints tellers for the meeting at which elections are held.

He or she submits a report of chapter activities to the state at least annually and verifies that all other officers and committee chairs have also prepared their reports and forwarded them to the state by the deadline set by the state (optional according to state bylaws).

The president also verifies that the bonding of the president and treasurer has been obtained and paid.

He or she establishes procedures to build and maintain the chapter through membership recruitment and strategic planning.

SAMPLE AGENDA

_____ **CHAPTER OF MEDICAL ASSISTANTS**

Place:

Date:

CALL TO ORDER

 Establish a quorum

READING AND APPROVAL OF MINUTES

CORRESPONDENCE

TREASURER'S REPORT

OFFICER REPORTS

 President
 President Elect
 Vice-President
 Secretary
 Treasurer
 Immediate Past President

STANDING COMMITTEE REPORTS

 Budget and Finance
 Bylaws
 Certification
 Public Policy
 Education
 Program
 Publicity
 Membership
 Ways and Means

SPECIAL COMMITTEE REPORTS

UNFINISHED BUSINESS

NEW BUSINESS

ANNOUNCEMENTS

ADJOURNMENT

Time:

SAMPLE DIALOGUE FOR CHAIR

CALL TO ORDER

Rap the gavel one time. "The meeting will please come to order." After verifying with the secretary, announces that a quorum is present. If a quorum is not present, the president announces that no business can be conducted and adjourns the meeting.

READING AND APPROVAL OF MINUTES

"The secretary will now read the minutes of the last meeting." The secretary then reads the minutes unless the minutes were mailed to the membership, in which case the president says, "The minutes of the last meeting were mailed to the membership. Are there any corrections to the minutes?" After a pause, "The minutes are approved as read (or circulated) or as corrected."

CORRESPONDENCE

"Will the secretary please read any correspondence?" Any correspondence that requires action of the membership will be addressed under new business.

TREASURER'S REPORT

"The treasurer will now give the financial report. Are there questions of the treasurer? This report will be filed for audit." It is appropriate at this time to ask for any non-budgeted bills to be presented for approval. "The following bills have been submitted for approval. The chair will entertain a motion regarding these bills." A member should then move to either pay or deny payment of the bills. Any budgeted item does not have to be brought before the membership and payment can be approved by the president.

OFFICER AND COMMITTEE REPORTS

The chair calls for the officer and committee reports. Each officer, including the secretary, should report his/her activities since the last meeting. The minutes are not the report of the secretary but represent the events and business of the meeting. After each report, the chair states, "The report of the _____ will be filed for reference."

UNFINISHED BUSINESS

This is no longer referred to as "old" business. The president does not call for unfinished business since he or she will know from the minutes of the last meeting any items that were not completed. The chair states, "The next item of business is _____."

NEW BUSINESS

After the chair addresses any new business he or she then asks the membership, "Is there other new business to come before the membership?"

ANNOUNCEMENTS

The chair now makes all announcements of which he or she has knowledge then asks the membership, "Are there any other announcements?"

SAMPLE DIALOGUE FOR CHAIR (CONT'D)

ADJOURNMENT

A motion to adjourn is not necessary but a member may move to adjourn. This motion requires a second and a majority vote and is not debatable. The chair, however, may state "If there is no further business and no objection, the meeting will adjourn." After a pause, the chair then states, "This meeting is adjourned."

There are some basic requirements for conducting a successful meeting:

1. Begin and end the meeting on time.
2. Prepare and distribute an agenda.
3. Be familiar with and have present current copies of the chapter, state and AAMA bylaws.
4. Be familiar with and have present a copy of *Robert's Rules of Order Newly Revised*, most current edition or some other appropriate parliamentary reference book.

Beginning and ending the meeting on time will do more for the general morale of the members than can be measured. If the agenda is prepared in advance, the items will be in the correct order and the members will know which items are scheduled for discussion and will be prepared to express their views in a more orderly manner. It is imperative to be familiar with the bylaws of all three levels of AAMA and have them available for reference during a meeting. While it is important for the presiding officer to have a working knowledge of parliamentary procedure, it is far more important that the meeting be conducted with fairness to all members.

It is the responsibility of the presiding officer to keep the discussion focused on the agenda item being considered. If an item of business cannot be resolved in a reasonable length of time, it should be referred to a committee for further consideration and brought back to the next meeting.

The president may prepare a script for his/her use at the meeting if this would assist him/her in conducting a successful meeting.

CHAPTER PRESIDENT ELECT OR VICE PRESIDENT

Not all chapters have a president elect so the duties of these offices are usually interchangeable.

If the chapter does have a president elect, this officer will automatically assume the presidency at the close of the last meeting of the chapter year if the bylaws so provide. If there is no president elect, the bylaws usually provide that the vice-president will automatically assume the presidency at the close of the last meeting of the chapter year. The reason for this automatic assumption of presidential duties is to provide for continuity of chapter activities, ideals and goals. His or her year will be a period of training and preparation and should be used wisely. This officer should attend all general membership and board meetings as part of the preparation for the upcoming year. He or she may ask to attend by invitation all committee meetings except the nominating committee. Remember that the vice-president must be ready to assume the office of the president should an emergency or vacancy arises so he or she must be as knowledgeable as the president of all chapter activities.

This officer should become familiar with chapter bylaws, parliamentary procedure and *Robert's Rules of Order Newly Revised*, most current edition.

If the bylaws provide, he or she shall accompany the president as the official chapter representative at the state's annual meeting.

He or she selects the location for the installation of officers, the theme of the installation and the installing officer and prepares an orientation of the new board members for a smooth transition of leadership (optional according to chapter policy).

Duties (as defined by your bylaws) may include the chair of the program committee and appointing the parliamentarian, corresponding secretary and committee chairs for the coming year.

RECORDING SECRETARY

The recording secretary should have a good knowledge of correct grammar, punctuation, and spelling. He or she should also have a working knowledge of parliamentary procedure to ensure that the minutes do record the business of the chapter as its history.

The recording secretary should attend all meetings of the chapter and board of directors. The minutes of these meetings shall be kept in separate record books. He or she should be the custodian of all record books and papers belonging to the chapter.

If he or she is unable to attend a meeting, he or she should notify the president as soon as possible so the president can make arrangements for a secretary pro tem. The recording secretary should obtain the minutes of the missed meeting and present them to the general membership and/or board of directors at the next regular meeting. These minutes are to be maintained in the permanent record of the chapter.

The minutes should include the headings listed on the agenda; include all motions and results of action taken. Minutes should be as brief as possible and sentences should be concise. Each subject matter should be typed in a separate paragraph. The secretary's opinion is never recorded in the minutes.

The recording secretary should read the minutes of the previous meeting and make any corrections necessary. After the approval/correction, the date should be entered at the end of the minutes and the minutes are then filed in the permanent record of the chapter.

The minutes should be sent to the president within the period of time stated in the chapter's policy manual. If there is no policy manual, the usual period of time is five working days after the meeting. Ideally, the minutes should be sent to all members of the executive board. Minutes of the board of directors meetings should be sent to all members of the board.

In some instances, the minutes contain the names of the persons present for the meeting. However, the more common method is for the recording secretary to maintain a roll book or a sign-in log as a record of those in attendance. This also eliminates the necessity of listing those in attendance in the minutes. The roll book/sign-in log should become a part of the permanent record of the chapter.

If the president and vice president are absent at a meeting, the recording secretary calls the meeting to order and presides at the election of a chair pro tem for the meeting.

Corrections to the minutes are noted in the margin, initialed and dated at the time changes are made.

It is suggested that the Secretary be provided a copy of the AAMA Guidelines for Chapter/State Secretary which includes general information about minutes and samples of formats for minutes.

CORRESPONDING SECRETARY (Optional)

In very large chapters, it is sometimes necessary to have a corresponding secretary. The duties of this position are to assist the president and other officers with handling the chapter's correspondence.

The corresponding secretary reports briefly on the correspondence sent in the name of the chapter and reads any correspondence received that requires action by the chapter.

All correspondence sent on behalf of the chapter is typed on official chapter letterhead using proper sentence structure and form. The correspondence should not contain any misspelled words or other errors since it is a reflection of the chapter itself. The corresponding secretary may sign letters with her title, indicating he or she has written on behalf of the chapter. The president may wish to sign these letters himself/herself. Personal comments should not be included in letters written on behalf of the chapter.

Copies of all correspondence should be sent to the members of the executive board and chairs of any committees mentioned in the correspondence.

A permanent file of all correspondence should be maintained.

The corresponding secretary usually writes the official thank you from the chapter to all speakers at the general membership meeting.

If there is no need for a separate corresponding secretary, the recording secretary performs these duties.

TREASURER

The treasurer has a very important role in the chapter. He or she is required to keep accurate financial records of income and disbursements of all monies in the chapter's name. He or she should, therefore, be adept in bookkeeping and knowledgeable of the federal and state tax regulations of non-profit organizations, especially if the chapter is incorporated.

It is recommended that a bond be purchased by the chapter for the chapter treasurer. This bond should cover all persons authorized to sign checks. The authorized persons bonded should be stipulated in the bylaws and/or policy manual.

He or she should attend all meetings of the general membership and board of directors and may also serve on the budget and finance committee. In some chapters, the treasurer serves as the chair of the budget and finance committee. The bylaws should state the treasurer's position on the budget and finance committee.

The treasurer will receive and deposit all monies of the chapter and pay all invoices by chapter check upon approval of the president and/or board of directors. He or she should not pay any invoice that is not budgeted until the invoice has been approved by the membership for payment.

He or she should keep an accurate record of all members and their status.

He or she should present a financial report at the monthly meeting of both the board of directors and general membership. This report should be copied to all members of the board of directors. Financial records should be kept current and available for audit according to chapter bylaws and/or policy manual.

The treasurer should be prepared to work on the books regularly so these records will be both accurate and up-to-date. The bank statement should be reconciled monthly.

All tax returns (if any) must be filed by the specified deadline as necessary.

Other tips include:

1. Never use correction fluid to correct errors. Instead draw a single line through the error and write the correction above.
2. Always use ink.
3. Never make checks payable to cash.
4. Do not use a miscellaneous category.
5. Try not to void checks.
6. Be sure to number and title pages and entries in the ledger book.

After installation of the new officers, be sure the books have been audited before accepting them from the previous treasurer.

The amount of insurance coverage should reflect the amount of annual cash flow, not just the average bank balance. Monies from things such as dues, seminars, fund-raising projects reflect

TREASURER (CONT'D)

some of this annual cash flow. If the bond covers individuals, then the insurance company needs to be notified annually of the names and addresses of those authorized to sign checks and/or withdraw money from the bank. If the bond covers the position, the insurance company does not need to be notified when officers change. There may be a premium discount if the bond is purchased for a multiple year period.

One of the first functions of a new chapter treasurer is to secure a checking and/or savings account for the chapter. This should be done following the election of officers so there will not be a delay in depositing of checks and in paying chapter debts. Should the chapter wish to continue using the same checking account, the bank would require a resolution stating which date the new officers were elected and their names. Signature cards signed by the officers entitled to sign checks should be given to the bank promptly. It is recommended that a copy of the signature cards be maintained in the treasurer's files.

The following types of checks are usually available to non-profit organizations.

1. One-signature check which can be signed by the treasurer or the president. In this case, a voucher system should be used so that approval is obtained first from an officer other than the one signing the check before the check is issued.
2. Two-signature check which is signed by two out of three or four officers authorized to sign checks. This is usually the president and the treasurer. Under no circumstances should one person sign one or more blank checks leaving the second person to fill in the payee, amount, etc. If this is done, the check becomes a one-signature check and the purpose of having two signatures is negated.

The accounts which best serve the chapter's interest should be opened with the chapter's approval. The minutes should reflect the type of accounts authorized, the number of accounts authorized, the number of signatures required for withdrawals, the number of persons authorized to sign, the officer who will usually sign for withdrawals, and who may sign during the unavailability of the usual signatures.

A bank will usually require the federal tax identification number, a copy of the bylaws, the resolution authorizing the opening of the account, etc., and signature cards to open a new account.

Each chapter should secure a federal tax identification number. Form SS4 from the Internal Revenue Service can be obtained from the bank or the IRS and is simple to complete. After filing with the IRS, the chapter will receive an identification number that should be used on all its bank accounts. This notification should become part of the permanent record of the treasurer. Each chapter should secure its own number and not use the number assigned to the state society or the Social Security number of any member.

It is suggested that the Treasurer be provided a copy of the AAMA Guidelines for Chapter/State Treasurer which includes information about reports and budget preparation.

PARLIAMENTARIAN

The parliamentarian should be knowledgeable about the general principles of *Robert's Rules of Order Newly Revised*, most current edition and the chapter bylaws. He or she is an advisor to the president and the members on points of parliamentary procedure.

He or she gives clarification on parliamentary matters when requested by the president or members, but the final decision rests with the president.

He or she serves, without vote, at the general membership meeting, board of directors and executive board meetings.

He or she is available for assistance and instructions to the election tellers, and monitors the vote tally.

IMMEDIATE PAST PRESIDENT

The immediate past president is a member of the executive board and the board of directors and acts as an advisor to the president.

He or she may be assigned various duties in the bylaws but the most common are parliamentarian, coordinator of installation banquet, bylaws, historian, or program director.

CHAPLAIN

The chaplain is appointed by the president and is responsible for delivering invocations and benedictions, usually at the opening and closing of meetings, banquets, and other events. He or she may also be asked to deliver a memorial for a member who has died.

HISTORIAN

The historian is appointed by the president for the purpose of keeping a pictorial and narrative history of the chapter's activities. Most chapters have more than one history book so one may be presented to the president at the end of his/her year, one presented to the state society for its records and one kept for the chapter as a permanent record. In some cases, the state society will request that only clippings, pictures, etc., be sent to the state historian to be included in its history book. In this case, the chapter historian should comply with the state's wishes and would not need to maintain a third history book for presentation to the state at the end of the year. Some state societies present an award at the annual meeting to the chapter with the best history book.

The history book includes newspaper clippings, invitations to chapter functions, pictures, programs from chapter events and installation of officers, etc.

A budget should be set by the chapter for the history book and the historian should submit vouchers for covered expenses as well as a final report of expenses at the end of the year.

An alternate should be appointed for the historian in case of an illness or emergency.

AUDIT COMMITTEE

A yearly audit for financial records is essential for good business practice in any organization to see that the chapter finances are in order.

The audit committee is appointed by the president and should consist of no less than three (3) people. The president and treasurer should not be members of this committee.

The books should be audited and the audit complete within 30 days of the chapter's fiscal year end.

The committee must have access to the checkbook register, all cancelled checks, bank statements, income and expense ledgers, all receipts for interest paid on investments and all financial statements for the year to be audited.

1. Bank deposits must total the same as the income recorded in the ledger.
2. Checks written must total the amounts shown as expenses in the ledger.
3. All voided checks must be accounted for.
4. The beginning balance plus deposits minus checks written should equal an ending balance that coincides with the balances shown on the financial reports.
5. Bank charges and interest income must be accounted for.

It is recommended that each committee member do an independent audit and then meet to finalize its findings and complete the audit report together. A written report and a final financial report should be prepared with the results of the audit and any recommendations and/or suggestions. All discrepancies must be explained and resolved. This report is presented to the general membership for adoption.

The incoming chapter president and treasurer should not accept the signature cards and the books until the audit report is finalized and, ideally, accepted by the executive committee of the board of directors.

The audit committee should indicate the areas where the budgeted amounts were not met or were exceeded.

Be sure that the books are closed on the last day of the chapter's fiscal year and that no deposits were made or checks written after this date.

SAMPLE AUDIT REPORT

INCOME:

Dues	250.00
Ways and Means	1000.00
Donations	100.00
Interest Earned	75.00
Seminars	<u>1500.00</u>
 Total Income	 \$2925.00

EXPENSES:

Postage	200.00
Ways and Means Projects	750.00
Delegates Expenses	425.00
Gifts	75.00
Stationery	250.00
Printing	250.00
Educational Materials	500.00
Publication	400.00
Bank Charges	<u>50.00</u>
 Total Expenses	 2900.00

Difference between Revenue and Expenses	25.00
Fund Balance Beginning of Year	2000.00
Fund Balance End of Year	2025.00
 Investment	 5000.00
 Total Cash Available as of last day of fiscal year	 \$7075.00

BUDGET PREPARATION

Each chapter must have an operating budget in order to ensure that monies are spent for the benefit of all members. The budget should be presented at the beginning of each chapter's fiscal year. The general membership should have the opportunity for input into the raising and spending of chapter monies with a majority vote determining these issues.

The treasurer should be the chair of the budget committee. The committee should consist of no less than three (3) members. The previous treasurer, as well as previous budget committee members, should be asked for input. The budget committee should begin to meet and formulate a budget for the upcoming year at least 2-3 months before the beginning of the new fiscal year. In preparing the new budget, members should have available to them previous year's records which should include the audited treasurer's books as well as reports of all fund raising activities (cost vs. revenue) and all expenses of the chapter for the previous year. The committee needs to have available all projected costs of the upcoming year to determine the actual amount of monies needed to keep the chapter fiscally secure.

The budget committee needs to keep a realistic viewpoint in determining the monies that will permit the officers to pay expenses for chapter functions throughout the year. Not all chapters will require the same amount of funds to operate. This will be determined by the chapter bylaws which direct the expenses for which the chapter is responsible.

Once the budget has had the final approval of the chapter members, the business of the chapter should be able to be conducted without returning to the membership for expenditure approval. The budget can be amended during the year by a majority vote of the membership should a fiscal shortage occur or a special expenditure not in the budget need approval.

Part of the responsibility of the chapter treasurer is to keep the chapter officers updated at all times on the bank balances, income and expenses compare to the budgeted amounts. This will allow for adjustments as they are necessary and keep the chapter fiscally sound. This information should be reported by the treasurer as a part of his/her report at the regular meetings of the membership. The treasurer should be able to produce a copy of the budget, a copy of all bills that have been presented and paid and any other information necessary to substantiate any income or expense that affects the chapter budget should the executive board or general membership have a question.

Chapter officer expenses and chapter committee expenses should be minimal, with the exception of the publication, membership and public relations committees. These will require monies for postage, printing and special recruitment activities. Stationery needs (e.g., letterhead, envelopes, etc.) should be a chapter expense and all officers and committee chairs should be supplied from this one expense. Expenses for travel and accommodations for officers should be dictated by the chapter bylaws. Not all chapters are financially able to reimburse for total expenditure but make allowances for partial reimbursement. Each chapter will need to determine its fiscal ability and then determine what requirements/reimbursement will be allowed for its officers.

BUDGET PREPARATION (CONT'D)

It is a good idea to review the finances of the chapter for the last three years to serve as a guide for averaging income and expenses. Consider the following carefully during the preparation:

INCOME:

- What has the average income from dues been over the past three years? Or what do you anticipate the dues income to be? Has there been a yearly increase, decrease or stabilization?
- If there are donations, are the amounts about the same and consistent?
- Do you have successful ways and means projects that bring in revenue every year?
- Do you have an interest-bearing checking account?

EXPENSES:

- Average cost of general expenses, supplies, postage, gifts.
- Costs for educational sessions, speakers and materials.
- Publication expense.
- Bank check charges and/or service charges.
- Delegate expense.

A sample budget format follows. Remember this is just a guideline since all chapters will differ in their income and expense items. It is important to remember when using this format that revenues and expenses are determined by chapter locations, community support and resources. Not included on this sample is reserve fund amount. Some chapters do designate a specific amount (\$100-\$200) for reserve. This amount is then listed on the treasurer's report as a reserve amount and would not be used except in cases of extreme necessity.

SAMPLE BUDGET

INCOME:

Dues	250.00
Ways and Means Project	1800.00
Donations	100.00
Interest Earned	<u>25.00</u>
Total Income	\$2175.00

EXPENSES:

Postage	200.00
Publication	625.00
Ways and Means Project	200.00
Membership	200.00
Stationery	200.00
Printing	200.00
Delegates Expenses	400.00
Public Relations	<u>150.00</u>
Total Expenses	\$2175.00

BYLAWS

Bylaws are the guidelines by which the organization operates. Chapter bylaws must be in compliance with the bylaws of the constituent society and both must be in compliance with AAMA Bylaws.

The required articles to be included in any bylaws are as follows: name of the organization, objective, membership, officers, duties, executive board, committees, meetings and parliamentary authority.

Bylaws contain the rights and privileges of members and are so important that they cannot be changed without prior notice to the members and usually require 2/3 vote of the voting body for adoption.

Bylaws should be clear and concise and should not be restrictive. The chapter may develop a policy manual or standing rules document to outline specific duties and policies that can be changed with a majority vote at any meeting.

Sample chapter bylaws are available from the AAMA Executive Office on a diskette for the convenience of a chapter in developing or updating its bylaws. Your state society should also be able to provide you with a copy of chapter bylaws that have been approved for you to use as a guide in formulating your own chapter bylaws.

Bylaws should be sent to the state society's bylaws committee for review after they are adopted by the chapter. Any recommendations made by the state for compliance with state and/or AAMA bylaws are incorporated in the chapter bylaws without vote of the membership but are distributed to the membership as information.

The chapter president should appoint a bylaws committee each year to review the bylaws.

A policy manual or standing rules manual may also be developed to outline more specific duties of officers and committees, reimbursement policies, guidelines for correspondence, banquet protocol, etc. Either of these documents may be amended by a majority vote at any meeting. They are intended to expand on the bylaws and may not be in conflict with them.

CERTIFICATION

Certification is or should be the goal of all medical assistants. The goal of achieving Certification is one of the most important steps in becoming a professional medical assistant. The CMA credential is awarded to candidates who have successfully completed the Certification Examination administered by the Certifying Board of the AAMA, Inc.

The Certification Examination is a comprehensive test of knowledge actually needed in General, Administrative, and Clinical areas used in the medical office. These areas include anatomy and physiology, terminology, behavioral science, medical law and ethics, medical record management, collections, insurance processing, examination room techniques, medications, injections, laboratory procedures and specimen collection. At present there are 100 questions in each of the three major areas.

To be eligible for the certification examination, an applicant must be a graduate of a CAAHEP or ABHES accredited medical assisting program. Contact AAMA at 1-800-ACT-AAMA to obtain the dates and the nationwide test sites the examination is administered. To help applicants prepare for the examination, AAMA provides the “Candidate’s Guide to the Certification Examination.” The guide explains the test format, and contains a list of study references and a sample examination with answers.

Chapters may wish to form study groups to assist those preparing for the examination. The material provided in the reference list mentioned above is useful in the study group also.

RECERTIFICATION

The next step in the process is to maintain the CMA credential. This is achieved by recertification through continuing education or by taking the Certification Examination. As professionals, we must continuously strive to keep current with new technology, new ideas, and new trends in the health care field.

Since 1988, a CMA must recertify every five years; failure to do so will result in a “not current status.” Effective in 2003 a CMA currently employed or actively seeking employment is prohibited from using the CMA credential if she/he is not current.

A CMA may recertify by obtaining Recertification points. To recertify you must obtain 60 Recertification points for the basic CMA. Recertifying specialty credentials in Administrative, Clinical, or Pediatric are only available by the continuing education method and require 20 Recertification points for each specialty credential. An application for Recertification by the Continuing Education Method may be obtained from the AAMA Executive Office.

Recertification points may be obtained by attending seminars, workshops, reading and passing the tests in *CMA Today* articles, and through college classes. These courses must relate to the profession of medical assisting. 20 of the 60 Recertification points must be obtained from AAMA Continuing Education Units (CEUs). Members attending AAMA programs do not pay a CEU registration fee while nonmembers are required to pay a fee. The AAMA Continuing Education Department maintains a list of all AAMA approved courses taken by each member. Transcripts are available free to members via the members only section of the AAMA website www.aama-ntl.org or by calling AAMA at 1-800-ACT-AAMA. Nonmembers are required to pay a fee for a copy of their transcript.

A CMA may recertify by taking the Certification Examination. This examination is updated and reconstructed annually. This method is available for the basic CMA credential only.

MEMBERSHIP

Every chapter needs to make the new members feel welcome and make them a part of the chapter's activities. If the member does not feel she/he is an important part of the chapter, she/he will probably not be motivated to become active on the chapter, state, or national level--so three levels lose. The most important responsibility of the membership committee is promotion of tri-level membership benefits to all members, new and returning, and encouraging them to maintain membership in AAMA. In order to do this, the committee must be knowledgeable of these benefits and enthusiastic in promoting membership.

SUGGESTIONS

1. Develop a membership brochure for the chapter/state to distribute to prospective members and physicians' offices including:
 - a. Dates and times of meetings
 - b. Promotion of educational programs
 - c. Benefits of Certification/Recertification
 - d. Availability of insurance (health, accident, disability, malpractice) coverage through AAMA
 - e. Professional development and recognition as a member of our professional organization
2. Develop a letter to physicians briefly describing the AAMA and the benefits to the members and employers; possibly have this signed by a physician advisor as a sign of support.
3. Contact new CMAs in the area and invite them to meetings (list is available from the AAMA Executive Office, sent to state president after exam results become available)
4. Order an ample supply of membership brochures and applications.
5. Follow up on all referrals.
6. Assign a veteran, active member to a new member or someone who has become less active.
7. Avoid "cliques" which exclude other members--they can be very destructive to the growth of the chapter.

RETENTION

Membership retention is sometimes harder than recruiting new members. Communication is an important element in understanding the needs of members, meeting those needs and keeping members interested in the organization.

SUGGESTIONS

1. Survey members each year to determine needs; include questions pertinent to your chapter/state, topics of interest for CEU credit, meeting times, leadership training, mentoring, etc.
2. Analyze survey results and determine areas for improvement.
3. Support a chapter newsletter.
4. Develop and distribute a membership roster listing members' addresses, employers, birthdays, etc.
5. Consider recognition awards for professional achievement, long-term membership, etc.
6. Distribute information from the state and national levels.

Obtain the Membership Manual available from the AAMA by calling 1-800-ACT-AAMA.

NOMINATING COMMITTEE

The nominating committee is elected by the membership at a regular monthly meeting, usually one to two months before the meeting at which election of officers will be held. This committee usually consists of a chair and two members.

The president CANNOT serve on this committee in any capacity.

The duties of this committee are to solicit candidates for the offices of president elect, vice president, recording secretary and treasurer. The committee also checks to see if each nominee meets the qualifications for each office as outlined in the bylaws. It should also be noted that the persons considered for candidacy should be those which possess proven leadership qualities and commitment to the chapter's goals.

The committee submits a written report, with the slate of nominees and their qualifications, to the entire membership. This report can accompany the monthly newsletter prior to the meeting where the election is held. This gives the members an opportunity to review the nominees and select the best candidate for the position.

A member of the nominating committee may be selected as a candidate for office provided he or she meets all the qualifications listed in the bylaws.

The president will ask for the chair to read the report to the members and then call for nominations from the floor before the election is held.

PUBLIC POLICY

The duties of this committee are to keep the membership informed on any legislation, regulations, and court decisions pertaining to the medical assisting and allied health professions.

This committee usually consists of a chair and two members and maintains communication with the state public policy committee chair.

If there is any significant development affecting medical assistants and other allied health professionals, a report should be given at the monthly meeting. If necessary, a newsletter may be sent to the general membership.

PUBLICITY/PUBLIC SERVICE

The purpose of this committee is to communicate to the general public the activities of the chapter, the medical assisting profession, and the benefits of belonging to all three levels of AAMA. Good publicity builds recognition for the organization, educates the general public and promotes membership.

Suggestions for this committee are to advertise the monthly meetings, educational programs, conventions and seminars, and activities during Medical Assistants Recognition Week.

The committee should develop and maintain contacts with the news media, be truthful in the information that is distributed, be positive in the comments given to the press, remain cool and calm when being questioned by the press and invite members of the press to attend meetings or workshops.

If asked to appear on radio or television, be sure that AAMA is mentioned in the comments, know the focus of the story and rehearse several times before the appearance, forget the cameras, look at the interviewer and appear confident and relaxed.

Public Service Announcements (PSAs) should be sent to the local radio, television and newspapers and should be free of charge. Always send AAMA fact sheets with the news releases. Releases should be factual, typed, double-spaced and sent in duplicate. Send a thank you letter after the release is published.

The AAMA Communications Department has a variety of resources available to help this committee and they can be contacted by calling 1-800-ACT-AAMA.

IDEAS TO PROMOTE MEDICAL ASSISTANTS RECOGNITION WEEK

Below are suggestions that have been used successfully by other chapters to promote Medical Assistants Recognition Week.

- Blood pressure checks held at shopping malls or other public locations where AAMA members provide free readings. **NOTE:** Please check with the AAMA legal counsel, Don Balasa, at the AAMA Executive Office before making final preparation for blood pressure clinics. In some areas, it may be necessary to obtain a disclaimer for distribution to each person whose blood pressure is checked.
- Have proclamations signed by the mayor. Short press releases along with a photocopy of the proclamation may be used in the newspaper.
- Broadcast spot announcements on local radio stations.
- Submit an article to the county medical society for publication in its newsletter.
- Promote AAMA's Certification program by honoring new CMAs and inviting the press to cover this event.
- Contact companies about including a message on their readerboards.
- Sponsor an open house at a local hospital for nonmembers.

WAYS AND MEANS

The ways and means committee is responsible for developing and implementing money-making projects throughout the chapter's year in order to supplement the chapter's working capital.

This committee is appointed by the president with the approval of the board of directors and usually consists of a chair and three members.

New projects must have the approval of the board of directors prior to their implementation.

The efforts of the ways and means, education and membership committees should be coordinated so their projects will not interfere but will complement each other.

The most appropriate and professional way for a chapter to raise money is to sponsor a well-organized, well-publicized seminar or workshop. The registration fee should be appropriate for members and higher for nonmembers and should usually generate sufficient income for the chapter for the year.

A full-day seminar or workshop, offering 6 to 7 CEUs will usually cost \$100 for nonmembers and \$50-\$60 for members. The registration fee usually includes the CEU registration fee for nonmembers. Professional profit-making organizations charge more than \$100 per day and are continuing to do a good business. Who better to sponsor a seminar for medical assistants than the local AAMA chapter?

Not only can a seminar bring a good monetary reward for the chapter, but it can help recruit members. One way is to offer prospective members the opportunity to join at a reduced rate by applying part of the seminar fee to the membership dues if the balance of the dues is paid within 10 days of the seminar.

Other projects are suggested by this committee for approval by the board of directors. A budget for the project should be presented to the board at the time of presentation. Some suggestions for other projects include the sale of T-shirts, sweatshirts, key chains, cookbooks, raffles (if allowed by your particular state and local laws), and white elephant sales.

CONVENTIONS & SEMINARS

It is the custom in most state societies to allow the chapters to bid as host of the annual convention and educational seminars. State educational seminars are usually held in the fall and winter. The state will award the hosting of this event to a chapter after a majority vote. The state society will be able to provide you with guidelines for hosting these events. Any questions you may have regarding these guidelines or hosting these events should be referred to the state society President. Often the hosting chapter is allowed to keep a portion of the profits of the convention or seminars making these functions ideal ways to raise funds for your chapter.

DELEGATES/ALTERNATES TO STATE

In states where a House of Delegates is held at the annual meeting, chapters will send delegates to represent the members.

1. Delegates are elected for a period of one year and must be familiar with the bylaws of the state society and AAMA.
2. Delegates should review the material presented in delegates packets (mailed).
3. Delegates should discuss the material with the chapter membership.
4. Delegates need to be familiar with parliamentary procedure as it pertains to the election of officers, amendments to bylaws, the presentation of resolutions and other new business in the House of Delegates.
5. Alternate delegates should be as well prepared as the delegates, since they may need to assume the duties of the delegates at any time.
6. Delegates and alternate delegates may be called upon at any time during the annual meeting for any business; therefore, they should be prepared to forego other activities.
7. Delegates represent their chapters when voting at their annual meeting. Decisions should be made based upon the general welfare of AAMA, the state society and the chapter. Delegates should use their judgment when voting on issues presented.
8. The chapter president and president elect/vice president are usually the first two delegates. Chapters vote for the additional delegates and alternate delegates.
9. Delegates are expected to attend all reference committee meetings (if held), all business meetings (including the House of Delegates), meeting the candidates and any other meetings, as directed by their chapter.
10. Delegates should report the proceedings of the annual meeting to their chapter at their first chapter meeting following the convention.
11. If an alternate delegate must replace a delegate, the parties involved should contact the Speaker of the House and the credentials committee immediately.
12. If a delegate/alternate is unable to fulfill the responsibilities of the office, he or she shall reimburse the chapter for any monies given for this assignment.

LEGAL ISSUES OF RELEVANCE TO STATE SOCIETIES AND LOCAL CHAPTERS

EMPLOYER IDENTIFICATION NUMBER (EIN)

In order to open a checking account or transact other business, a state society or local chapter will often be required to furnish an Employer Identification Number (EIN) (also known as a “Taxpayer Identification Number (TIN)”). Aside from the practical necessity of having an EIN, the AAMA recommends that each affiliated state society and local chapter obtain an EIN.

An entity need not have employees in order to obtain an EIN. (The term Taxpayer Identification Number is therefore more accurate than Employer Identification Number). A state society may not and should not use the EIN of the AAMA for any purposes. Similarly, a local chapter should not use the EIN of its state society. It is also most inadvisable for a state or chapter to use the Social Security number of one of its officers or members as the identifying number required by a financial institution.

An Employer Identification Number can be obtained quickly and easily by filling out and submitting Form SS-4. This federal form can be obtained from an Internal Revenue Service office, a Social Security office, a bank or library, or from certain state or local government offices. Form SS-4 is not difficult to complete, and there is no fee for submitting the form. An EIN can also be obtained via an 800 number and the internet. If there are any questions about how to complete the form, please call Executive Director Donald A. Balasa at the Executive Office of AAMA.

FEDERAL INCOME TAX EXEMPTION

The American Association of Medical Assistants is exempt from federal income tax according to Section 501(c) (6) of the Internal Revenue Code. The section accords an exemption to professional associations that demonstrate compliance with the organizational and operational requirements of the law.

The AAMA does not have a group exemption which covers its state societies and local chapters. Therefore, any AAMA affiliate must file for its own exemption from federal income tax if it so desires. IRS Form 1024 is used for applying for an exemption under Section 501(c)(6). Unlike Form SS-4, Form 1024 is rather long and difficult to complete. Although some state societies and local organizations have obtained an exemption letter from the IRS, there are many factors which must be considered when deciding on the wisdom of seeking federal income tax exemption. Please contact Donald Balasa, AAMA Executive Director at 1-800-ACT-AAMA if you have questions about whether to, and how to, apply for this exemption.

INCORPORATION

Incorporation is a process whereby a state society or local chapter is recognized as a formal legal entity. Incorporation is governed by the laws of each state rather than by federal law. As a result, a department of the state office of Secretary of State (or similar state office) usually has jurisdiction over the incorporation of not-for-profit entities.

Incorporation offers some benefits for state societies and local chapters, the primary one being the limitation of liability to the assets of the society or chapter if a civil action is successfully brought against the society/chapter. However, because state and local affiliates vary in the degree of potential legal liability, the prudence of incorporation should be decided on a case-by-case basis.

LEGAL ISSUES OF RELEVANCE TO STATE SOCIETIES AND LOCAL CHAPTERS (CONT'D)

The cost and complexity of incorporating varies from state to state, but it is usually not an expensive or difficult process. Nevertheless, there are legal and practical factors which should be examined thoroughly before embarking upon the process of incorporating. Executive Director/Legal Counsel Donald A. Balasa is available to assist states and locals in determining whether incorporation is advisable.

EXEMPTION FROM STATE SALES TAX AND OTHER STATE TAXES

It is important to distinguish between exemption from federal income tax and exemption from state sales tax. In virtually every state, professional associations exempt from federal income tax on the basis of 501(c)(6) of the Internal Revenue Code are NOT eligible for exemption from state tax (or other similar state levies) when purchasing products at stores, renting space at hotels or motels, or entering into contracts for the purchase of services. Only charitable, religious, and similar entities are eligible for any special sales tax exemption.

Obtaining federal income tax exemption, or incorporating as a not-for-profit entity under the laws of a state, usually have nothing to do with procuring an exemption from state (and sometimes local) sales and use tax. There may be reasons for obtaining an income tax exemption letter from the IRS and a certificate of incorporation from the Secretary of State, but attempting to secure an exemption from state sales tax is not one of the reasons. In reality, the AAMA and its state and local affiliates are almost never eligible for state sales tax exemption, and should not think that submitting Form 1024 to the Internal Revenue Service or filing articles of incorporation with the Secretary of State will have any effect on becoming exempt from state sales tax.

STATE SOCIETY OR LOCAL CHAPTER WILL NOT GET INTO TROUBLE IF IT ACCUMULATES MONEY IN A SAVINGS ACCOUNT, MONEY MARKET FUND, OR OTHER INVESTMENT VEHICLE

Generally, state societies and local chapters will not get into trouble with federal or state authorities and not jeopardize their tax-exempt status or their not-for-profit incorporation if the interest earned on investments is intended to be used to further the professional purposes of the society or the chapter.

Usually, there is cause for concern only if the society or chapter has accumulated an enormous amount of reserves, and the society/chapter is not operating in a manner consistent with its purpose of “promoting the professional identity and stature of its members and the medical assisting profession through education and credentialing.”

It is a good economic practice to have on reserve one year’s expenditures so that if unexpected expenses occur it will keep the society/chapter in the “black.”

APPENDIX B

New Chapter Checklist

Local chapters are chartered by and directly affiliated with a state society. State societies are chartered by and directly affiliated with the American Association of Medical Assistants. When a state has chartered a new chapter they notify the AAMA Executive Office in Chicago so that the new chapter can be created in the data base. **The Executive Office must be notified in writing by the current state society president.** When the Executive Office receives all the information about the name, location, officers and members for the new chapter they are given a chapter code. At that point members can be assigned to that chapter and dues will be collected for and rebated to that chapter. Below is a checklist of information that the Membership Department needs to complete the entry for a new chapter.

Letter From The State Society President

- The letter must be on state society letterhead
- The letter should be addressed to : Director of Membership
American Association of Medical Assistants
20 N. Wacker Drive, Suite 1575
Chicago, IL 60606-2903
- The letter should notify the Executive Office of the newly affiliated/chartered chapter.
- The letter should give the official name of the chapter and the charter/affiliation date.

The information below should be attached to, or contained in, the letter from the state president:

Geographic Boundaries of the Local Chapter

- If the geographic boundary of a chapter is not a county line, please include a map of the area with the chapter boundaries drawn on it. The Membership Department will transfer this information onto the chapter maps that are used to assign members to local chapters.

Chapter Officers

- Chapter officers must all be AAMA members.
- Use the "Chapter Officer Election Notification Form" if possible.
- Please include the president, president elect or vice president, treasurer and a membership chair/contact person.

List of Current Members That Should Be Changed To The New Chapter

- The Membership Department can provide you with a list of "at-large" members residing in the area of the new chapter. At-large members are those that are not assigned to a local chapter. Please provide a zip code range for the Membership Department to use when searching the database for members in the new chapter area. These members will not have paid local chapter dues and will not be billed for chapter dues by the Executive Office until the next dues billing cycle in September.

The Membership Department will print new membership identification cards for the members of the new chapter. **If you have any questions, please call Membership Department at (800) 228-2262.**

APPENDIX C INACTIVE CHAPTER PROCEDURE

The AAMA membership department adds new chapters and deletes disbanded chapters from the database only when notified by the state society. As long as a chapter remains active in the data base AAMA will continue to assign new members to that chapter and collect and rebate dues. When the chapter is identified as “disbanded” in the database, all the members in that area become members-at-large on the chapter level. If a chapter is identified as “disbanded” in the database we would need written notification from the state society to reactivate the chapter.

At times, the Executive Office has had requests for a chapter to become “inactive” for a period of time rather than disband and be deleted in the database. State societies have expressed a desire to keep a chapter in the database while it is reorganized.

An alternate to disbanding an inactive chapter would be a temporary “inactive” status. The state treasurer could be assigned as treasurer for that chapter. This would enable all chapter dues to be rebated to the state treasurer for management of those funds until the chapter was reorganized and had new officers. The state would be responsible for contacting the members assigned to that chapter regarding the inactive status of the chapter. The state society would have to decide to refund the dues or hold them for the chapter until the chapter is reorganized. The chapter dues and member information would be sent separately from the state society dues rebates. This would have the advantage of identifying the members assigned to a chapter so the state society could work with that group to get reorganized.

A chapter should be maintained as an inactive chapter, without officers or meetings, for more than one year. If a chapter cannot be reorganized and active within one year the chapter should be disbanded and the members given the option of another chapter or at-large status.

PROCEDURE: If a state society chooses to manage an inactive chapter during a reorganization effort they should follow this procedure: First, the state society must be certain that this procedure is not in conflict with their state bylaws or with the wishes of the members in the chapter.

Second, the president of the state society should notify the AAMA Membership Department that a chapter has become “inactive” and the state society will take responsibility for managing the chapter funds during the reorganization period. The letter should be on state society letterhead and provide the following information:

- ✓ Name of the chapter.
- ✓ Name of the state treasurer who will be assigned as treasurer of the chapter.
- ✓ Name of the contact person that members of that chapter should call if they have questions about their chapter status.

When a chapter has been reorganized, the state society should send written notification to the AAMA Membership Department providing the following information.

- ✓ Name of the chapter
- ✓ A list of the chapter officers.
- ✓ Request to lift the inactive status of the chapter and remove the state treasurer as the chapter treasurer.

Note, when there is a change in a state treasurer, the Executive Office must be notified of the change for the state, and of any inactive chapters that the state treasurer is managing, so that all records can be correctly updated. If you have any questions regarding this procedure, please call: AAMA Director of Membership, 1-800-228-2262

APPENDIX D STATE SOCIETY DISBANDMENT

How it will Affect Members and Local Chapters

Individual Members

Members in states without an affiliated state society are called members-at-large. These members only pay national dues and have all the national benefits of AAMA membership that they currently enjoy (e.g., *CMA Today*, discounts on products and services, group insurance, etc.) They will not be receiving any benefits from an affiliated state society. If a state society disbands, the AAMA Membership Department will change the state codes for the members and issue them new membership cards that reflect the change to member-at-large on the state and local chapter level.

Local Chapters

Local chapters are chartered by and directly affiliated with the state society that is affiliated with AAMA. If there is no state society for the local chapter to be affiliated with, then the link of affiliation to the AAMA is broken and the local chapter will cease being affiliated with the AAMA. This will have the following effect on local chapters:

Dues collection:

New members sending dues to the Executive Office will only pay national dues and be assigned as a “member-at-large” with no state society or local chapter affiliation.

Continuing Education Program Approval:

AAMA CEU program approval processing for affiliated state societies, and local chapters affiliated with those state societies, is provided free of charge. A program submitted for AAMA CEU credit approval that is not sponsored or co-sponsored by an affiliated state society, an affiliated state society’s local chapter, or a CAAHEP accredited medical assisting program must have an approved sponsor. Non-affiliated organizations may apply for Independent Sponsor status. The annual fee for Independent Sponsorship is \$500.

Mailing Labels:

Mailing labels for membership promotion purposes or continuing education programs are provided free of charge to local chapters that are affiliated with an AAMA affiliated state society..

If you have any questions about this information, please call the AAMA Membership Department toll-free at 1-800-228-2262.