



**ACFE**<sup>®</sup>

Association of Certified Fraud Examiners

**CHAPTERS**

**HANDBOOK AND GUIDELINES**

**FOR**

**ACFE CHAPTERS**

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# SECTION I

## INTRODUCTION

The Association of Certified Fraud Examiners (ACFE) encourages its members to form and support local chapters. Such opportunities afford anti-fraud professionals with significant professional networking, leadership, and educational opportunities, thereby raising the level of competence within the profession.

This handbook was prepared to assist ACFE members in starting a local chapter and help other chapter leaders improve their existing local chapters.

Chapters can be as simple or as complex as necessary. As this book illustrates, it takes a lot of spirit, creativity and teamwork to get a chapter started and to keep it growing. It takes ideas and input from many different individuals to be successful.

This handbook includes some general suggestions that chapters may adopt. However, there are several requirements the chapter must complete in a timely manner.

Each chapter is provided with a digital copy of this book. Chapter officers and committee members may make copies to use for their chapter activities. Chapter officers should ensure that incoming officers are familiar with this handbook.

Members' participation in the various activities of the chapters and the ACFE will ensure a successful organization.

Within this text is some recurring terminology:

- “Association” or “ACFE” refers to ACFE Membership, Inc.
- “Corporation” refers to the ACFE, Inc., a Texas for-profit corporation.
- “Chapter” refers to the individual local organizations authorized by the ACFE.
- “CFE” refers to Certified Fraud Examiner, “CFEs” is the plural form.

If you have any questions or suggestions regarding any of the material contained in this handbook, please contact the Chapter Development Manager at the ACFE at:

ACFE Global Headquarters  
The Gregor Building  
716 West Avenue  
Austin, TX 78701 USA  
(800) 245-3321 (U.S. and Canada only)  
Telephone Number: +1 (512) 478-9000  
E-mail: [Chapters@ACFE.com](mailto:Chapters@ACFE.com)

### **ACFE Mission Statement**

The mission of the ACFE is to reduce the incidence of fraud and white-collar crime, and to assist the membership in its detection and deterrence.

To accomplish its mission, the ACFE:

1. Provides bona fide qualifications for Certified Fraud Examiners through administration of the CFE Examination.
2. Sets high standards for admission, including demonstrated competence through mandatory Continuing Professional Education.
3. Requires Certified Fraud Examiners to adhere to a strict code of professional conduct and ethics.
4. Serves as the international representative for Certified Fraud Examiners to business, government, and academic institutions.
5. Provides leadership to inspire public confidence in the integrity, objectivity, and professionalism of Certified Fraud Examiners.

The ACFE requires all chapter officers, directors, and members to acknowledge the Mission Statement of the ACFE and abide by the [Code of Professional Ethics](#).

### **Mission of ACFE Chapters**

ACFE local chapters are organized by dedicated members residing in a particular geographic area that share an interest in the detection and deterrence of fraud. Chapters act as local representatives of the ACFE, whose primary mission is to provide continued support for ACFE members and their local community.

They accomplish this mission by:

- Offering quality, affordable Continuing Professional Education (CPE) credits. ACFE chapters offer training opportunities throughout the year that CFEs can use to fulfill their annual CPE compliance. Most often, the trainings are presented by a local expert whose topic is relevant to the community and may be of interest to individuals.
- Promoting Member Interaction. A key benefit to ACFE and local chapter membership is promoting networking opportunities. During chapter training meetings, events and conferences, time should be allotted specifically to promote member interaction. This social time can be mutually beneficial – one member’s experience can provide the answer to another’s problem. Social interaction can also promote an exchange of ideas among members with different backgrounds and professions.

Many chapters will schedule events with no training element to it. The sole purpose of these events is to meet other fraud fighters and expand the professional networks of the attendees.

- Serving the Community. Local chapters should develop programs to serve the community and rely on the skills they have to help. Every community can benefit from fraud awareness training and services. For example, an often vulnerable and exploited population are senior citizens. Chapter representatives could provide training to local seniors on some of these scams and ways to protect themselves. Also, many small organizations might need help ensuring their financial records are secure or need help with a routine audit. Anti-fraud professionals can be invaluable resources to their local communities in a variety of ways.

The chapter should provide speakers for community organizations and provide articles and press releases on fraud-related topics. Contact your members and ask them what topics they would be willing to speak about. Keep the information on file and use it when other community organizations ask for assistance. Local chapters may also donate money or services to charities or community services within their geographic area.

### **Chapter Leaders Committee**

The Chapter Leaders Committee supports the ACFE by providing input and guidance to help the ACFE develop and grow chapters worldwide. This committee is comprised of ACFE chapter leaders who have demonstrated outstanding service to their chapters and have been appointed by the Board of Regents.

The committee shall be composed of no fewer than five and no more than nine members, each of whom shall be a member of the ACFE in good standing. Members of the committee serve staggered 2-year terms.

The responsibilities of the Chapter Leaders Committee are to:

- Advise the ACFE and the Board of Regents on challenges faced by local chapters and on solutions to those challenges.
- Develop an agenda for the annual Chapter Leaders Meeting, held in conjunction with the ACFE Global Fraud Conference.
- Review Nominations and make recommendations for the following awards:
  - Chapter(s) of the Year
  - Chapter Community Service and Outreach Award
- Make recommendations for improving the chapter awards nomination criteria and/or selection process.
- Assume such other functions as deemed necessary by the Board of Regents, president of the ACFE, or the Chapter Development Manager.

# SECTION II

## FORMING A LOCAL CHAPTER

### **Initial Contact with Headquarters**

To obtain information regarding current chapters or inquire about the formation of a new chapter, contact the ACFE's Chapter Development Manager. Local chapters of the ACFE are located in many of the major population areas of the world. The ACFE's website provides the contact information of our local chapters. The Chapter Development Manager can be reached at [Chapters@ACFE.com](mailto:Chapters@ACFE.com).

### **Criteria for Forming Local Chapters**

- At least twenty (20) active ACFE members from a given area must agree to form a local chapter and sign the petition. Of those, at least ten (10) must be CFEs.
- The petition will require the chapter to identify which members will serve, at a minimum, as president, vice president and a secretary/treasurer. These officers will serve as interim officers until elections are held, and permanent officers take place. Interim officers must not exceed one year.
- ACFE chapters must agree to and sign the ACFE's Affiliation Agreement and Uniform Chapter Bylaws.
- Chapters are required to incorporate as a non-profit corporation.

### **Petition to Form a Local Chapter**

The petition to form a chapter requires the names and signatures of at least twenty (20) ACFE members and at least ten (10) of those must be from CFEs in good standing. Additional signatures may be obtained and submitted.

### **Obtaining Signatures for the Petition**

Contact the ACFE's Chapter Development Manager for a list of ACFE members in your area, as well as for ideas on how to get started.

### **Do not Sell, License, Share, Transfer or Otherwise Disclose Confidential Member Information**

You have very confidential information about the employment, telephone numbers, and addresses of your members. The member list cannot be used for any purpose other than contacting the local membership to form a local chapter.

Draft an email and contact the local membership to see if there is any interest in forming an ACFE chapter and serving in a leadership role. Please use the “blind copy” feature through your email, as most ACFE members will not want their email addresses shared with a large group of people.

### **Forwarding the Petition for Approval**

Once the petition to form a local chapter is completed, the interim officers are designated, and the other requirements above have been met, the information should be sent to the ACFE’s Chapter Development Manager.

The petition to form a local chapter is reviewed to verify that all those signing the petition agree to all of the terms, conditions, and requirements regarding the operation, reporting, and training functions of the chapter.

### **Uniform Chapter Bylaws**

All chapters formed under the ACFE name are required to adopt the Uniform Chapter Bylaws and to adopt any periodic updates to the Bylaws as established by the Corporation.

### **Modification of Bylaws**

Since it is intended that the uniform bylaws be adopted in their entirety, any intended modifications, amendments, additions, or deletions to the uniform chapter bylaws must first be presented to and obtain approval from the Corporation prior to presentation to the chapter membership.

### **Interim Officers**

#### **Officers and Directors Required**

At least three members of the Chapter should be selected to the chapter Board of Directors. For officer positions, every local chapter should have, at a minimum, a President, Vice President, Secretary, Treasurer, Training Director, and any other officer positions required under local law. The position of Chapter Training Director should be filled as soon as the chapter is formed. Other officer roles may also be created if the chapter board determines they are necessary.

## **Description of ACFE Officers**

### **President**

Only a CFEs in good standing may hold the office of President. The President shall be the chief executive officer of the Chapter, and when present, shall preside at all meetings of the Chapter. They shall exercise general supervision and management of the affairs of the Chapter; shall consult with and inform other officers and directors, members, and the Corporation of significant events; shall make an annual report to the members of the Chapter and the Corporation; and shall perform other duties prescribed by the Board of Directors as well as all duties incident to the office of President and chief executive officer.

### **Vice President**

The Vice President shall report to the President and shall assume the duties of the President in their absence. When the Vice President acts in place of the President, the Vice President shall have all the powers of and be subject to all the restrictions upon the President. The Vice President shall be responsible for other duties that the President or the Board of Directors shall delegate from time to time. The Vice President shall be a member of the ACFE in good standing. The Board may vote to allow Associate members to hold the office of Vice President.

### **Secretary**

The Secretary shall report to the President and shall keep the minutes of the meetings of the members and of the Board of Directors; see that all notices are given in accordance with the provisions of these Bylaws or as may be required by law; be custodian of the corporate records and of the seal of the Chapter and see that the seal of the Chapter is affixed to all documents as authorized; maintain the membership records of the Chapter, and in general perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned by the President or by the Board of Directors. The Secretary shall be a member of the ACFE in good standing.

### **Treasurer**

The Treasurer shall report to the President and shall be responsible for all financial records maintained by the Chapter. All moneys received by the Chapter as well as disbursements therefrom, shall be the responsibility of the Treasurer. They will ensure that any funds received are properly deposited for safekeeping to the credit of the Chapter; that all disbursements are properly approved; that the Board is kept advised of the status of the accounting of funds; and otherwise perform appropriate duties to see that the assets of the Chapter are properly safeguarded. The Treasurer shall produce annual financial statements of the Chapter and submit them to the Board and the Corporation within three months of the end of the Chapter's fiscal year, and in general shall perform such other duties as from time to time may be assigned by the President or by the Board of Directors. The Treasurer shall be a member of the ACFE in good standing.

## **Chapter Training Director**

The chapter is encouraged to designate a CFE member of the chapter for the purpose of coordinating training events. This position is titled Chapter Training Director (CTD). The CTD is not necessarily an officer role, however, they serve a vital role in the success of the chapter.

The qualifications for the CTD are:

- A CFE in good standing.
- Experience with public speaking and/or meeting planning.

The responsibilities of the CTD are:

- Be familiar with all training issues in the chapter.
- Keep the ACFE informed of all chapter training sessions and issues in a timely manner. Prepare and submit all necessary chapter training forms within the required time span.
- Coordinate with the ACFE on all training seminars of more than one day and obtain sufficient chapter staff to assist in registration and other related duties.
- Maintain all chapter records pertaining to chapter training by date, topic, instructor, amount of CPE earned, and overall evaluation ratings.
- Maintain communications with local universities and colleges to coordinate potential training opportunities within the schools of business, etc.
- Ensure that all attendees receive certificates of attendance indicating the course name and amount of CPE earned by attending the training.
- Maintain the chapter historical files and photos (optional).
- Assume such other duties as deemed necessary by the Board of Regents.

The CTD shall have the following authority:

- To coordinate with the chapter board on all training programs for the chapter.
- To enter into agreements, with the approval of the chapter's Board of Directors, pertaining to holding joint training with other organizations.

## **Procedures for Installing Officers**

At the first meeting of a newly formed chapter, attendees can be asked who would be willing to serve as chapter officers on an interim basis. You can have an election during the first meeting to confirm these interim officers. These interim officers will serve until the first regularly scheduled election for the chapter to install permanent officers.

## **Initial Funding**

### **Requesting Initial Funding**

Those members electing to form local chapters are given organizational assistance once the chapter has been approved. After the chapter has opened a bank account, contact the Chapter Development Manager to request the chapter start-up funds. The initial funding

may be used to cover the cost of incorporating the chapter, funding for a website, or the ACFE can send the chapter a check to use at the chapter's discretion.

### **Establishing a Checking Account**

To protect chapter funds, it is wise to require two signatures on the checks. Look at different financial institutions to find the best match for the chapter and compare the service fees of the different institutions. Some banks may offer free checking accounts to non-profit organizations or if one of your chapter members has an existing relationship with the bank.

### **Incorporation**

Local chapters are required to incorporate as a non-profit (also referred to as a not-for-profit) corporation. By incorporating the chapter, the officers and members can avoid personal liability for the chapter's debts and obligations. For example, if a non-incorporated chapter contracts for goods or services and fails to pay, the officers of the corporation and/or the members may be held personally liable for those obligations. Therefore, chapters should always incorporate if possible.

Please note that these instructions are for U.S. chapters. Chapters outside the U.S. should consult their corresponding national and local authorities for similar information.

### **How to Form a Non-Profit Corporation – U.S. Chapters**

1. Contact the Secretary of State – The first step in the incorporation process is to contact the Secretary of State or the State Corporations Department for your state. The Secretary of State's office can provide you with all necessary materials to register your non-profit corporation with that state. You must file your Articles of Incorporation with the Secretary of State.
2. Contact the Internal Revenue Service (IRS) - The second step is to contact your local IRS office to request tax exemption. Even though your corporation is set up as a non-profit, you must apply for tax-exempt status with the IRS. Section 501(c) of the Internal Revenue Code lists those entities that qualify for tax-exempt status. Section 501(c)(6) provides tax-exempt status for business leagues and trade associations. Contact your local IRS office (or visit the IRS web site) and request a copy of Form 1024. This form will contain instructions and an application to submit to the IRS.
3. Contact Your State Revenue Department - Third, contact your state revenue department for information about state taxes. You will generally have to file a state income tax or a state franchise tax annually. However, you can apply for tax-exempt status by filing the proper form with the revenue department. Additionally, your chapter, whether incorporated or not, may be liable for the

collection of sales and/or use taxes. The state revenue department can provide you with information about the collection and reporting of sales taxes.

# SECTION III

## RESPONSIBILITIES OF LOCAL CHAPTERS

### Chapter Trainings

#### **Frequency of Trainings**

The chapter is required to hold at least four events per fiscal year. Many chapters try to meet once a month, which provides the best method for keeping the chapter active. On average, chapters hold about eight (8) meetings per year. For those chapters where the members are located in a wide area, or in areas of sparse population, it may be more practical to meet virtually to ensure you are giving all members an opportunity to participate.

#### **Duration of Trainings**

Meetings must be a minimum of one training hour (50 minutes); however, there is no maximum length. Many chapters will schedule trainings that lasts up to two days. Some chapters offer larger conferences lasting a full week. Chapter trainings of more than one training hour must be approved by the ACFE 30-60 days in advance of any announcement of the course.

#### **Certificate of Attendance**

After the completion of the event, the chapter must provide a certificate of attendance indicating the number of Continuing Professional Education (CPE) credits offered. To calculate the number of CPE credits for an event, 1 CPE equals (50) minutes of training.

### Elections and Annual Meeting

The following rules apply to chapters under the Uniform Chapter Bylaws.

#### **Members Eligible to Vote**

All CFEs in good standing and members of the local chapter, and who are current in dues for the local chapter, are eligible to vote. The chapter board, by a majority vote, may grant associate members the right to vote. Affiliate members or non-ACFE members may not vote in chapter elections.

#### **Election of Directors**

Elections for open positions on the Board of Directors shall be held annually before the first meeting of the Board. Each member who is entitled to vote under the provisions of these Bylaws shall receive at least thirty (30) days' notice of the election. The candidate(s) receiving the most votes shall be elected. Directors shall serve two-year terms and shall hold office until their successors are duly appointed or elected and

qualified. At the discretion of the Chapter Board of Directors, directors may be re-elected to successive terms.

### **Election of Officers**

The officers of the chapter shall be elected to two-year terms by a plurality of the votes of members responding to a ballot sent to all members at least 30 days before the election of officers. A copy of the ballot should also be sent to headquarters.

### **Annual Meeting**

The annual meeting of the total membership of the local chapter shall be held for the purpose of announcing the election results of officers and directors; the installation of the officers and directors; and transacting such other business as deemed appropriate by the Board of Directors. ACFE headquarters should be promptly notified of new officers.

The annual meeting shall be held each year at a time and place specified by the Board of Directors. All members must be notified in writing of the time and place of the annual meeting at least ten (10) days in advance.

All members in good standing and present shall be eligible to vote at the annual meeting. A quorum shall be constituted of at least ten (10) percent of those members eligible to vote. All business coming before the members for approval shall be approved by a majority of those present unless otherwise required by the bylaws.

### **Board of Directors Meetings**

The Board of Directors shall meet at least twice a year at times and places they may choose. At such meetings, a quorum must be present to conduct business coming before the board. The meetings shall be conducted under the rules contained in Robert's Rules of Order unless those rules conflict with the bylaws, in which case the bylaws shall take precedence.

In all meetings of the board, the President shall preside. In their absence, the Vice President, the Secretary, or the Treasurer, in that order, shall preside. Appropriate notice of each meeting of the board shall be furnished to all members of the board at least three (3) days in advance. A special meeting may be called by the President, or by any two board members under the provisions of the bylaws.

### **Attendance**

Officers are required to attend at least fifty (50) percent of all chapter board meetings. Any officer who has failed to attend the required number of meetings may be removed by a majority vote of the chapter board.

## **Community Service**

### **Public Education**

Members of local chapters have an opportunity to provide fraud awareness education to the public. Members may be frequently called upon to speak to various groups and organizations on fraud-related topics. This may also include giving an interview on the news or radio. Some chapters have created billboards to promote fraud awareness and identify the cost of fraud or had the local government proclaim fraud awareness day in their city, county, etc.

### **Higher Education**

Many chapters are actively involved with the colleges and universities in their communities. The schools of business and accountancy within those institutions of higher education are usually very receptive to any additional points of education for their students.

Local chapters are encouraged to develop close relationships with schools in their area and encourage students interested in forensic accounting, auditing, criminology, or law enforcement to become involved in the chapter.

### **Liaison with Other Professional Organizations**

Local Better Business Bureau offices in many cities hold regular meetings and are receptive to new speakers and topics. They are also very concerned about scams, frauds, and technology crimes that they can forewarn the public about. There are other professional organizations that chapters can contact and invite to the training sessions:

- American Institute of Certified Public Accountants (AICPA)
- Institute of Internal Auditors (IIA)
- Association of Certified Anti-Money Laundering Specialists (ACAMS)
- American Society for Industrial Security (ASIS)
- Canadian Institute of Chartered Accountants (CICA)
- Association of Government Auditors (AGA)
- Neighborhood Groups or Organizations
- State and Local Bar Associations
- Local Special Investigative Units
- Local FBI Field Offices
- State/Provincial Banking Associations

### **Liaison with Law Enforcement and Government Agencies**

It is important to have individuals from law enforcement and government agencies within your chapter. By the very nature of the type of work CFEs do, cases may end up being investigated by the police or other agencies and being prosecuted by federal or local prosecutors.

Members of the chapter should know who they can turn to with questions pertaining to the proper venue for possible prosecution of investigations. The chapter should also consider that many local law enforcement detectives whose primary duties are white-collar crime investigations have little, if any, formal training in this area, but who know from experience what it takes to prove and successfully prosecute white-collar crime cases. Their association with your chapter will be of considerable assistance to them. Attorneys (both government and private) are often eager to speak to chapters. It is a good idea to keep them on the chapter distribution list so they will receive the chapter newsletter and notices of future training.

## **Membership Development**

### **Seeking New Members**

It only takes twenty (20) members to form a local chapter, but try to get more ACFE members to join. This will give the chapter better exposure and develop greater interest in chapter activities. Download the list of local ACFE members that chapter leaders have access to and promote your chapter's events and networking opportunities.

In addition to contacting the list of members from the ACFE database, you should also consider contacting individuals in your professional network and encourage them to attend a chapter training or networking event.

### **Student Members**

Chapters can also reach out to local college and university professors and ask if there are any opportunities to give a short presentation about fraud to their students. Many students are not aware that the courses they are taking can lead to a fraud-fighting career. The chapter can also invite the students to attend a chapter training event for further exposure to fraud topics.

A great resource to introduce to students is the ACFE's *Compensation Guide for Anti-Fraud Professionals*. This guide aides anti-fraud professionals, including CFEs, in comparing their personal compensation structure to their peers around the world.

### **Other Organizations**

You may also consider reaching to out individuals outside your professional network. Contact individuals from a broad base of organizations and invite them to one of your meetings and join the chapter. This will provide your chapter with a diverse membership that represents many industries and gives the chapter a wide range of professional talents from which to draw upon.

Solicit ACFE members from municipal and state/provincial agencies that have responsibilities for investigating fraud, such as:

- Local Police Departments
- Consumer Affairs Divisions
- State/Provincial Health and Welfare Division
- State/Provincial Police
- State/Provincial Bureau of Investigations
- State/Provincial Department of Insurance Investigators

Solicit ACFE members from federal and international agencies, such as:

- Federal Bureau of Investigation
- Treasury Department
- Interpol
- Postal inspectors
- Taxing authorities
- Drug Enforcement Agency
- Federal prosecutors
- Customs Service
- Defense agencies
- Offices of the Inspector General

Solicit ACFE members from the private sector:

- Schools of business at local colleges and universities
- Security Directors of large corporations in your area
- Local members of the American Society of Industrial Security
- Bank Security Directors
- Private investigators who specialize in fraud-related matters
- Insurance company special investigators
- Certified Public Accountants
- Chartered Accountants
- Members of the local Bar Association
- Internal Auditors of organizations in your area

### **Career Opportunities**

In addition to having access to training sessions and Continuing Professional Education, most local chapter members rely heavily on the networking and career opportunities offered at the chapter level.

Chapter leaders may consider establishing a chapter job board to provide an employment network for potential employers and job-seeking members. The job board could be used as a free referral service for your members for both full- and part-time positions, special engagements, and contracts.

Chapter leaders are in a unique opportunity where they can help guide career paths of members early in their fraud-fighting careers. Chapter leaders are encouraged to join the ACFE's Mentorship Program, which connects ACFE members to anti-fraud professionals from all over the world. This can also be done at the local level where local CFE members can provide career advice to new members in the chapter's geographic area and students.

### **The ACFE's Career Center**

The ACFE also provides job listings for its members. The job listings are located on the ACFE web page ([ACFE.com](http://ACFE.com)) and are for members only. Both job listings and consulting listings are available. The [Career Center](#) was created to assist employers in locating skilled professionals from the ACFE's membership and to assist members in their search for positions.

# SECTION IV

## LOCAL CHAPTER TRAINING

### Purpose of Local Chapter Training

- Provide knowledge concerning fraud examination skills to chapter members and others interested in furthering their education in the field of the detection and deterrence of white-collar crime.
- Chapter events are generally less expensive than those offered by the ACFE. Since they are offered at the chapter level more often than ACFE events are, they are likely to be more relevant to your members' professional development needs and specific to the local community.
- The chapter may consider surveying the local membership and identifying popular fraud topics. You may also consider surveying local industries and government agencies for suggestions or needs within their environment in the areas of fraud. Law enforcement agencies, prosecutors' offices, senior citizens groups, and other volunteer organizations should be contacted for specific educational needs.
- Events are the perfect opportunity to give the members an opportunity to network. Set aside time before or after the event for members to engage with each other. Promote member interaction by encouraging members to participate in building the chapter by being a member of one or more committees. Also, chapter members with expertise in particular areas should be encouraged to instruct and train others in those fields.

### General Information

All local chapters of the ACFE are required to have at least four (4) trainings per year. Most chapters have more than the minimum, and many chapters meet monthly. These trainings are often one hour in length and use the "one speaker" format, where a single speaker presents a particular topic to the attendees. Other chapters offer longer events lasting up to eight (8) hours and some that last multiple days. Many chapters have a goal to offer 20 CPE credits per year to satisfy the CPE Compliance for CFEs.

When calculating the number of CPE credits given to each attendee, (1) CPE equals (50) minutes of training.

All chapter training must be conducted under the supervision of the chapter board. The board will also communicate to the ACFE all details of chapter training, including the speakers, topics, and amounts of CPE credits allotted for the training.

Speakers should be invited and scheduled as far in advance as possible. This allows the speaker plenty of time to rearrange their schedule. More chapter members will likely attend if they know the subject matter and speaker a few months in advance.

Put all speakers on the email distribution list. This will help them get to know the local chapter and the audience.

### **NASBA (National Association of State Boards of Accountancy – for U.S. Chapters only)**

In order for CPAs to obtain CPE credit for training programs, the sponsor of the program must be registered with NASBA. Chapters may choose to pursue a NASBA sponsorship if attracting CPAs to events is worthwhile for the chapter. There are several [issues to consider](#) when determining if a NASBA sponsorship makes sense for your chapter, including the number of CPAs in your membership, the cost of the sponsorship and more.

For more information on how to become a NASBA sponsor, please contact them at [NASBAregistry.org](http://NASBAregistry.org).

### **Chapter Training Approval Requirements**

For those training sessions greater than one hour, the chapter will be required to submit the following records to the ACFE's Chapter Development Manager:

1. Local Chapter Training Request form (provided 30-60 days prior to the preferred training dates)
2. Local Chapter Training Reporting form (provided after the event)
3. Attendance forms (provided after the event)

The Request form must be submitted for approval prior to any advertising or publication of the proposed training.

After the training is completed, the chapter should forward copies of the attendance forms to the ACFE. The chapter should also maintain copies of the attendance/sign-in sheets and other information in the chapter's training records.

If the chapter fails to submit any of these forms, then the ACFE may not approve the training for CPE credit.

## **Training Topics**

Although chapters may include advanced-level subjects in their training, chapters should also include instruction in the basic areas of fraud examination covered by the *Fraud Examiners Manual*. Chapters have an opportunity to provide basic fraud training in those areas of investigations, law, fraud prevention and detection, ethics, and financial transactions & fraud schemes so that new members or prospective members can learn the basic techniques of fraud examination. Limiting your training solely to advanced topics will discourage persons without experience from attending.

## **Types of Training**

### **One-Hour Training Events**

Most training sessions put on by local chapters will be one hour in length. It is not required for the chapter to submit a Local Chapter Training Request Form for training sessions lasting only one hour. The sign-in sheet is required to be submitted to ACFE Headquarters.

For the most part, one-hour training sessions should utilize local speakers.

### **Training Events Lasting Longer Than One Hour**

Your chapter may consider holding an event longer than one hour. These events may last from two hours in length to up to several days. If your event is large enough, you may even consider having multiple speakers and concurrent sessions much like the ACFE *Global Fraud Conference*.

Your chapter may use one speaker lasting the duration of the event, or you may find multiple speakers to complete the training agenda.

### **In Person, Virtual and Hybrid Events**

Your chapter can determine which type of events to offer as they each have their benefits.

- **In-Person Events** – This is your standard event where your chapter schedules your event at a location, and attendees all arrive for the training. These events are great because it's easy to ask the instructor questions, and it's the perfect opportunity to network with other attendees.
- **Virtual Events** – These events are brought to the attendees using Zoom, Teams, Webex, or other virtual providers. These events are easy to organize, are much less costly than in-person events, and are usually less expensive for the attendees as well.
- **Hybrid Events** – These events give an option for attendees to participate in person or virtually. Having these events will generally attract more attendees than only having an in-person or virtual event. However, these are usually more costly since you must budget accordingly for the in-person audience and the technology to support the virtual event.

It's recommended that chapters offer a variety of options for their members. Having only one event through the year may alienate a segment of your members. By offering different types of events, you are more likely to have more participation from your members attending your events.

### **Partnering With Other Chapters and Other Organizations**

Chapter trainings can be done in conjunction with other ACFE chapters. Partnering with other chapters can increase the number of attendees, and the event can become even more successful. If you are hosting a virtual event, you can partner with any chapter around the globe as long as the timing is convenient for each of the chapters. If you are having an in-person event, you are likely to have more success contacting other nearby chapters.

Along with ACFE chapters, you can also partner with other local professional organizations such as the Institute of Internal Auditors, the American Institute of Certified Public Accountants, or others. This is a great way to introduce your chapter and fraud topics to an audience that may not be familiar with the ACFE.

### **ACFE Events with Support from ACFE Chapter**

Chapters wishing to have a 2- or 3-day ACFE training seminar in their area should contact the ACFE's Events team at [Events@ACFE.com](mailto:Events@ACFE.com). The Events team will look at the logistics of holding an event in your area and reply to your request. If the ACFE holds an event in your area, your chapter may earn a share of the proceeds from an event by assisting with the promotion of the event and providing volunteers to handle the on-site logistics. The complete set of requirements and suggestions will be provided to the chapter well in advance of the event.

Please support your request for an event by explaining what groups/companies/chapters would be interested in participating.

### **ACFE Group Training**

Chapters can also request to have an ACFE event held on a specific date for their chapter members. The chapter can choose from any of our 1–3-day events and select one of our faculty members that can present that topic.

For additional information or to inquire about rates, please contact our Training Coordinator Jenny Carnahan by email at [GroupTraining@ACFE.com](mailto:GroupTraining@ACFE.com) or at (800) 245-3321.

### **Checklists for Evaluating Local Chapter Training**

After conducting a training session, use the following items to evaluate your program:

- Was the training fraud related?
- Was the speaker prepared?
- Was the topic presented in an interesting manner?
- Was the topic covered sufficiently?
- Was the training session at least fifty (50) minutes in length?

- Was the training program educational?
- How were the facilities rated?
- Were evaluation forms completed?
- Were the attendance forms completed?
- Were the evaluation and attendance forms sent to the ACFE?

Following this evaluation checklist will ensure future events are successful.

# SECTION V

## CHAPTER LEGAL AND FINANCIAL ISSUES

### **Recordkeeping**

Chapters will keep accurate records of attendance, receipts, disbursements and other necessary and ordinary business records. The filing of appropriate tax returns and similar documents, if any, is the responsibility of the local chapter. Financial reports and returns will also be filed yearly with the ACFE.

Chapters of the ACFE are required to maintain records of all aspects of chapter business. The secretary shall be responsible for all records, other than financial, maintained by the local chapter. The treasurer shall be responsible for all financial records maintained by the local chapter. All records maintained by the local chapters shall be made available to the ACFE or its representative upon reasonable request.

As an internal control structure, all disbursements must be properly approved. As an oversight measure, the chapter Board must be kept advised of the status of the accounting of funds and otherwise perform appropriate duties to see that the assets of the chapter are properly safeguarded. Additionally, copies of the financial statements may be requested by ACFE Headquarters for review.

### **Custody of Funds**

All monies received by the local chapter as well as disbursements are the responsibility of the treasurer. The treasurer will see that any funds received are properly deposited in the chapter bank account.

### **Receipts**

Local chapters may collect and deposit funds which come from several different sources. Some items to include in the chapter budget should be:

- Revenue
  - Chapter membership dues
  - Fees for regular meetings
  - Fees for meals
  - Fees for seminars
  - Donations for paper and printing
  - Donations for postage
  - Miscellaneous income

- Disbursements
  - Bookkeeping supplies
  - Banking supplies and service charges
  - Administrative supplies
  - Website development and hosting charges
  - Cost of meals
  - Cost of meeting room rentals
  - Travel – airfare, hotels, meals, etc.
  - Advertising
  - Audio-video equipment rental
  - Stationery supplies
  - Speakers’ fees and/or gifts
  - Awards for members
  - Scholarship funding
  - Merchandise – shirts, mugs, pins, etc.
  - Miscellaneous

The treasurer should prepare an annual budget for the chapter. The budget should be discussed at the beginning of each year with the chapter Board.

Prohibited disbursements from chapter accounts include:

- Political contributions
- Criminal or civil defense funds
- Payments to sources and informants
- Payments or other compensation for chapter members other than reimbursements for chapter expenses

### **Tax Returns**

As described in Section II, it is the responsibility of chapter officers and directors to contact the Internal Revenue Service, Revenue Canada, or other applicable taxing authority concerning the filing of tax returns and applying for tax-exempt status. Every local chapter of the ACFE is required to submit to the ACFE’s Chapter Development Manager a copy of the chapter’s federal income tax return and an annual financial statement containing all records pertaining to chapter receipts and expenditures. A copy of the return should be sent to headquarters immediately upon filing the return.

All U.S. chapters must file a federal tax return annually with the IRS (typically Form 990-N).

Additionally, chapters may be required to file state or local income or franchise tax returns annually. They may also be required to file state sales tax returns.

## **Chapter Affiliation Agreement**

The names Association of Certified Fraud Examiners, Certified Fraud Examiner (CFE) and the seals and logos used in connection therewith are the trademarks of the Corporation. U.S. federal trademark law requires that the Corporation follow strict guidelines in licensing and monitoring the use of these marks. Therefore, all chapters are required to execute a Trademark License Agreement. The agreement must be signed by a chapter officer and submitted to the Chapter Development Manager.

## **Access to Chapter Records**

The chapter Board of Directors shall make available all financial records of the local chapter to any local chapter member, to the ACFE, or to any member of the Board of Regents upon reasonable notice.

## **Chapter Dissolution**

A Chapter may be dissolved by the consent of a majority of the membership. The vote to dissolve must be by written/electronic ballot, and it must be approved by a two-thirds majority of the members eligible to vote. The Corporation must be notified at least thirty (30) days prior to the vote and must be notified of the results immediately thereafter.

On occasion, the ACFE has terminated the Affiliation Agreement (AA) with an ACFE chapter which has required the chapter to dissolve. This occurs when the chapter has been dormant for quite some time, or the chapter is not able to operate. Before the ACFE terminates the Affiliation Agreement, the ACFE will exhaust all other options to have the chapter become active again.

It is the responsibility of the officers of the chapter to use the chapter funds to pay any outstanding debts or obligations. If a surplus remains upon dissolution of the chapter, then it shall be donated to the ACFE Foundation as provided in the Bylaws and Articles of Incorporation.

Upon dissolution, the officers shall:

- Destroy or return to the ACFE all letterhead stationery, or other items bearing the name of the chapter or the ACFE in any form or fashion.
- File the appropriate documents with the state corporation agency and the state and federal taxing authorities.

Once the affairs of the Chapter are concluded, the officers shall send the following to the Corporation:

- A copy of the certificate of dissolution issued by the state.
- Copies of the final tax returns for all taxing authorities.

## **Reporting Requirements: Summary**

Every chapter of the ACFE shall submit timely reports to the ACFE's Chapter Development Manager pertaining to the following activities:

- Local Chapter Training Request Forms for all chapter training more than one (1) hour presented by the Local Chapter must be submitted 30-60 days prior to any advertisement or promotion of the training.
- Local Chapter Training Reporting Forms for every chapter training session.
- Training attendance forms for every chapter training session.
- Annual Recertification Form.
- Annual chapter financial reports.
- Results of annual officer elections.
- Any other records pertaining to the operation and training functions of the local chapter.

The checklist on the following page should be used to make sure that all required reports are furnished.

## **Checklist for Chapter Reports**

1. Financial Statements (Due: Upon request by the ACFE or beginning of chapter fiscal year)
  - Balance Sheet
  - Income Statement
  - Audit/Reviewed Financial Reports
  - Other \_\_\_\_\_
2. Tax Returns (Due: within 15 days of filing)
  - Federal tax
3. Membership Reports (Due: Beginning of chapter fiscal year)
  - Complete list of directors and officers
  - Number of members – Beginning of period and end of period
  - Number of new members
  - Other \_\_\_\_\_
4. Chapter Legal Documents (These only need to be submitted once)
  - Articles of Incorporation
  - Local "DBA" filings (if not incorporated)
  - State filings
  - Federal filings
  - Bylaws
  - Trademark License Agreement

# SECTION VI

## OTHER ADMINISTRATIVE MATTERS

### Insurance

The local chapter will be fully and solely responsible for its own legal and financial affairs, and shall hold harmless The Association and the Corporation, by reason of their affiliation, from any lawsuits, damages, other expense or liabilities arising out of the activities of the local chapter.

The Corporation may procure Directors & Officers (D&O) insurance for local chapters, and the chapters agree to pay all reasonable premiums for such insurance. The chapter may decline coverage by submitting such a request in writing to the Corporation. This is not a general liability insurance policy. ACFE does not offer a general liability policy and chapters are welcome to find a policy on their own.

### Scholarships

#### **Local Scholarship Program**

Chapters can set up a scholarship fund to encourage further education in fraud detection and prevention. Scholarships can be established for any amount.

Scholarships might be granted to:

- Attend specific college programs or courses.
- Attend ACFE seminars, symposiums, and conferences.
- Attend chapter training seminars.
- Study for the CFE Exam.
- Conduct fraud-related research.

To increase the amount of donations received, the local chapter could:

- Allocate a specific amount from the chapter's General Fund.
- Solicit donations from employers and members.
- Establish an annuity.
- Request an optional contribution to the scholarship fund in increments of \$10, \$20, or more on your chapter membership application and billing.
- Contribute the proceeds, or a portion, from a chapter-sponsored seminar.
- Promote your chapters fundraising efforts at each of your chapter events and website.

Scholarships could be named in honor of:

- The chapter.
- A past chapter leader.
- A popular or respected chapter member or officer who is now deceased.

If you are looking to start a scholarship fund, contact the scholarship offices at your local university or community college. Their scholarship coordinator can provide information and ideas for scholarship criteria, and applications for funding and receiving the scholarship.

Some of the common criteria the chapter could consider in developing a scholarship are:

- City or state residency.
- Cumulative grade point average (i.e., 3.0 minimum recommended).
- Major concentration of studies, such as accounting, law, criminal justice.
- Financial needs.
- Full-time or part-time attendance status.
- Class level (graduate, undergraduate, or a specific course).
- Renewable scholarship or a one-time scholarship.
- Leadership and activities on or off campus.
- Active membership in a particular club or organization.
- Completion of a specific number of credit hours per academic semester (12 hours recommended).
- Recommendation letters.
- Relationship to a chapter member.
- Past or current employment in a field related to fraud examination.

Make the chapter membership aware of the scholarship fund by publishing the information in the newsletter. Honor the recipients in the newsletter as well.

### **ACFE Chapter Foundation Challenge**

Each year, the ACFE challenges the ACFE chapters to donate to the ACFE Foundation. The mission of the ACFE Foundation is to increase the body of anti-fraud knowledge and support future anti-fraud professionals worldwide. Through the funding of scholarships, endowments, research, and other educational projects, the ACFE Foundation encourages students to pursue careers in fraud examination and provides the latest research on the detection and deterrence of fraud.

The ACFE Foundation is a 501(c)(3), tax-exempt organization. Contributions to the ACFE Foundation are tax-deductible to the extent allowed by law.

## **Chapter Awards**

### **ACFE Chapter of the Year**

The ACFE annually presents the Chapter of the Year Award to the chapter that has gone above and beyond to grow and serve its membership. This award is decided by members of the Chapter Leaders Committee. Beginning in 2023, the ACFE will recognize two chapters for this award.

### **ACFE Chapter Community Service and Outreach Award**

Beginning in 2023, the ACFE will recognize the chapter that demonstrates being an active volunteer in projects that have resulted in a recognized improvement of their community. This can be demonstrated by the commitment of time or donations to a charitable cause. Additionally, this chapter has been very active in spreading fraud awareness outside of the ACFE community.

### **Local Chapter Awards**

Awards and recognition are important for keeping members motivated. The local chapter could present annual awards to people of outstanding merit. The form of the local chapter awards could include:

- Recommendation letters
- Announcements at meetings
- Certificates of recognition
- Press releases
- Chapter newsletter announcements
- Trophies & plaques
- Free chapter membership renewal
- Cash awards
- CFE Exam Prep Courses
- ACFE Event Registrations

Chapter awards could be made for a variety of honors, such as:

- The person who recruited the most new members for the chapter.
- The local person with the highest CFE Exam grade.
- The person who wrote the best or most technical papers.
- The person who wrote the best or most articles for The Fraud Magazine.
- The person who wrote the best or most articles for the chapter newsletter.
- The person who made the best or most presentations for local chapter meetings.
- A member of the community having excelled in white-collar crime, (local district attorneys, law enforcement officers, investigators, accountants, auditors, etc.).