



CHAPTER TREASURER GUIDELINES

This document provides general guidelines for Chapter Treasurers to carry out the financial functions of Chapters and local events like Gutsy Walk.

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Thank you for volunteering with Crohn's and Colitis Canada as a Chapter Treasurer. We appreciate your commitment to ensuring we effectively put to use every donor dollar we receive. This document will provide you with some general guidelines to assist you with the process. If at any time you have questions, please contact your Development Coordinator or the VP of Finance at the National office (1-800-387-1479 ext.217) for more information.

We'd like to acknowledge the many Chapter Treasurers who helped review this document to make it as helpful and clear as possible. Thank you!

1. Chapters- definition and purpose

What is a Chapter?

Crohn's and Colitis Canada volunteer groups come in many shapes and sizes, including Chapters, affiliates, committees and teams. They all play a vital role in delivering our goals and mission. Chapters are unique from our other community volunteer groups in that they support our Promise in multiple ways, are approved by the Board of Directors, and are legal voting members.

The purpose of every Chapter (as set out in our by-law) is to:

- Represent Crohn's and Colitis Canada in their geographic area
- Assist Crohn's and Colitis Canada to deliver its Promise, Mission and Goals

Chapter Standards:

Chapters are committed to our Promise – to cure Crohn's disease and ulcerative colitis and to improve the lives of children and adults living with these lifelong diseases

Chapters are committed to maximizing and growing the impact they have on our mission through 4 key areas of focus:

1. **Raising Funds** to invest in research, patient programs, advocacy and awareness
2. **Community Engagement** to increase awareness and involvement at the local level
3. **Growing Volunteer Base** to increase capacity and ensure long-term sustainability
4. **Patient Program Delivery** to improve the lives of people living with Crohn's and colitis

Chapters are committed to supporting good governance by having a voting representative at the Annual General Meeting

Chapters are committed to protecting our organization by operating in accordance with our Business Code of Conduct and other policies and guidelines

Chapter Executives may include the following roles: (see role descriptions for detail)

- President
- Vice-President
- Treasurer
- Secretary
- Volunteer Engagement Lead
- Community Outreach Lead
- Program & Education Lead
- Gutsy Walk Chair

While many Chapters will not have all executive roles filled, a minimum of four executive members should be the goal to support local activities and succession planning. It is recognized that some Chapters may be in transition or progressing toward this goal. All Chapters are required to have a President. The Treasurer role is required for chapters that require cheque-signing authority.

2. Chapter Treasurer's duties

As the Chapter Treasurer, you will provide oversight to the Chapter for financial activities, including:

- Acting as the lead volunteer where cheque writing is taking place at the Chapter level. Can additionally support other financial transactions, including deposits and handling cash if needed.
- Provide training and support to Chapter volunteers to ensure all organizational and CRA policies and guidelines are met
- Provide oversight and leadership in the development and management of budgets for local events to ensure we are effective stewards of resources
- Create financial reports and summaries for the Chapter as needed
- Working with the President to ensure the Chapter maintains good standing with all accounts/vendors, as well as updating signatories on accounts with National office support

3. Background Checks

As part of the screening and intake for all Chapter Treasurers, both a criminal and credit check must be completed. Normally the background checks take place shortly after Chapter Elections are completed between June and September. In the event that a volunteer becomes a Chapter Treasurer outside of the Chapter elections process the Development Coordinator will contact the Manager, Volunteer Engagement who processes the required checks.

A third-party provider is used to keep all information secure and confidential. The background checks are completed either fully on-line or partially on-line with an option to bring identification to a local Canada Post outlet for confirmation. Upon receiving the name (and email address) of a potential Chapter Treasurer, the Manager, Volunteer Engagement will contact the individual and provide them with full details and next steps in the process.

4. Cheque Signing Authorization

Signature Cards: Cheque signing authorization at the chapter level is restricted to the Chapter President and Chapter Treasurer. In order to sign chapter cheques an RBC signature card (Appendix "A") must be completed by both signing authorities and sent to the National Office to the attention of the Finance Manager (see

Appendix “J” for Key Contacts list). Anytime there is a change in these two positions, the new President or Treasurer must complete and sign a signature card.

Signing persons: A cheque written from the chapter chequing account must have **ONE** of the following signature combinations:

- Both the Chapter President and Treasurer,
- The Development Coordinator and either the Chapter President or Treasurer,
- The Regional Director and either the Chapter President or Treasurer,
- The Development Coordinator alone,
- The Regional Director alone

Signing Limits (\$): The cheque signing limit for Chapter Presidents and Treasurers is \$1,000. The cheque signing limit for Development Coordinators and Regional Directors is \$2,500.

Cheque Ordering: Chapter cheques can be ordered by contacting the Finance Coordinator at the National Office. In your request be sure to include the following:

- List shipping address
- Contact name
- Chapter & Region name

5. Chapter Financial Statements

Chapter Financial Statements are produced on a monthly basis by the National Office Finance team. The Financial Statements are produced on a monthly basis and distributed to the Regional Directors about the 15th working day of the month following the statement month. The Regional Directors are responsible for the distribution of the monthly statements to the chapters.

The chapter financial statements should reflect the activities in which the local chapter organizes including Gutsy Walk, Galas, 3rd Party Events, Chapter Events and Golf tournaments. It is possible a chapter Financial Statement could have unallocated revenues in any one month and this would be a result of missing Form “A”s or Form “A”s received after the month-end close.

Question about the monthly Financial Statements should be directed to your Development Coordinator.

6. Chapter & Event Budgets

The annual Operating Plan (budget) is prepared by staff and approved by the board in June of each year. The budget is then uploaded into the Accounting System. Chapter operating statements are produced on a monthly basis showing actual results against budget with variance on a Year-to-Date basis (see Item # 4).

Chapter fundraising events represent an important source of revenue and the Treasurer has an important role in this activity. It is important that a proper analysis is completed when determining the viability of any events as this ensures that organizational resources, including volunteer time, are invested wisely and have the most impact.

There are two common scenarios regarding event budgets:

1. A Chapter is organizing an existing Chapter event like Martini Madness, Bottoms Up or Golf. In that case, there is an existing budget that gets modified each year, taking last year's results into consideration. Chapter Treasurers play the lead role in overseeing this review and developing this year's event with support from the Development Coordinator.
2. A Chapter is interested in organizing a new chapter event. The chapter and/or committee should begin by creating a budget to be submitted to your Regional Director for approval. The Treasurer is responsible to ensure this happens with support from the Development Coordinator.

The Treasurer, in conjunction with the Development Coordinator, should prepare a budget (see sample in the Appendices) for the proposed event which details anticipated revenues and expenses. The event budget should then be reviewed by the Regional Director where approval must be obtained in order to proceed with the event.

7. Bank Deposits

Deposits for local chapter events should be made at the RBC in your community as soon as possible after the event has occurred and the funds received.

- Deposit slips must be completed and taken to any *Royal Bank of Canada* for deposit.
- Keep a copy of the deposit slip for your records
- Please submit a copy of the deposit slips with the Form A's.
- Deposit Slips must have the correct account code
- Deposit slips have unique chapter codes and are not transferable between chapters

Bank deposit slips can be ordered by contacting the Finance Coordinator at the National Office. In your request be sure to include the following:

- List shipping address
- Contact name
- Chapter & Region name

8. Form “A”

The Form “A” is an important document that serves two purposes:

- Provides the proper revenue codes for posting to the accounting system
- Provides detailed donor information for income tax receipt preparation purposes

The Form “A” is typically prepared by Development Coordinator but can be also be prepared by the Chapter Treasurer.

The Forms “A” is an excel worksheet and is found in the following appendices:

- Appendix “B” – Form A - Cash & Cheques
- Appendix “C” – Form A - Credit Cards
- Appendix “D” – Form A - Gutsy Walk

A step-by-step guide is found in Appendix “E”.

Some important considerations when completing the Form A include:

- Be sure to include all donor information, the correct method of payment (use cash if it was debit) as well as the correct account and Chapter codes
- In the comments section, please explain if it was a registration fee, ticket purchase, donation, sponsorship or other
- Submit a copy electronically to your Development Coordinator within one week of the event.
- The deadline for submission to the National office is on the 10th calendar day of each month. This is required to closet books in order to produce the monthly Financial Statements.
- Without exception, **all tax receipting** is done at the National office

9. Form “B” - Expenses

The purpose of the Form “B” is to provide the detailed information for all issued chapter cheques. This includes expense code and the supporting documentation (expense receipts).

The Form “B” is an excel document and is found in Appendix “F”.

Some important considerations when completing the Form B include:

- Ensure that prior authorization for all expenses is obtained through Crohn's and Colitis Canada staff (Development Coordinators or Regional Directors)
- Provide as detailed description as possible for what the reason for the expenditure.
- Where possible, scan a copy of receipt and send it to your Development Coordinator. Mail the form and all receipts to your Development Coordinator by the deadline of the 10th day of each calendar month.

10. Handling Non-traditional Donations: Gifts in Kind

As part of local fundraising efforts, your Chapter may be approached with offers of non-traditional donations, such as Gifts in Kind and Tributes. Please review the following information should you be approached and liaise with your Development Coordinator and/or the VP, Finance to ensure Crohn's and Colitis Canada meets all Canada Revenue Agency regulations.

The Canada Revenue Agency (CRA) allows for official income tax receipts to be issued for Gifts in Kind. A Gift in Kind refers to a gift of property other than cash. A Gift in Kind does not include a gift of services since a service is not property. A gift must be:

- Voluntary
- A transfer of property
- Unconditional

A gift can be insurance which has three parts:

- The insurance policy
- Any premiums paid to keep the policy in force, and
- The proceed of the policy when the insured person dies

Before an official tax receipt is issued for a gift, a determination must be made of the Fair Market Value (FMV) of the gift and of any advantage the donor received in return for making the gift. If the FMV of the either the gift or the advantage cannot be determined, an income tax receipt cannot be issued. FMV is, according to the CRA, "usually the highest dollar value you can get for your property in an open and unrestricted market and between a willing buyer and a willing seller who are knowledgeable, informed and acting independently of each other".

There are several ways to arrive at fair market value.

1. **Open Market.** Many types of property can be valued very easily because they can be purchased on an open market at published prices. You can often use the published price of these types of items as the fair market value for tax receipt purposes.

2. **Similar items in an open market.** A specific item may not be available on the open market, but very similar items may be. If you can find an items that is very similar to the one the charity has received as a gift, you can use its price as the fair market value for tax receipt purposes.
3. **Use of an appraiser or valuator.** The services of a professional appraiser or valuator may be needed if items 1. & 2, above don't allow for the determination of FMV. This is particularly true of artwork and jewelry. In any event, an appraisal is required for all items valued at greater than \$1,000. An appraiser must have recognized professional credentials in his or her field and who is independent, or at arm's length from both the donor and the charity.

Prior to the issuance of a tax receipt for any Gift in Kind the Gift in Kind Checklist (Appendix "G") must be completed by either the Development Coordinator or Regional Director and accompanied by proper supporting documentation (proof of FMV or appraisal) and sent to the Vice-President Finance for approval. Once approved, the Gift in Kind Checklist is forwarded to the database team for income tax receipt generation.

Crohn's and Colitis Canada **cannot** issue official income tax receipts in the following situations:

1. Contributions of services whether personal, professional or legal (not considered as property)
2. Gift certificates where the donor was the issuer or the certificate was not purchased outright and then donated
3. Use of vacation property

Gift in Kind – Business Receipts

Businesses can deduct the original cost of the inventory donated as a business expense and not lose the tax benefit associated with the transfer of property. Crohn's and Colitis will issue a Business Receipt (not an official income tax receipt) that can be used to verify the write-off of inventory.

Gift in Kind – Other Resources

Gift in Kind tax receipting can be complicated. There are many rules and conditions. Contact the Vice-President Finance if you have any questions in this area.

Further information can be found at the following web-sites:

1. Gifts of Services: <http://www.cra-arc.gc.ca/chrts-gvng/chrts/prtng/gfts/srvcs-eng.html>
2. Issuing Receipts: <http://www.cra-arc.gc.ca/chrts-gvng/chrts/prtng/rcpts/menu-eng.html>
3. What is a Gift?: <http://www.cra-arc.gc.ca/chrts-gvng/chrts/prtng/gfts/whts-eng.html>

11. Handling Non-traditional Donations: Tribute Donations

If a Tribute donation, In-Memory or In-Honour (birthdays, weddings, etc.) is received at the chapter, the donation is to be sent to the National office to the attention of the Manager, Direct Marketing. For tax receipting purposes, please ensure that the donation includes the donor's full name and address.

Sending these donations to National office allows us to issue a tax receipt and for the donor to have a record of their donation created for future reference, including re-issuing receipts if needed.

12. Local Resources and Suggestions

If you have local supporters who would like to create easy, turn-key fundraisers (non-ticketed events) that have built-in receipting, consider directing them to our Personal Fundraising Pages. Personal Fundraising Pages are customizable for any occasion and have built in receipting, creating a convenient and accessible fundraising tool to raise funds for Crohn's and Colitis Canada. Learn more: www.crohnsandcolitis.ca/personalfundraising or check out the Event-in-a-Box for Personal Fundraising Pages in the appendix as "K".

APPENDICES

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| 1. Appendix "A" | RBC Signature Card |
| 2. Appendix "B" | Form A – Cash & Cheques |
| 3. Appendix "C" | Form A – Credit Cards |
| 4. Appendix "D" | Form A – Gutsy Walk |
| 5. Appendix "E" | Form A – Step-by-Step guide |
| 6. Appendix "F" | Form B – Expenses |
| 7. Appendix "G" | Gift-In-Kind Checklist |
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| 9. Appendix "I" | Gutsy Walk Revenue and Expense codes |
| 10. Appendix "J" | Key Contacts |
| 11. Appendix "K" | Personal Fundraising Pages Event-in-a-Box |
| 12. Appendix "L" | Sample Chapter Event Budget |