



SCHEDULE A

Chapter Affiliation Policies and Procedures

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Chapter 1 Introduction

1.1 Purpose of the Chapter Policies and Procedures Manual

The purpose of this manual is to provide the leadership of chapters and chapters-in-information an overview of the relationship between these groups and ESA. Additionally, this manual is intended to provide assistance to chapter leaders in managing the operations of the chapters in accordance with the policies established by the ESA Board of Directors.

1.2 Revisions to the Chapter Policies and Procedures Manual

This manual is subject to regular review and revision by the ESA Board of Directors. Suggestions for revision should be forwarded to the ESA Executive Director. Approved revisions are binding on all chapters and will be distributed within three weeks of approval.

Chapter 2 Benefits of Chapter Affiliation

2.1 Benefits of Chapter Affiliation

- Through a federation of state associations, ESA reaches grass roots members, enabling them to band together on national issues, and delivering to them industry information, professional development tools, products, and services. Other benefits of chapter affiliation include:
- Guide the direction of the national association and the industry through state representation and voting privileges on the ESA board of directors
- Revenue-generating opportunities through the National Training School (NTS)
- Revenue-sharing opportunities through select ESA member benefit programs
- Government relations lobbying on the national level with a veteran lobbyist to guide and advise states in their efforts
- Monthly reports on industry related state legislative activity
- Alerts, advice and direction to chapter leaders on pertinent legislative activity
- Membership dues billing and reporting at no charge to your chapter
- Exposure of chapter functions and events through ESA media (electronic newsletter, printed magazine and Web site)
- Access (through ESA cultivated relationships) to national public safety leaders
- Through your affiliation with ESA, your state has direct representation to the Security Industry Alarm Coalition (SIAC)
- Networking opportunities and shared best practices with fellow chapter colleagues
- Membership recruitment and retention marketing tools and programs
- Dedicated and accessible ESA volunteer leaders and staff ready to assist
- Association leadership training opportunities and resources via the ESA/CSA Symposium, teleconferences, list serves and resource guides
- Through your affiliation with ESA, your state has direct representation to the Alarm Industry Communications Committee (AICC), the National Fire Protection Association (NFPA), the International Code Council (ICC) and the International Association of Chiefs of Police (IACP)
- Partnership with the nation's most trusted and recognized electronic life safety, security and systems association

Chapter 3 Duties of a Chapter

3.1 Use of ESA Logo

- 3.1.1** When using the ESA logo, each chapter shall be required to use the official logo of ESA in accordance with the logo use instructions. Such logo and instructions shall be available in the Chapter Resource Section of the ESA Web site.

3.1.2 Each chapter shall use ESA's logo in conjunction with programs or activities that are directly associated with the ESA. Any other use of the ESA logo must be pre-approved by the ESA board of directors.

3.1.3 Each chapter shall include on all of its letterhead, membership applications collateral material and Web site, the logo of the ESA, along with the following statement: "A Chartered Chapter of the ESA."

3.2 ESA Board Representation

3.2.1 See ESA Bylaws

3.3 Regular Reporting Requirements

3.3.1 Leadership Reporting

Chapters shall submit in writing a current Chapter Leadership List to the ESA Executive Director no later than January 31st of each year. This list shall include, but not be limited to: name (first & last), title, company name, email address, mailing address, phone number and fax number for all individuals holding the following leadership positions within the chapter:

- Officers
- Directors
- Committee Chairs
- ESA Board Representative
- Lobbyist
- Training Coordinator
- Staff

If, at any time during the year, any of the above leaders change, the chapter shall report the change to the ESA within 10 business days.

3.3.2 Chapter Bylaw Changes

Each chapter shall submit copies of any Bylaw changes to the ESA Executive Director within two (2) months of their adoption.

3.3.3 Dues Structure Reporting

3.3.3.1 No later than October 1st of each year, each chartered chapter shall submit in writing to the ESA Executive Director its current membership dues structure; current rules for pro-rating of dues (if applicable); and percentage of dues that are not deductible as an ordinary business expense to the member company.

3.3.3.2 If a chapter makes any change(s) to its dues structure or pro-rating rules throughout the year, it shall report such change(s) in writing to the ESA Executive Director within five business days.

3.3.3.3 If ESA makes any change(s) to its dues structure or pro-rating rules throughout the year, it shall report such change(s) to all chapters within five business days.

3.4 Policy and Procedure Compliance

3.4.1 Failure to submit required reports to ESA as defined by these policies and procedures, and/or from time to time as requested throughout the year, may jeopardize the Chapter's Charter.

3.4.2 If a chapter, or any of its Officers, Directors, or other representatives, engage in any activity in violation of the terms of this manual, any other policy or procedure of ESA or any federal, state, or local law or regulation, which activity has, or could potentially have, a materially adverse affect on ESA, as determined solely by ESA, then revocation of the chapter's charter shall be considered according to the ESA bylaws. In the event, that the

charter is revoked, a letter will be sent to all ESA members in the geographic region of the chapter to advise them of this action.

3.5 Conflict of Interest Policy

- 3.5.1** Conflict of interest is defined to be, but is not limited to, activities that are in opposition to, detract from, or in some manner could be detrimental to ESA.
- 3.5.2** No chapter has the authority to act on behalf of ESA except as such authority is given by the ESA board of directors.
- 3.5.3** No chapter is authorized to use ESA's name or logo or any terminology implying ESA sponsorship or endorsement without prior approval of the ESA board of directors.

3.6 General Conditions

- 3.6.1** The ESA Bylaws and policies establish minimum requirements for membership and provide that the chapter may adopt additional requirements designed to add to the professionalism of the industry and the trust of the general public, but the chapter will not adopt additional membership requirements which would deny membership to any applicant who has a fair and legal right to membership.
- 3.6.2** Each chapter is encouraged to form local associations, but ESA will have no direct relationship with any local association, except through the chapter.
- 3.6.3** Each chapter shall apply their best efforts to promote ESA's trade shows, conferences, conventions and other programs.

Chapter 4 Processing Members

4.1 Processing Member Updates

- 4.1.1** In an effort to ensure that member data is accurate for the membership Web site listings, directory and renewal invoices, an update process shall be followed.
- 4.1.2** When an Update Form is received from a member that changes the number of employees or locations to the extent that the change causes an increase in their annual dues and the member is a member of a chartered chapter of the ESA that has proper and adequate administrative resources, the chapter shall contact the member informing them of their new dues amount and verifying the change prior to sending the update to the ESA. If an Update Form is received from a member that changes the number of employees or locations to the extent that the change causes an increase in their annual dues and the member is a member of a non-chartered state or a chapter that has no administrative resources – ESA staff will contact the member informing them of their new dues amount and verifying the change prior to sending the update to the other association (if applicable). In either case, the new dues amount will take effect for the next year of membership.
- 4.1.3** Member information will be updated each year prior to the beginning of the renewal process. No later than September 15th, ESA will contact all chartered chapters to coordinate the updating process. When either association receives an update from a member company, and the change is verified if necessary with the member as indicated in 4.1.2, that association will immediately provide the updated information to the other via e-mail or fax. Both associations will correct their respective databases and the renewal invoice for the coming year will reflect the new amount if any.
- 4.1.4** When member updates are received throughout the year at either association, and the change is verified if necessary with the member as indicated in 4.1.2, that association will

immediately provide the updated information to the other via e-mail or fax.

4.2 Processing Member Renewals

- 4.2.1** The membership year runs January 1st through December 31st.
- 4.2.2** The annual dues notices shall be sent out no earlier than November 15th and no later than December 15th of the year prior to the renewal year.
- 4.2.3** Each chapter shall designate a point of contact (either a staff person or member) who will accept responsibility for administration of the dues collection effort. This Chapter point of contact shall:
- Work with ESA to obtain, update, and exchange all pertinent information to ensure an accurate membership renewal and dues remittance process
 - If in a chapter that conducts the billing, send invoices and other necessary notices to members in accordance with the member renewal and dues process timeline
 - Forward accurate payments and member lists to ESA as required.
- 4.2.4** Dues Billed by ESA
- 4.2.4.1** No later than October 20th, ESA will submit a Chapter Billing Report to each chapter indicating which members we will invoice and how much we will collect from each on behalf of the chapter. The Chapter Billing Report will contain a minimum of the following for each member:
- Complete company name, including DBA,
 - ESA Member ID #
 - Company address including suite, city, state, zip
 - Phone and Fax Numbers
 - Primary Contact name, title and e-mail address
 - Number of locations
 - Number of full-time employees
 - Chapter dues to be collected and forwarded
- 4.2.4.2** The chapter shall respond back to ESA within 10 business days with any comments, questions or changes to the Chapter Billing Report.
- 4.2.4.3** A first, second and final notice of renewal shall be mailed by ESA to all members according to the following schedule:
- December 15 – First Notice of Renewal
 - February 1 – Second Notice of Renewal
 - March 1 – Final Notice of Renewal
 - April 1 – Notice of Expulsion and Exit Survey
- 4.2.4.4** ESA will coordinate with the chapter as to what additional information/materials, if any, shall be included with the first, second, final and expulsion notices to the members.
- 4.2.4.5** When the remittance is received, the monies will be recorded in the ESA database to the chapter and submitted according to the instructions below.
- 4.2.4.6** ESA shall bill for the combined ESA and chapter dues for regular member companies only. Unless otherwise arranged with ESA, it is the chapter's responsibility to bill for members in all other categories.
- 4.2.4.7** ESA shall remit a 'Chapter Collection Report' to the chapter on or before the 15th and the 31st of every month via e-mail and in hard copy accompanying the remittance check. This report shall detail all money collected on behalf of the chapter in the prior period. Details shall include a minimum of the following on

every member for which dues are being remitted:

Company Name
ESA Member ID (required)
Company Address, City, State, Zip
Dues Amount Collected
Indication of whether the company is new or renewing

4.2.4.8 If no money was collected in the prior period on behalf of the chapter, the report shall be e-mailed as scheduled with the note: "No money collected in the period beginning xx/xx/xx and ending xx/xx/xx."

4.2.5 Dues Billed by the Chapter

4.2.5.1 No later than October 20th, the chapter will submit a Chapter Billing Report to ESA indicating the members they will invoice and how much they will collect from each on behalf of ESA. The current ESA dues structure, as well as pro-rating rules and the percentage of dues that are not deductible as an ordinary business expense to the member company, shall at all times be posted in the Chapter Resource Section of the ESA Web site.

4.2.5.2 The Chapter Billing Report will contain a minimum of the following for each member:

Complete company name, including DBA,
ESA Member ID #
Company address including suite, city, state, zip
Phone and Fax Numbers
Primary Contact name, title and e-mail address
Number of locations renewing
Number of full-time employees
ESA dues to be collected and forwarded

4.2.5.3 The ESA shall respond back to the chapter within 10 business days with any comments, questions or changes to the Chapter Billing Report being certain to indicate which companies' dues should be pro-rated if any.

4.2.5.4 A first, second and final notice of renewal shall be mailed by the chapter to all members according to the following schedule:

December 15 – First Notice of Renewal
February 1 – Second Notice of Renewal
March 1 – Final Notice of Renewal
April 1 – Notice of Expulsion and Exit Survey

4.2.5.5 The Chapter shall coordinate with ESA as to what additional information/materials, if any, shall be included with the first, second, final and expulsion notices to the members.

4.2.5.6 The chapter shall bill for the combined chapter and ESA dues for regular members only.

4.2.5.7 ESA national and multi-location company members are billed by ESA directly through its corporate office for the ESA portion of dues. It is the chapter's responsibility to invoice any of the national company member branch offices for the chapter portion of dues unless otherwise requested by the member or the chapter. ESA will provide a list of all national and multi-location companies with detailed instructions for billing no later than October 30th each year.

4.2.5.8 Because of the non-deductible portion of association dues, the billing chapter must itemize chapter and ESA annual dues separately on a single invoice.

Invoices should say "Due upon receipt."

- 4.2.5.9 When the remittance is received, the monies will be recorded in the chapter database to the ESA and submitted as detailed below.
- 4.2.5.10 Chapters shall remit a 'Chapter Collection Report' to the ESA on or before the 15th and the 31st of every month via e-mail and in hard copy accompanying the remittance check. This report shall detail all money collected on behalf of the ESA in the prior period. Details shall include a minimum of the following on every member for which dues are being remitted:
 - Company Name
 - ESA Member ID (required)
 - Company Address, City, State, Zip
 - Dues Amount Collected
 - Indication of whether the company is new or renewing
- 4.2.5.11 If no money was collected in the prior period on behalf of the ESA, the report shall be e-mailed as scheduled with the note: "No money collected in the period beginning xx/xx/xx and ending xx/xx/xx."
- 4.2.5.12 A copy of the application shall accompany the 'Chapter Collection Report' for every new member company for which dues are being remitted.

4.3 Processing New Members

4.3.1 New Members Processed by the Chapter

- 4.3.1.1 Upon receipt of all required documentation (including a completed application and verification of applicable licensing), the chapter shall approve or deny membership for regular member company applicants within 10 business days.
- 4.3.1.2 Upon receipt of payment for an approved new regular member company, the chapter shall notify ESA via e-mail or fax of the new member within 5 business days. The new member notification to the ESA shall include a minimum of the following information:
 - Complete company name, including DBA,
 - Company address including suite, city, state, zip
 - Phone and Fax Numbers
 - Primary Contact name, title and e-mail address
 - Number of locations renewing
 - Number of full-time employees
 - ESA dues to be collected and forwarded
- 4.3.1.3 ESA will acknowledge receipt of the new member notification by providing a member ID # to the chapter and add the new member to the ESA database as a 'Pending'.

Note: This process is important as it allows ESA to acknowledge the membership and extend benefits in the event the member contacts headquarters. However, this membership will not be active in the database, nor will the membership kit be released until payment is received.

- 4.3.1.4 A copy of the signed application shall be provided when payment for a new member is remitted to ESA by the chapter. All monies collected shall be remitted to the ESA according to sections 4.2.5.9 – 4.2.5.12.
- 4.3.1.5 New members, regardless of their join date, shall pay the full amount of annual dues to ESA. Second year dues will be prorated, according to their join date, as

follows:

ESA Join Date	Second Year Credit
Jan 1 - Mar 31	0%
Apr 1 - Jun 30	25%
Jul 1 - Sep 30	50%
Oct 1 - Oct 31	75%
Nov 1 - Dec 31	n/a*

*Dues for members with a join date of November 1st through December 31st will be applied to the following year. Ex: If a member joins on November 11th, 2006 – their membership will be effective January 1st, 2007.

4.3.2 New Members Processed by the ESA

- 4.3.2.1** If a membership application is received from a prospective member in a chapter that conducts the billing, ESA will e-mail or fax the application, along with copies of required license(s) if applicable, to the chapter contact with the instruction to invoice for both state and national dues. ESA will send an e-mail or fax to the applicant, with a copy to the chapter, to acknowledge receipt of the application, thank them for their interest, provide contact information for the chapter and explain that the chapter will be contacting them to collect their dues.
- 4.3.2.2** If a membership application is received from a prospective member in a chapter that does not conduct the billing, ESA will e-mail or fax the application, along with copies of required license(s) if applicable, to the chapter contact for approval. ESA will send an e-mail or fax to the applicant, with a copy to the chapter, to acknowledge receipt of the application, thank them for their interest and attach an invoice for both state and national dues as well as a membership brochure. The e-mail or fax will also explain the approval process (i.e. the chapter must approve the application and will need payment and copies of required licenses in order to approve). The e-mail or fax will also explain that their money will be refunded if, for any reason, their membership is not approved.
- 4.3.2.3** Upon receipt of all required documentation (including a completed application and verification of applicable licensing), the chapter shall notify ESA with approval or denial of membership for regular member company applicants within 10 business days.