



# 2010 Combined Federal Campaign (CFC) Eligibility Requirements

*Working for America*

UNITED STATES OFFICE OF PERSONNEL MANAGEMENT





# Application Timeline

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March 26 – Deadline for 2010 local application period (campaigns may set earlier deadlines)

April 30 – Deadline for LFCC to notify local organizations of eligibility decisions in writing

June 4 – Deadline for decisions by LFCC on all local organization appeals

July 31 – OPM completion of local appeal reviews



# Review Process

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## Sampling of Federation Members

- Federations **MUST** submit full applications of all members not approved for participation in 2009
- 20% Sampling of membership encouraged

## Completeness Review

- Contact applicant re: administrative oversights
- **Include all required attachments**



# Applicant Information

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Applicant **MUST** provide a physical mailing address

- PO Boxes may be used for campaign contact person/disbursement point
- Use of Electronic Funds Transfer (EFT) by campaigns is optional
- If campaign is not using EFT, it may be removed from the application cover page



# CFC Certification Statement #1

## Local, Adjacent, or Statewide Presence

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### DESCRIBE:

- **WHO** received the service, benefit, assistance, or program activity
- **WHAT** the service, benefit, assistance, or program activity is
- **WHEN** it was delivered
- **WHERE** it was delivered



# **CFC Certification Statement #1**

## **Local, Adjacent, or Statewide Presence**

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- Hours of Operation
- Location – County/State
- 2009 Human Health and Welfare Services
- For Statewide – at least 30% of counties where services delivered or 30% of a certain population



# CFC Certification Statement #1

## Local, Adjacent, or Statewide Presence

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### Factors OPM/LFCC will consider

- Nature and extent of the service, benefit, assistance, or program activity
- Frequency, continuity, and duration
- Impact on, or benefit to, beneficiaries
- Number of beneficiaries



# CFC Certification Statement #1

## Local, Adjacent, or Statewide Presence

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Applicants should avoid

- Generalized statements
- Listing “offered” services
- Listing location of members, affiliates, or board members
- Listing the residencies of visitors to a facility



# CFC Certification Statement #1

## Local, Adjacent, or Statewide Presence

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Applicants should avoid

- Listing services provided by another entity
- Listing services provided by the service recipient
- Information disseminated by United States Postal Service or Internet
- Repetitive text
- Fundraising activities as a service



## **CFC Certification Statement #1 Local, Adjacent, or Statewide Presence**

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Family support and youth activities (also known as Morale, Welfare and Recreation organizations or “MWRs”) must meet criteria outlined at 5 CFR 950.204(d).

Day care centers located on Federal property may participate under these guidelines.



# CFC Certification Statement #2

## IRS Determination Letter

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Include a copy of the most recent IRS determination letter as ATTACHMENT B

- Must be 501(c)(3) tax-exempt organization
- Units of government are not eligible
- OPM will verify applicant's current 501(c)(3) status with the IRS



## 501(c)(3) Status Verification

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CFC regulations at 5 CFR §950.202 require an applicant charity to certify it is recognized by the Internal Revenue Service as tax-exempt under 26 U.S.C. 501(c)(3) and to which contributions are tax-deductible pursuant to 26 U.S.C. 170(c)(2).

A 2006 Government Accountability Office review of the CFC found some participating organizations were not recognized as 501(c)(3) organizations by the IRS.



# Most Common Errors

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- Typographical Errors in Employer Identification Number (EIN) provided
- Proper Legal Name not provided (insufficient “Doing Business As” (DBA) documentation)
- Governmental entity without 501(c)(3) recognition
- Charity moved (or address changed) and IRS was not notified
- Merger with another organization – EIN changed
- IRS Form 990 was marked “Final Return”



# **CFC Certification Statement #2**

## **IRS Determination Letter**

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### **Bona-Fide Chapters and Affiliates of a National Organization**

- Include certification from CEO or equivalent (of parent) verifying applicant is in good standing with the national organization and is covered by the national organization's 501(c)(3) determination
- If organization name on IRS letter or IRS Form 990 is different, official documentation from IRS or state government must be included



# CFC Certification #3

## Affiliation Status

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Choose one of three options:

- I certify the organization named in this application is not part of a group exemption;
  - ✓ Name and EIN on IRS Determination letter will be unique
- I certify the organization named in this application is part of a group exemption;
  - ✓ Name may or may not be unique
  - ✓ Organizations using this certification will have an EIN different from the EIN on the national group exemption letter
  - ✓ Must have certification letter from national organization



## CFC Certification #3 Affiliation Status (cont.)

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- I certify the organization named in this application is a bona-fide chapter or affiliate which operates under a national organization's single corporate tax-exemption.
  - ✓ Name and EIN will be the same as national
  - ✓ Must provide certification letter from national



## CFC Certification Statement #4

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I certify the organization named in the application is a human health and welfare organization providing services, benefits, or assistance to, or conducting activities affecting human health and welfare.

2009 human health/welfare service must be in  
**Attachment A**



# CFC Certification Statement #5

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Choose one of three options:

- Revenues over \$250,000:
  - ✓ accounts for its funds on the accrual basis in accordance with generally accepted accounting principles (GAAP); and,
  - ✓ has an audit annually by an independent certified public accountant in accordance with generally accepted auditing standards (GAAS).
    - Include as Attachment C
    - If using national organization information, provide certification from CEO of affiliated national organization

OR



# CFC Certification Statement #5 (cont.)

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- **Revenues between \$100,000 and \$250,000:**
  - ✓ accounts for its funds on an accrual basis in accordance with generally accepted accounting principles (GAAP); and,
  - ✓ audited annually by an independent certified public accountant in accordance with generally accepted auditing standards (GAAS).
- Do not need to provide audit, but must be available if requested by LFCC/OPM

OR



## **CFC Certification Statement #5 (cont.)**

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I certify the organization named in this application reports total revenue of less than \$100,000 on its IRS Form 990 (or pro forma IRS Form 990) covering a period ending not more than 18 months prior to January 2010 and has controls in place to ensure funds are properly accounted for and it can provide accurate timely financial information to interested parties.



## CFC Certification Statement #5 (cont.)

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- Audit must cover the fiscal period ending on or after June 30, 2008 (18 months prior to January 2010)
- Audit must state organization accounts for its funds in accordance with generally accepted accounting principles (GAAP) and it was audited in accordance with generally accepted auditing standards (GAAS)
  - ✓“except for” statements may cause denial
- Audit report must be signed, dated and be on the audit firm’s letterhead



# CFC Certification Statement #6

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Two options

- I certify the organization named in this application prepares and submits to the IRS a complete copy of the organization's IRS Form 990.
  - ✓ Include a copy of the complete IRS Form 990 for a period ending no later than 18 months prior to January 2010, including signatures in the box marked "Signature of Officer" as *ATTACHMENT D*.



## CFC Certification Statement #6 (cont.)

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- ✓ Schedule B is not required, but all other supporting schedules are required
  
- ✓ If organization filed a 990EZ, may provide a copy with pro-forma Page 1 and Part V of IRS Form 990 (officer's signature is not required)

OR



## CFC Certification Statement #6 (cont.)

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- I certify the organization named in this application is not required to prepare and submit an IRS Form 990 to the IRS.
  - ✓ Include a pro forma 2007 IRS Form 990 page 1 and Part V only for a period ending no later than 18 months prior to January 2010 as *ATTACHMENT D*.

If the organization's fiscal period ended on or after December 31, 2008, it must include a pro forma 2008 IRS Form 990 page 1 (Part I, Summary and Part II, Signature Block), pages 7 and 8 (Part VII, Compensation sections A and B), page 9 (Part VIII, Statement of Revenues), Page 10 (Part IX, Statement of Functional Expenses), and Page 11 (Part XI, Financial Statements and Reporting).



## CFC Certification Statement #6 (cont.)

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Any organization's IRS Form 990 that does not include a complete list of the officers, Board of Directors, trustees and key employees, and their compensation, if any, is incomplete and will result in a denial. Uncompensated members must have a -0- in the compensation column.



# CFC Certification Statement #7

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I certify the administrative and fundraising rate for the organization named in this application is                %

Regulatory Formula:

2007 IRS Form 990

ADD Line 14 of IRS Form 990 (management & general expenses) and Line 15 of IRS Form 990 (fundraising expenses). Divide the sum by Line 12 of IRS Form 990 (total revenue).

or



## CFC Certification Statement #7

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If the organization applied with a 2008 or 2009 IRS Form 990 or pro forma IRS Form 990, then calculate the administrative and fundraising rate using this formula:

Regulatory Formula:

2008 IRS Form 990

In Part IX (Statement of Functional Expenses, ADD Line 25, Column C to the amount in Line 25, Column D. Divide the sum by Part VIII (Statement of Revenue, Line 12, Column A (Total Revenue)).



# CFC Certification Statement #8

## Board of Directors

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I certify an active and responsible governing body, whose members have no material conflict of interest and a majority of which serve without compensation, directs the organization named in this application.

- Listing of Board terms of office and meeting dates/locations required of Federations only.



# **CFC Certification Statement #9**

## **Sale/Lease of Contributor Information**

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I certify the organization named in this application prohibits the sale or lease of CFC contributor lists.

- Donor names and addresses may be used to acknowledge the contribution. CFC regulations prohibit the sale or lease of this information



## **CFC Certification Statement #10**

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I certify the organization named in this application conducts publicity and promotional activities based upon its actual program and operations, these activities are truthful and non-deceptive, include all material facts, and make no exaggerated or misleading claims.



# CFC Certification Statement #11

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I certify the organization named in this application effectively uses the funds contributed by Federal personnel for its announced purposes.



# CFC Certification Statement #12

## Sanctions Compliance

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- Sanctions compliance certification is required
- Wording in CFC application provided by OPM must be used
- The list of countries, entities, or individuals referenced in the certification can be found at [www.treas.gov/ofac](http://www.treas.gov/ofac).
- Guidance in CFC Memorandum 2005-13



# Certifying Official's Signature

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- The Certifying official's signature **MUST** be original
- Automatic pens and/or signature stamps may not be used
- Federations may provide photocopies
- Applicants must check the box next to each statement to demonstrate compliance with each certification statement



# Federation Requirements

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- Listing of Eligible Member Organizations (Legal name, DBA, EIN, AFR, and Local Presence Category)
- Submission of Audit Regardless of Size
  - ✓ Audit must include verification organization is honoring designations
- Board Terms and Meeting Dates/Locations
- Annual Report
  - ✓ Describe Dues and/or Fees Arrangements



# Appeals Process

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- LFCC must provide information on how to appeal at the local and national levels
- Appeals limited to the facts justifying the reversal of the original decision
- Appeals may not be used to supplement applications with missing or outdated documents