

TPE Income Allocation Guide

1. All operating revenue received by TPE from any source is attributed to either to a specific Chapter or to Chapter Support. Memberships and unrestricted donations are attributed by the Chapter membership of the donor or to a different Chapter if the donor specifies or to Chapter Support if the contributor is not a member of a Chapter or so specifies. Other income will also be attributed as appropriate (see #2 below).
2. In order to exactly balance the income and expenses for Chapter Support each year, a percentage of income attributed to Chapters is allocated to Chapter Support as follows:
 - a. **10% Fixed Rate** – 10% is allocated to Chapter Support for the following income types:
 - i. Restricted donations for specific projects (except for land protection projects)
 - ii. Distributions from endowments
 - iii. Grants (except for land protection projects)
 - iv. USDA and other conservation reserve income and land rental income
 - v. Fee for service income
 - vi. Events income
 - vii. Product sales (excluding charges for shipping)
 - b. **5% Fixed Rate** – 5% is allocated to Chapter Support for the following income types:
 - i. Restricted donations for land protection projects
 - ii. Grants for land protection projects (unless administrative charges are specifically excluded)
 - c. **Variable Rate** – Any remaining expense for Chapter Support not covered by items a & b above is covered by allocating a “Variable Rate” percentage of the total Membership Fee and General Donations revenue attributed to each Chapter (see #3 below). Donations for the general expenses of a specific Chapter (i.e., not for a specific project) are also subject to the Variable Rate allocation.
3. An estimated Variable Rate is set by the Board at the beginning of the year based on the annual budget and used throughout the year to allocate income for use as it arrives. The estimated Variable Rate may be adjusted by the Board during the year if necessary. After completion of the fiscal year, a positive or negative rebalancing of Chapter accounts is applied to set the Chapter Support net operating income for the year to zero. The rebalancing is pro rata based on the total Membership Fee and General Donation income for each Chapter during the year.
4. Investment income, product shipping charges, raffle/auction income to Chapters from the annual conference, and land protection grants that do not allow administrative charges are not subject to allocation charges to Chapter Support. The Executive Director has discretion to waive the allocation charges for specific restricted donations. Contributions to endowments are also not subject to allocation charges because distributions from endowments are subject to the 10% Fixed Rate allocation to Chapter Support.
5. The fixed rate allocation amount is capped at \$10,000 per donation, pledge, or grant assessed a fixed allocation rate. That is, the allocated amount from donations greater than \$200,000 (at 5% Fixed Rate) or \$100,000 (at 10% Fixed Rate) is \$10,000. This cap is applicable to each donation, pledge or grant separately.