

## § 950.105

## 5 CFR Ch. I (1–1–13 Edition)

(18) Determining whether each local federation, federation member, and unaffiliated organization that applies to participate in the local campaign has completed the sanctions compliance certification required pursuant to § 950.605. The LFCC must deny participation to any federation or organization that has not completed the sanctions compliance certification.

(c) The LFCC must select a PCFO to act as its fiscal agent and campaign coordinator on the basis of presentations made to the LFCC as described in § 950.105(c). The LFCC may, in its discretion, select a PCFO to serve in that role for up to three campaign periods, subject to renewal each year following a review of performance as defined in § 950.105. The LFCC must consider the capacity of the organization to manage an efficient and effective campaign, its history of public accountability, use of funds, truthfulness and accuracy in solicitations, and sound governance and fiscal management practices as the primary factors in selecting a PCFO. The LFCC must solicit applications on a competitive basis for the PCFO no later than a date to be determined by OPM and, if the LFCC exercises discretion to enter into a multi-year arrangement, upon completion of the multi-year term. The LFCC shall solicit applications via outreach activities including: Public notice in newspapers, postings on Web sites, advertising in trade journals, dissemination among participating CFC organizations and federations, and/or outreach through local or state nonprofit associations and training centers, among others. The PCFO application period must be open a minimum of 21 calendar days. Costs incurred for soliciting applications must be added to the PCFO budget as an administrative cost.

[60 FR 57890, Nov. 24, 1995, as amended at 70 FR 67341, Nov. 7, 2005; 71 FR 67284, Nov. 20, 2006]

### **§ 950.105 Principal Combined Fund Organization (PCFO) responsibilities.**

(a) Only federations, charitable organizations or combinations thereof may serve as the PCFO.

(b) The primary goal of the PCFO is to conduct an effective and efficient

campaign in a fair and even-handed manner aimed at collecting the greatest amount of charitable contributions possible. Therefore, PCFO's should afford federated groups and agencies with representatives in the local campaign area adequate opportunity to offer suggestions relating to the operation of the campaign, developed campaign material, and training. If requested in writing to either the LFCC or PCFO, federated groups and agencies must be given the opportunity to attend all campaign meetings, kick-off events, and training sessions. The PCFO must provide representatives of federated groups, agencies and the general public the opportunity to review at the PCFO office all reports, budgets, audits, training information, and other records pertaining to the CFC.

(c) Any federation, charitable organization or combinations thereof wishing to be selected for the PCFO must submit a timely application in accordance with the deadline set by the LFCC, that includes:

(1) A written campaign plan sufficient in detail to allow the LFCC to determine if the applicant could administer an efficient and effective CFC. The campaign plan must include a CFC budget that details all estimated costs required to operate the CFC. The budget may not be based on the percentage of funds raised in the local campaign.

(2) A statement signed by the applicant's local director or equivalent pledging to:

(i) administer the CFC fairly and equitably,

(ii) conduct campaign operations, such as training, kick-off and other events, and fiscal operations, such as banking, auditing, reporting and distribution separate from the applicant's non-CFC operations, and

(iii) abide by the directions, decisions, and supervision of the LFCC and/or Director.

(3) A statement signed by the applicant's local director or equivalent acknowledging the applicant is subject to the provision of § 950.603.

(d) The specific responsibilities of the PCFO include but are not limited to:

(1) Honoring employee designations.

(2) Helping to ensure no employee is coerced in any way regarding participation in the campaign and that allegations of coercion are brought to the attention of the appropriate Federal officials.

(3) Training agency loaned executives, coordinators, and keyworkers in the methods of non-coercive solicitation. This training must be completely separate from training given for other types of charitable campaign drives. Additionally, keyworkers should be trained to check to ensure the pledge form is legible on each copy, verify arithmetical calculations, and ensure the block on the pledge form concerning the release of the employee's name and contact information is completed fully.

(4) Ensuring that no employee is questioned in any way as to his or her designation or its amount except by keyworkers, loaned executives, or other non-supervisory Federal personnel.

(5) Preparing pledge forms and Charity Lists that are consistent with these regulations and instructions by the Director.

(6) Honoring the request of employees who indicate on the pledge form that their names, contact information and contribution amounts not be released to the organization(s) that they designate.

(7) Maintaining a detailed schedule of its actual CFC administrative expenses with, to the extent possible, itemized receipts for the expenses. The expense schedule must be in a format that can be reconciled to the PCFO's budget submitted in accordance with paragraph (c)(1) of this section.

(8) Keeping and maintaining CFC financial records and interest-bearing bank accounts separate from the PCFO's internal organizational financial records and bank accounts. Interest earned on all CFC accounts must be distributed in the same manner as undesignated funds pursuant to § 950.501. All financial records and bank accounts must be kept in accordance with generally accepted accounting principles.

(9) Submitting to the LFCC an audit of collections and disbursements for each campaign managed no later than a date to be determined by OPM in the

year in which the last disbursement is made. The date will be part of the annual timetable issued by the Director under § 950.801(b). The audit must be performed by an independent certified public accountant in accordance with generally accepted auditing standards and OPM guidance.

(10) Absorbing the cost of any reproduction and/or reissuing of campaign information due to its noncompliance with these regulations, embezzlement, or loss of funds. A PCFO must also absorb campaign costs exceeding 110 percent of the approved budget.

(11) Designing and implementing CFC awards programs which are accessible to all employees and which reflect the Government's commitment to non-coercion. Awards to Federal agencies or employees by individual federations or organizations for CFC accomplishments is prohibited.

(12) Producing any documents or information requested by the LFCC and/or the Director within 10 calendar days of the receipt of that request.

(13) Responding in a timely and appropriate manner to reasonable inquiries from participating organizations.

[60 FR 57890, Nov. 24, 1995, as amended at 71 FR 67284, Nov. 20, 2006; 73 FR 8588, Feb. 14, 2008]

#### § 950.106 PCFO expense recovery.

(a) The PCFO shall recover from the gross receipts of the campaign its expenses, approved by the LFCC, reflecting the actual costs of administering the local campaign. The amount recovered for campaign expenses shall not exceed 110 percent of the estimated budget submitted pursuant to § 950.105(c)(1) unless approved by the Director.

(b) The PCFO may only recover campaign expenses from receipts collected for that campaign year. Expenses incurred preparing for and conducting the CFC cannot be recovered from receipts collected in the previous year's campaign. The PCFO may absorb the costs associated with conducting the campaign from its own funds and be reimbursed, or obtain a commercial loan to pay for costs associated with conducting the campaign. If the commercial loan option is used, the amount of