



Combined Federal Campaign of the National Capital Area

2012 LOCAL INDEPENDENT BRIEFINGS

OPM Innovator Award Recipient 2003-2010

Presentation Objectives

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- To provide an overview of the campaign and regulations
- To explain the essential components of the application process
- To discuss the interaction of local independent agencies and PCFO staff
- To address issues related to the application process

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CFC History

CFC Facts

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- ❑ Federal workers have participated in this national workplace giving effort for **more than 50 years**
- ❑ President Kennedy initiated a formal national giving program for Federal employees in 1961. Since then, the CFC has evolved into the **nation's leading workplace giving program**
- ❑ No other annual employee giving program raises as much money for charity.
- ❑ Overseen by U. S. Office of Personnel Management

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Results and Recommendations

Final CFCNCA 2010 Results

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- **\$67 million raised** representing a **\$465,830 increase** over 2009
- 36.6% participation rate; **134,478 donors**
- **\$498** average gift
- **7.0%** administrative cost ratio
- Received **OPM Innovator Award** for the 8th consecutive year

2011 Goals

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- Increase participation by **5.5 percent** from 36.6 percent to **38.6 percent**
- Increase total funds raised to **\$67.2 million**
- Continue to increase the number of donors using **electronic pledging**

Snapshot of CFCNCA and Nationwide CFC Results

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Campaign Results	Nationwide CFC	CFCNCA
Change in Total Pledge Dollars (2010 vs. 2009)	- 0.4%	0.7%
Participation Rate	24.7%	36.6%
Administrative Cost Ratio	10.4%	7.0%

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Local Eligibility

5 CFR §950.202, 203 and 204

Local Charity Eligibility

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- Tax exempt under 26 U.S.C. 501(c)(3)
- Human health and welfare organization
- Substantial presence in geographic area covered by campaign
- Accounts for funds on an accrual basis in accordance with generally accepted accounting principles
- Copy of audited financial statement for fiscal period ending not more than 18 months prior to January 2012
- Prepares and submits an IRS Form 990

Local Charity Eligibility

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- Directed by an active and responsible governing board, a majority which serve without compensation
- Public and promotional activities are based upon actual program
- Contributions are effectively used for the announced purpose of the charitable organization
- Prohibit the sale or lease of CFC contributor lists
- Provide a statement that the certifying official is authorized by the organization to certify and affirm all statements

IRS Form 990 Requirements

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- Organizations applying to participate must submit either an IRS Form 990 or pro forma version for CFC application purposes only.

IRS Form 990 (long form) requires information on the governing body in Parts I and VII.

- Part I, Line 3 requires organizations to note the number of voting members of the governing body. (Specify the number of independent voting members as of the end of the tax year)
- Part VII requires the identification of all individuals who have served on the governing body during the tax year. This includes individuals who may have left prior to the end of the tax year.

The IRS instructions defines a voting member as a "director or trustee. Therefore all individuals who were voting members of the governing body must be identified as such in Column C of Part VII.

IRS Form 990 Requirements

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CFC will compare the number of voting members disclosed in Part I, Line 3 with the number of individuals that have the 'individual trustee or director' positions selected in Part VII, Column C.

If the number in Part I is more than the number in Part VII, the organization must provide an explanation for the difference.

All governing body information in the IRS Form 990 form must be presented in either Part VII or Schedule J-2 of the form. **The CFC will not accept information submitted in other statements or schedules.**

Calculating Administrative and Fundraising Expenses*

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Using the IRS Form 990, the following data must be used:

- Part IX (Statement of Functional Expenses) Line 25 column (C)
(Management and General Expenses)
- Part IX (Statement of Functional Expenses) Line 25 column (D)
(Fundraising Expenses)
- Part VIII (Statement of Revenue) Line 12 column (A) (Total Revenue)

To calculate the AFR, Part IX Line 25 column (C) and Line 25 column (D) must be added together and the sum is divided by Part VIII Line 12 column (A).

•It is the sole responsibility of the charity to provide and certify the correct fundraising and administrative percent.

Appeals

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Organizations rejected can appeal to the LFCC

LFCC appeal letters will have explicit details

- Identify number of days for receipt of letters
- Letters must be in writing
- Identify contact person

Organizations 2nd time can appeal to OPM

- Identify days; letters in writing; contact person and remind organization to submit LFCC letters with information sent to OPM.
- NOTE: *You can not appeal to OPM if you haven't appealed to the LFCC***

Appeals must be received by the established deadline

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Application Process and Schedule

Two Tier Process

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- Federations
 - **January 12, 2012**
- Local Independent and Military Organizations
 - **January 31, 2012**

Key Decision-Making Groups

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**Local Application Committee
(LAC)**

**Local Federal Coordinating
Committee (LFCC)**

H. Brandon Haller, Chair

**Office of Personnel Management
(OPM)**

Office of CFC Operations

Keith Willingham, Director

2012 Application Schedule

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Date	Activity
10/20/2011	Federation Briefing
12/6 to 12/10/2011	Local Independent Application Workshops
12/12/2011	Opening of 30-day federation application period
1/12/2012	Deadline for Federation Applications (including new member charities) <i>All applications must be delivered to CFCNCA Headquarters by 5:00 pm No further changes or modifications will be accepted after this deadline</i>
1/20/2012	Notification deadline for federation to applicants not included in Federation submission
1/31/2012	Deadline for Applications from Local Independent Organizations

2012 Application Schedule

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Date	Activity
2/3/2012	Deadline to submit application samples requested by LFCC
3/2/2012	Local Application Committee Training
3/5 to 3/9/2012	Local Application Committee Meets
3/22/2012	Potential LFCC Meeting
3/30/2012	CFC Charity Notifications Distributed (rejections by certified mail)
4/12/2012	Charity Appeals due
4/19/2012	Local Application Committee Meets
4/24/2012	LFCC Meeting (contingent on appeals)
4/30/2012	Denial Notices sent via certified mail
5/11/2012	Final Appeals due to OPM

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Validation Process

OPM Validation

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- **All** charities applying to CFCNCA are submitted to OPM annually for IRS verification
- OPM checks for charities in IRS Master Business File by EIN number
- Charities not validated by OPM are not included in the CFCNCA catalog

OPM Validation

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Code Requirements

- **A** - Charity must supply currently dated tax letter from IRS. Old letters from earlier than 2012 will not be accepted by OPM
- **B** - Duplicate of a charity on the national/international list. Local organization is removed from the list
- **C** - Documents needed to verify local address
- **D** - Bona fide chapter letter needed from parent organization

Group Exemption

- IRS group exemption letter and list of subordinates must be provided.
- **DBA** - For name changes, documents from appropriate government body required.

REMINDER

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- The decision of the Office of CFC Operations is final.
- Submission of requested documents is ***not*** a guarantee that OPM will accept your submission.
- Any statement that uses special features, or exceeds 25 words will be edited by the LFCC.
- Organizations will be listed by their legal IRS recognized name as it appears on the IRS determination letter only unless the appropriate legal documentation is provided.
- Request for charity withdrawals will only be accepted with the submission of a certified letter from the charity CEO.
- Organizations must reapply each year.

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Thank You

COMPASSION
OF INDIVIDUALS
P**OWER**
OF COMMUNITY