

## § 950.202

## 5 CFR Ch. I (1–1–14 Edition)

retains the ultimate authority to decide whether the organization has demonstrated, to the Director's satisfaction, that the organization has taken appropriate corrective action. Failure to demonstrate satisfactory corrective action or to respond to the Director's request for information within 10 business days of the date of the request may result in a determination that the organization will not be included in the Charity List.

(b) The National/International and International parts of the Charity List shall be included in the Charity List in accordance with these regulations. The Charity List will include each organization's CFC code and other information as determined by OPM. These CFC codes must be verbatim reproduced in the Charity List.

(c) An organization on the National/International or International parts of the Charity List may elect to be removed from the applicable part of the Charity List and have its local affiliate or subunit listed on the Local part of the Charity List of organizations in its stead. For the local affiliate or subunit to be listed in lieu of the organization on the National/International or International parts, the following procedures must be followed:

(1) The organization must send a letter to the local affiliate or subunit in that particular geographic CFC, waiving its listing on the National/International or International part of the Charity List so that its eligible local affiliate or subunit listed in the Local part of the Charity List in that geographic CFC will appear as that organization's sole listing in the Charity List.

(2) The local affiliate or subunit will include in its application to the LFCC a copy of the letter authorizing the removal of the organization from the National/International or International part of the Charity List, as well as all the required materials for completing a local organization application.

(3) Upon finding the local organization eligible, the waiver letter from the organization on the National/International or International part authorizes the LFCC to delete that organiza-

tion from the National/International or International part of the Charity List.

[60 FR 57890, Nov. 24, 1995, as amended at 71 FR 67284, Nov. 20, 2006]

### **§ 950.202 National/international eligibility requirements.**

(a) Certify that it provides or conducts real services, benefits, assistance, or program activities, in 15 or more different states or a foreign country over the 3 year period immediately preceding the start of the year involved. This requirement cannot be met on the sole basis of services provided through an "800" telephone number or by disseminating information and publications via the U.S. Postal Service, the internet, or a combination thereof. A schedule listing a detailed description of the services in each state (minimum 15) or foreign countries (minimum 1), including the year of service, must be included with the CFC application. The schedule must make a clear showing of national or international presence. Broad descriptions of services and identical repetitive narratives will not be accepted in the sole discretion of OPM if they do not allow OPM to adequately determine that real services were provided or to accurately determine the individuals or entities who benefited. Providing listings of affiliated groups does not sufficiently demonstrate provision of real services by the applicant. Location of residence of organization members or location of residence of visitors to a facility does not substantiate provision of services. Organizations that issue student scholarships or fellowships must indicate the state in which the recipient resides, not the state of the school or place of fellowship. Mere dissemination of information does not demonstrate acceptable provision of real services. While it is not expected that an organization maintain an office in each state or foreign country, a clear showing must be made of the actual services, benefits, assistance or activities provided in each state or foreign country. De minimis services, benefits, assistance, or other program activities in any state or foreign country will not be accepted as a basis for qualification as a national or international organization.

(b) Certify that it is an organization recognized by the Internal Revenue Service as tax exempt under 26 U.S.C. 501(c)(3) to which contributions are deductible under 26 U.S.C. §170(c)(2). A copy of the letter(s) from the Internal Revenue Service granting tax exempt and public charity status must be included in the organization's application.

[71 FR 67285, Nov. 20, 2006, as amended at 73 FR 8588, Feb. 14, 2008]

**§ 950.203 Public accountability standards.**

(a) To insure organizations wishing to solicit donations from Federal employees in the workplace are portraying accurately their programs and benefits, several standards and certifications must be met annually by each organization seeking eligibility. Each organization wishing to participate must:

(1) Certify that the organization is a human health and welfare organization providing services, benefits, or assistance to, or conducting activities affecting, human health and welfare. The organization's application must provide documentation describing the health and human welfare benefits provided by the organization within the previous year.

(2) Certify that it accounts for its funds on an accrual basis (cash, modified cash, modified accrual and any other methods of accounting are not acceptable) in accordance with generally accepted accounting principles and that an audit of its fiscal operations is completed annually by an independent certified public accountant in accordance with generally accepted auditing standards. A copy of the organization's most recent annual audited financial statements must be included with the application. The audited financial statements must cover the fiscal period ending not more than 18 months prior to the January of the year of the campaign for which the organization is applying. For example, the audited financial statements included in the 2007 application must cover the fiscal period ending on or after June 30, 2005.

(3) Certify that it prepares and submits to the IRS a complete copy of the

organization's IRS Form 990 or that it is not required to prepare and submit an IRS Form 990 to the IRS. Provide a completed copy of the organization's IRS Form 990 submitted to the IRS covering a fiscal period ending not more than 18 months prior to the January of the year of the campaign for which the organization is applying, including signature, supplemental statements and Schedule A, with the application, or if not required to file an IRS Form 990, provide a pro forma IRS Form 990 page 1 and Part V only. IRS Forms 990EZ, 990PF, and comparable forms are not acceptable substitutes. The IRS Form 990 and audited financial statements must cover the same fiscal period.

(4) Provide a computation of the organization's percentage of total support and revenue spent on administrative and fundraising. This percentage shall be computed from information on the IRS Form 990 submitted pursuant to § 950.203(a)(3).

(5) Certify that the organization is directed by an active and responsible governing body whose members have no material conflict of interest and, a majority of which serve without compensation.

(6) Certify that the organization's fundraising practices prohibit the sale or lease of its CFC contributor lists.

(7) Certify that its publicity and promotional activities are based upon its actual program and operations, are truthful and non-deceptive, and make no exaggerated or misleading claims.

(8) Certify that contributions are effectively used for the announced purposes of the charitable organization.

(9) Provide a statement that the certifying official is authorized by the organization to certify and affirm all statements required for inclusion on the Charity List.

(b) The Director shall review these applications for accuracy, completeness, and compliance with these regulations. Failure to supply any of this information may be judged a failure to comply with the requirements of public accountability, and the charitable organization may be ruled ineligible for inclusion on the national list.

(c) The Director may request such additional information as the Director