



**CHADD ETHICAL PRINCIPLES FOR ACCEPTANCE OF
CORPORATE AND FOUNDATION SUPPORT**

The purpose of seeking corporate and foundation relationships is to expand support for Children and Adults with Attention Deficit/Hyperactivity Disorder (CHADD):

- To maintain a support network for parents who have children with attention deficit/hyperactivity disorder (AD/HD) and adults with AD/HD;
- To provide opportunities for continuing education about the disability for adults with AD/HD, parents of children with AD/HD, and the professionals who treat and teach them;
- To be a community resource for information about AD/HD;
- To make the best educational experiences available to persons with AD/HD so that their specific difficulties will be recognized and appropriately managed within the educational setting;
- To promote appropriate support and accommodation for adults with AD/HD in the workplace and community;
- To promote legislative activity on issues affecting persons with AD/HD; and
- To promote and support research to identify programs and practices that show measurable improvement in the quality of life of individuals affected by AD/HD.

In its search for funding to support approved program objectives, CHADD routinely solicits contributions from businesses, corporations, and foundations. Among these are companies whose products and/or services are specifically linked to AD/HD. While CHADD is committed to achieving a diversified base of support and actively seeking contributions from businesses, corporations, and foundations with no direct financial interest in AD/HD, CHADD believes it is ethically sound to request business concerns that profit from AD/HD to devote a portion of those profits to support charitable endeavors that will benefit people with AD/HD.

For any CHADD fiscal year, no more than 30% of CHADD's revenue can be derived from donations and grants from pharmaceutical companies. Revenue such as advertising is not considered "donations and grants" for this purpose.

At the same time, CHADD and its membership units are committed to avoiding conflict of interest or even its appearance in accepting financial support from corporations with vested interests in how consumers, the health care community, and education professionals regard their products. To assure that conflicts of interest do not occur, CHADD's Board of Directors (Board) has determined that acceptance of restricted or unrestricted gifts from any source, and CHADD's subsequent relationship to these donors, shall be governed by the following principles:

1. CHADD shall at all times maintain an independent position on issues affecting the welfare of people with AD/HD. The potential effect of such positions on the commercial interest of a funding source shall not be a relevant factor in CHADD's decision-making process.
2. CHADD will solicit support only for projects and activities that are consistent with CHADD's mission and long range plan.
3. CHADD will accept support for projects or programs only with assurances that the privacy of people with AD/HD and their families will be protected.



4. CHADD will accept funds for projects involving educational and informational services only when CHADD has complete editorial and managerial control.
5. CHADD's Executive Committee shall facilitate compliance with these principles. Prior to acceptance of any proposed contribution from any entity in excess of \$25,000, the Executive Committee, in consultation with appropriate individuals (e.g. other members of the Board, Professional Advisory Board, etc) and following receipt of a recommendation from the Finance and Oversight Committee shall review the proposal. The proposal then may be acted upon by the Executive Committee or submitted to the Board for further consideration. (Pursuant to the attached procedure)
5. CHADD retains final approval of all uses of its name, logo, or identifying marks.
6. CHADD will accept support for professional/consumer meetings and symposia only when the program content and selection of speakers are determined by CHADD or an independent body of professionals and/or consumers in which the funding organization does not have a controlling voice. The independent body will be required to adhere to CHADD's conflict of interest policy and to disclose any relationship to the funding source.
7. CHADD will maintain complete control of all funds provided from commercial contributions to support CHADD's educational activities. The commercial source will not be permitted to provide funds directly to faculty or other program participants, except with CHADD's consent. The commercial source may provide in-kind services (e.g. printing, reproduction) to support the educational activity.
8. CHADD will not permit presentations which support a commercial product at meetings except under the following conditions:
 - Commercial exhibits at which all competitors are afforded an opportunity to exhibit and professional standards of conduct are maintained; and
 - Presentation of scientific data that is research based and conducted independently from the commercial source. CHADD will not accept support from a business for a presentation concerning a specific commercial product manufactured or distributed by that business.
9. CHADD will provide appropriate recognition of corporate and foundation support, but will be vigilant to ensure that such funding for its programs and materials is not interpreted as CHADD's endorsement of a business or product and will take all steps necessary to avoid such a perception. A disclaimer stating that CHADD does not endorse products, services, publications, medications, or treatments shall be prominently displayed in all CHADD publications in which advertising is accepted and at all CHADD meetings for which corporate or foundation support has been accepted.
10. CHADD will be vigilant to ensure that programs for which it accepts funding do not generate funds for CHADD that could otherwise threaten CHADD's non-profit status.
11. CHADD chapters, branches, and satellites will be bound by these principles.
12. CHADD will ensure that all corporate and foundation donors are familiar with these ethical principles and acknowledge their understanding of the purposes by signing the following "*Contribution Acknowledgement*" statement and returning it to the CHADD National Office.
13. Any monies received pursuant to this policy shall be spent in a manner consistent with any limitations or contingencies contained in the grant or donation as accepted.



CORPORATE AND FOUNDATION SUPPORT POLICY PROCEDURE

1. Proposals of less than \$25,000 will be accepted or rejected by the CEO based on the aforementioned principles.
2. Finance and Development Committee will review proposals of \$25,000 or more received from the CEO, Chief Development Officer, or Revenue Generation Committee.
3. A recommendation on the proposal from the Finance and Development Committee will be given to the Executive Committee.
4. The Executive Committee, following consultation with appropriate individuals if desired, may vote to modify, accept, or reject the proposal or may refer the proposal for action by the Board of Directors.
5. Notification of acceptance, rejection, or modification of the proposal to the donor will be carried out by the CEO.
6. A signed copy of the "*Contribution Acknowledgement*" will be kept on file at National Office and with corporate counsel.

CHADD CONFLICT OF INTEREST POLICY

I. Statement of Policy

- A. No officer, Board member or Professional Advisory Board member shall allow his or her personal, financial, business or other concerns of an organizational decision-maker to influence any organizational decision in a manner not related to the organization's best interests.
 - B. No officer, Board member or Professional Advisory Board member shall use his or her position, or the knowledge gained therefrom, in such a manner that a conflict between the interest of the organization or any of its affiliates and his or her personal interests arises.
 - C. No officer, Board member or Professional Advisory Board member shall act in a manner in which his or her actions give the appearance of exercising inappropriate influence for the purpose of advancing his or her own personal interests or financial, business or personal gain.
 - D. No officer, Board member or Professional Advisory Board members may obtain for themselves, their relatives, or their friends a material interest of any kind from their association with an organization.
 - E. If an officer, Board member or Professional Advisory Board member has an interest in a proposed transaction with the organization in the form of a significant personal financial interest in the transaction or in any organization involved in the transaction, or holds a position as a trustee, director or officer in any such organization, he or she must make full disclosure of such interest before any discussion or negotiation of such transaction.
 - F. Any officer, Board member or Professional Advisory Board member who is aware of a potential conflict of interest with respect to any matter coming before the Board or committee shall recuse himself or herself from voting on such matters and, as appropriate, refrain from participation in relevant portion of the meeting.
 - G. At all times officers, Board members and Professional Advisory Board members shall take steps to avoid even the appearance of a conflict of interest.
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II. Disclosure and Oversight

- A. Officers, Board members and Professional Advisory Board members of the organization will submit annually a disclosure form and, if not previously disclosed, will make disclosure of actual or potential conflicts of interest before any relevant Board or committee action.
- B. These reports will be reviewed by the Executive Committee, which will attempt to resolve any actual or potential conflict(s) and, in the absence of such resolution, refer the matter to the Board of Directors.



CONTRIBUTION ACKNOWLEDGEMENT

_____ has provided CHADD with the following financial support for the purposes described:

1. Amount of funds transferred to CHADD: \$ _____
2. Indicate use of funds and whether the payment is unrestricted or is designated to support a particular program or event (include fund allocation for unrestricted and designated payments):

_____.
3. Written description of the mission-driven activity supported that both parties will agree to use for the purposes of disclosure to the general public:

_____.
4. The manner in which each party will disclose the support to the general public:

_____.
5. It is mutually agreed that CHADD retains complete control of and right of approval over all content related to the event or program activity.
6. Whether, and if so how, the CHADD name, logo, and/or any identifying marks will be used by the corporation. It is mutually agreed that CHADD will not allow its name or logo to be used in any promotion or advertisement that names and compares competing products.

The above ethical principles have been reviewed and corporate or foundation management understand and respects the importance and purpose of these guidelines and will honor them in the course of providing corporate or



foundation support to CHADD for the purpose of benefiting people affected by attention- deficit/hyperactivity disorder.

Name: _____

Signature: _____

Title: _____

Date: _____

Please return to:

E. Clarke Ross, CEO • CHADD National Office • 8181 Professional Place, Suite 150 •
Landover, MD 20785

May 7, 2009 Board Adopted Revision One: Insert the National Health Council definitions of types of arrangements between voluntary health agencies and pharmaceutical companies, as an appendix to policy 5.2.

- **Program Sponsorships:** Support provided to conduct educational programs for patients and health care professionals and public awareness programs. In the case of professional education, the program must be conducted in accordance with the guidelines of the Accreditation Council for Continuing Medical Education (ACCME).
- **Event Sponsorships:** Support provided primarily to underwrite fundraising events, such as walks, bike rides, and black-tie galas. Corporate support typically offsets a portion of the expenses of such events, allowing more of the funds raised to go directly to support the organization's mission.
- **Health Message Promotions:** Activities that direct the consumer to the organization for information on the specific disease or condition in exchange for use of the organization's name, logo or message in a corporation's product advertising, promotional or educational materials.
- **Strategic Alliance or Partnership:** A significant, long-term and mutually beneficial relationship between an organization and a corporation. Typically, the organization helps supply a health education message or service that is delivered through a company delivery system to better serve people with the particular health interest or condition. It is often a collaborative effort to improve the health information or service provided to the individual. It may not necessarily involve a monetary exchange.
- **Consumer Product Purchase:** A donation to the organization triggered by the purchase of a product by a consumer. Such initiatives are most commonly based on sales during a specific period and/or include a cap on the maximum amount that the corporation will donate.
- **Endorsement:** A recommendation that a product, special feature of a product, attribute of a product and/or the efficacy of a product is superior to other products. Generally, endorsements should be avoided. In particular special scrutiny, including regulatory guidelines, must be applied when prescription and over-the-counter drugs and devices are involved.
- **Licensing:** A relationship where an organization authorizes a company to develop, produce, market and/or distribute a mission-related product that is marketed under the organization's name, e.g., cookbooks, books, videos and other mission-related educational materials. In return, the organization typically receives royalties.
- **Certification:** A relationship where an organization recognizes that a particular product or service of a company complies with or satisfies an applicable or relevant organization standard. Generally, exclusive certifications should be avoided.

May 7, 2009 Board adopted Revision Two: Incorporate CHADD practice since 2001 into policy 5.2 to comply with NHC standard on public disclosure of financial supports.

NHC standard:



The organization must, unless otherwise prohibited by law, disclose financial support it receives as a result of corporate relationships. For purposes of this standard, financial support includes money transferred for events and program activities, irrespective of whether the corporation treats such support as a charitable donation or business expense for purposes of its filings with the Internal Revenue Service. However, fee-for-service transactions, such as advertising, subscription and publications sales, or exhibitor fees and meeting registrations need not be disclosed.

At a minimum, organizations must disclose amounts received from corporations identified on Schedule B of their Form 990 (more than the greater of \$5,000 or 2% of the total amount of contributions reported on line 1e of Part 1 of Form 990 (2007), line 1 h of Part VIII of Form 990 (2008)). The disclosure information should be posted on the organization's website in an easily accessible location within six months of the close of the organization's fiscal year. Disclosure should include the name of the corporation and the aggregate amount of support provided by that corporation. Such disclosure may be reported in ranges, e.g. \$0 - \$50,000; \$50,001 - \$100,000, etc. Disclosure should also include the total amount of all corporate support received from all corporations.

CHADD Practices Incorporated into policy 5.2:

Since 2001, CHADD has posted on our web site its aggregate grant-donation revenue received from pharmaceutical companies. We post the aggregate money amount, its composition as a percent of total revenue, and the companies donating.

In November 2008, at the board's instruction, we added the amount and corresponding percent of all financial support from pharmaceutical companies – sales, such as the bulk purchase of Attention magazine. This practice is beyond the NHC standard.

In April 2009 CHADD's public statement was expanded to include project areas, amounts of funds from pharmaceutical companies by project area, and the companies supporting these project clusters. This practice is beyond the NHC standard.

On June 25, 2009, the board of directors adopted the revised agreement template.

Last updated June 25, 2009 (posted July 29, 2009).
