



**CHADD Coordinator Manual**  
**Section Three: Administration/Governance**  
**3-3 Financial Accountability**

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**I. Purpose:**

- A. In order to protect the integrity of the organization and any single individual.
- B. To ensure that Chapters conduct financial affairs using methods which:
  1. Utilize sound principles of financial accountability
  2. Are similar in format and requirements
  3. Document the financial concerns of the Chapter
  4. Facilitate the process by which CHADD auditors reflect Chapter revenue and expenses in financial statements

**II. Policy:**

1. Each Chapter must establish a checking account with a local bank in the name of "CHADD, Inc. d/b/a \_\_\_\_\_ CHADD Chapter."
  - a. All bank accounts established in the name of the Chapter and/or CHADD require the signature of a CHADD National designee as an authorized signature on the account.
  - b. The National Office must be made aware of the bank name, address and account number immediately, any time the name changes.
  - c. A minimum of 3 people must be on the signature card, including the Coordinator, the Treasurer, and the CEO.
  - d. The CEO's signature id required on the signature card, as the third signature.
2. All Chapter checks require **one signature**, including the signature of the Coordinator, Co-coordinator or the Treasurer of the Chapter.
3. Checks are not to be signed in advanced.
4. Each Chapter shall forward one (1) check, signed by an authorized Chapter signatory to the National Office within thirty (30) days of establishing the checking account. This check shall be used to disburse funds in the event of termination of the Chapter. This check shall be used to debit the account in the event of the termination of the chapter
5. No officer, director or member shall use any funds collected by or through the Chapter for (personal) use other than for reimbursement of expenditures made on behalf of the Chapter, with the knowledge and approval of the officers of the Chapter.

**B. Contracts**

1. No Chapter Officer, director or member shall enter into a contractual agreement involving a loan of money to the Chapter or to any member for any reason.
2. No Chapters may enter into any contract exceeding \$2500 without express CHADD approval. Contracts exceeding \$2500 must be forwarded to the CEO or the CEO's agent for approval.
3. Chapters may not enter into any contract beyond their ability to pay.
4. CHADD Chapters may not open any charge accounts in the name of CHADD.
5. Debit cards are not permitted.
6. If bills are paid online or by automatic deduction, they must be clearly reflected on the Bank Statement.
7. Treasurer must check bank balances online weekly to assure no misuse of funds.

**C. Financial Record Keeping and Reporting:**

1. The Chapter must prepare and submit a quarterly financial report to CHADD using the **standards accounting forms** provided by CHADD for this purpose.



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2. The quarterly financial report must detail all **original receipts** (whenever possible) and **disbursements** of the Chapter, including all receipts for any reimbursements made to officers, members or directors.
3. No receipts are required for checks written to the National Office.
4. **Member rebate Checks will not be mailed until after report(s) are received by the National Office.**
5. **A maximum of two (2) prior quarters will be retroactively reimbursed upon receipt of late reports.** No reimbursement will occur until all late reports are submitted.
6. **Lobbying Reporting – Chapters shall not incur lobbying expenses.**
7. **Quarterly report shall be due by the 30<sup>th</sup>** of each month following the quarters ending in September, December, March and June of each year. Checks will go out on the 20<sup>th</sup> of the following month.
  - a. In addition, the Chapter must forward to CHADD monthly bank statements for each quarter at the time of submitting the quarterly financial report.
  - b. Chapter Coordinators are responsible for assuring that the quarterly financial reports are accurately prepared and submitted to CHADD in a timely fashion.
  - c. Treasurers should submit copies of the quarterly reports to the Chapter Coordinators at the same time as the quarterly reports are submitted to the national office.
  - d. **TIMELINE FOR REPORTING FINANCIAL FORMS A, B, AND C**

Quarter	Period Covered	Due to National By	Check Mailing Date
1	July 1 – Sept. 30	Oct. 30	Nov. 20
2	Oct. 1 – Dec. 31	Jan. 30	Feb. 20
3	Jan. 1 – March 31	April 30	May 20
4	April 1 – June 30	July 30	Aug. 20

7. It is requested that the Chapter **cash all dues reimbursement checks within sixty (60) days** of receipt. Chapters must cash the reimbursement check within six months from the date of postmark. A reminder will be sent to the Treasurer at three months and both the Treasurer and Coordinator at five months if the check has not been cashed.
8. The Chapter must issue the financial reports required in this paragraph even if the Chapter has no financial activity during the relevant reporting period.
9. At the end of each fiscal year, each Chapter must submit to CHADD **a written inventory** with approximate value of all equipment and assets in excess of fifty dollars (\$50.00) (e.g., computers, fax machines, typewriters, etc.)
10. Chapter compliance with financial record keeping and reporting requirements is critical to the continued viability of CHADD’s tax-exempt status under which all Chapters operate. **Failure to comply** with any financial record keeping, reporting or other requirements established by CHADD shall cause CHADD to withhold all monies owed to the Chapter and shall be **grounds for termination of a Chapter’s affiliation.**
11. Financial records will be maintained for five (5) years.

**D. State Business Qualification**

1. Each Chapter will obtain all necessary documents such as certifications, exempt numbers, licenses and/or permits for the sale of such things as books and videos.



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- a. Chapters are permitted to sell items as a fundraising measure provided they are being sold for educational purposes under tax-exempt status.
  - b. Requirements vary from state to state. Check with your state Tax Division or Revenue Department for particular requirements.
  - c. Chapters fall under the National 501 (3) C designation and as such separate incorporation is unnecessary and at the discretion of CHADD.
2. Chapters will be responsible to pay any fees necessary for State Business Trade licenses for selling products and services.

**III. Procedure**

**A. Schedule of Cash Receipts-Form A**

1. Document all money received and deposited in your Chapters account during the quarter specified.
2. Categorize deposits according to type:
  - a. Reimbursed dues from National,
  - b. Donations,
  - c. Grants,
  - d. Money received from advertising,
  - e. Other

**B. Schedule of Cash Disbursements – Form B**

1. Document all checks written during the quarter specified with dates, check number and check amount.
2. Original receipts must accompany form!
3. Categorize entries by expense type:
  - a. Bank charges,
  - b. Educational materials,
  - c. Office expenses,
  - d. Phone,
  - e. Postage,
  - f. Travel,
  - g. Other

**C. Bank Reconciliation Form - Form C**

Form is used by auditors to produce an annual audited financial statement at the close of each fiscal year. (June 30<sup>th</sup>)