

LFCC Principal Duties

As the leader of CFC activities in your area you should be aware of and involved in most campaign activities. As Chair, you might want to formally delegate some aspects of the PCFO's supervision to members of your committee. CFC's regulations (see CFC Regulation on the Table of Contents) provide detailed instructions for LFCC and PCFO responsibilities. This section of the manual addresses several of the most important tasks for which the LFCC is responsible.

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Selection and Supervision of the PCFO – The PCFO is the administrator and fiscal agent of the local campaign. It is subject to the direction and control of the LFCC in every aspect of its operation. As Chair of the LFCC, one of your first official tasks will be to work with your committee to select a PCFO for the annual campaign by March 15. It is important that your LFCC make all eligible and interested nonprofit organizations aware of the opportunity to act as the local campaign's PCFO. The successful track record for last year's campaign does not negate the LFCC's responsibility to perform a thorough review of all applicant organizations. LFCC members should carefully consider new approaches to solicitation, sound administrative and governance policies and demonstrated fiscal responsibility as equally important criteria in the selection process. Minimum requirements for PCFO performance are set forth in the regulations, but LFCC members should consider promised performance above minimum standards as important selection criteria.

Once a PCFO has been selected, the LFCC (through its Chair or formally delegated member) should be involved in the direction and oversight of numerous aspects of the PCFO's administration of the campaign. These include; development of campaign brochures and pledge cards, training of Federal volunteers such as coordinators and key workers and loaned executives, the appropriateness of campaign functions and the fair and equal treatment of all participating charities – federated and unaffiliated.

Equally important are the efficiency and effectiveness of the PCFO's internal administrative processes. It is essential that donors' designations are accurately honored and that any complaints of errors in the donation allocation process – both from donors and charities – be promptly and equitably addressed. PCFOs reimburse themselves for CFC campaign expenditures from the funds raised. No PCFO is permitted to exceed its estimated expenses by more than 10 percent, unless approved by the OPM Director. The LFCC is responsible for ensuring that the expenses charged against CFC funds are valid and appropriate expenditures and that any discrepancies identified during the audit process are rectified. Every PCFO is expected to have an independent audit conducted within 4 months after the end of their business year. Close review of that audit report is an important LFCC function.

Another important area for LFCC oversight is the periodic distribution of contributions to participating charities. PCFOs are expected to notify participating federations and unaffiliated charities of the funds pledged to them no later than 60 days after the campaign's conclusion. OPM is officially notified of the campaign's results through OPM Form 1417, to be filed no later than March 15. Campaigns with receipts of \$500,000 or more distribute donations monthly – smaller campaigns distribute quarterly.

An active partnership with the PCFO may be the single most important element that ensures that a campaign is both successful and problem-free. LFCCs are responsible for taking the lead in forging this partnership and acting as effective stewards for Federal interests in this relationship.

Evaluation of Applications for CFC Participation – The selection of local charities to participate in CFC campaigns is a function reserved for the LFCC. A campaign's PCFO may be an effective facilitator to assist in processing local applications, but no PCFO may actually approve or recommend approval of any charity's application. If desired, it is permissible for PCFOs to receive applications, check them for completeness and package them for LFCC review. The PCFO may also prepare and mail letters signed by an LFCC representative notifying a charity of the action taken (approval/disapproval) in response its application. However, it is improper for PCFOs to be involved in application decision-making.

Depending upon the size of your campaign, processing CFC applications may present a significant administrative burden – particularly since the local application receipt window is restricted to one 30-day period during January, February and/or March of every year and the deadline for notifying applicants is 15 days after the close of the application period. You may want to delegate responsibility for this task to a member of your LFCC, who may convene a subcommittee of the LFCC to handle applications processing. Or, you may decide to “share the load” by involving all LFCC committee members in a single application processing meeting. However you proceed, it should be clear to everyone which LFCC member has primary responsibility for application processing and that person should have a complete understanding of the criteria for CFC participation and of the appeals process.

The criteria for local CFC participation are clear and unconditional. Applicants must demonstrate that they provide services, benefits or assistance affecting human health and welfare. A successful applicant must have IRS 501(c)(3) status, must provide a signed and completed IRS Form 990, must apply within the 30-day application period established by the local LFCC, and must demonstrate that it has a “substantial local presence” within the campaign's boundaries, an adjacent campaign's boundaries, or state-wide. Applicants must submit the most recent annual audit of their operations prepared by an independent auditor and that audit may not be dated more than 18 months prior to the date of the application. Applicants must demonstrate (using a calculation derived from Form 990 entries) that the amount of total support and revenue spent on fundraising and administration does not exceed 25% of gross receipts.

Applicants must also provide evidence that they prepare and make publicly-available an annual report, or another frequently published document such as a quarterly newsletter, identifying their board members, key employees

and most important programmatic activities. They must demonstrate that their internal administrative and governance standards meet public accountability standards. They must provide a statement – which cannot exceed 25 words – that describes the organization’s purpose and activities. The “25 word rule” is strictly adhered to, since these statements are incorporated into an informational brochure prepared by the PCFO and used as part of the solicitation process.

Military family and youth service organizations have slightly different requirements and there can be exceptions to the 25% fundraising and administrative percentage cap. The regulations provide explicit guidance for exceptions and additional clarification of many of the requirements. The regulations should be closely consulted when making eligibility determinations. As noted above, applicants must be notified about the action taken on their application no later than 15 days after the close of the application period. Approval letters may be sent regular first-class mail but denial letters must be mailed via certified mail.

Applicants may appeal your decision to deny their application to participate by sending you a letter requesting reconsideration and providing the reason(s) why they believe your decision was in error. Generally, requests for reconsideration must be filed no later than 7 business days after receipt of the denial letter. If you deny a charity’s request for reconsideration they may appeal to OPM’s Director. Appeals from LFCC denials of reconsideration are handled by the Office of CFC Operations. You will be notified by CFC’s Operations Office about the disposition of appeals from your decisions and you may be consulted about the basis of your initial decision to deny. If you have questions about the appropriateness of your decision to deny an applicant’s request for reconsideration you should feel free to discuss that decision with staff in CFC’s Operations Office prior to sending the final denial letter. OPM’s Director’s decisions on appeals are final. More detailed information about appeals, included a sample application denial letter, is included in this manual (see Sample Applications on the Table of Contents).

Managing the Workplace Campaign - Tasks in this category emphasize your role as steward of one of the nation’s leading giving campaigns. CFC campaigns are intended to be inclusive and to provide every eligible Federal worker with an opportunity to participate. It is important to remember that, as Chair of the LFCC, you are responsible for CFC at every Federal worksite within your campaign’s geographical area – not just at the agency at which you are employed. For that reason, it is important to be sure that you have a good understanding of all the Federal workplaces encompassed by your campaign, as well as a complete list of each Federal agency represented.

An effective LFCC Chair needs to be an effective “convener” - that is, a person who brings others together to work toward a common goal. Outreach by the LFCC Chair to identify other LFCC members, CFC Loaned Executives,

Campaign Key workers and Coordinators and other volunteers can help assure that a broad spectrum of Federal workers become personally involved in CFC's goals and operations. Ensuring that your LFCC includes representation from a diverse group of Federal workers is a good way to begin this outreach. Federal employee unions have been highly effective partners in local campaigns – their inclusion in campaign events and CFC leadership positions is encouraged. Similarly, many LFCCs perform their responsibilities as an operating entity of, or in close coordination with, Federal Executive Boards (FEBs) or Federal Executive Associations (FEAs). FEBs/FEAs can provide a network of communications and support and can facilitate access to agency/installation managers/military commanders. Such a coordinated approach can enhance the efficiency and effectiveness of CFC.

FEBs were created to support and promote national initiatives of the President and the Administration as well as to serve local needs of Federal agencies, military installations and postal facilities. FEBs perform these duties by facilitating effective government management, communication and cooperation in the Federal sector. They also serve as a focal point for the Federal government within local communities through outreach and partnership activities.

There are 28 FEBs nationwide, generally located in larger metropolitan area. Each FEB also supports one (or more) FEAs, which are smaller Federal outreach efforts located around the country. OPM oversees and supports the FEBs.

Each FEB has a Board of Directors whose leadership and members are comprised of senior civilian, military and postal personnel who serve on the FEB as a collateral duty. Each FEB has a fulltime Executive Director and 1 or 2 assistants. The Executive Director has the responsibility to administer the FEB's mission as well as to implement initiatives approved by the Board.

Even if the LFCC is not a part of the formal FEB structure, an FEB or FEA usually is an excellent source of support for the CFC. FEBs have working relationships with the leadership of most of the larger Federal facilities within its local area. This access, combined with good communications facilities, can be a highly effective resource to supplement an LFCC's CFC efforts.

The most common – and often the most effective – form of CFC fundraising is the key worker's contact with employees for the distribution of CFC informational materials and the pledge card. The importance of an effective appeal from a fellow Federal worker who understands and believes in CFC's objectives cannot be underestimated. **However, CFC Chairs have a primary duty to ensure that these appeals are not coercive.** Participation in CFC can never be used as part of an employee's performance evaluation and supervisors are expressly prohibited from directly soliciting subordinates or establishing "100% participation" goals within their supervisory chain of command. CFC Chairs are explicitly charged with ensuring that all campaign activities properly

recognize the voluntary nature of the CFC and the right of employees to decline to participate. Complaints of coercive activities must be investigated and appropriate action must be taken to ensure that any improper conduct is corrected.

In addition to Key workers' personal solicitations of employees, CFC's regulations permit special fundraising events – such as auctions, bake sales or athletic events – and events that recognize milestones in the campaign. These events should be planned only after approval from the local agency head or installation commander sponsoring the event. Typically, a Kickoff Rally starts the year's CFC campaign. Often there is a rally for the overall campaign (arranged by the PCFO/LFCC) and another at each local agency or facility arranged by that agency's Campaign Coordinator. Some LFCCs combine campaign "kickoffs" with fairs at which representatives of participating charities set-up information booths and may arrange tours of their facilities. Local agency heads may permit representatives of CFC participating organizations to establish information desks on Federal premises **as long as all CFC charities are given an equal chance to participate.**

Fundraising events should be held on behalf of CFC in general, and not to benefit a particular CFC charity or groups of charities. However, it is permissible to join with other local charities or federations to sponsor events that encourage giving within your community. You should take care, however, that joint events do not convey the impression that CFC is a part of the local charity or federation. CFC is the Federal employees' charity drive and every effort should be made to enable participants to distinguish between it, and other local giving campaigns. In particular, LFCC members should ensure that they are identified as Federal workers and not representatives of a local charity or federation. This distinction can often be achieved by ensuring that publicity materials clearly differentiate between the CFC and other community fundraising efforts. Another way is to encourage CFC representatives to participate in events and assume a place in the program equal in prominence to the local charity drive representatives.

Victory Celebrations are usually held just after the close of the campaign, to acknowledge the contributions of all the people who worked to make it successful. In addition to the celebration planned by the LFCC for Loaned Executives and Campaign Coordinators, each agency often hosts its own celebration to recognize the accomplishments of their employees, volunteers, Key Workers, Campaign Coordinator and Loaned Executives. PCFOs, working with LFCCs are responsible for establishing CFC award and recognition programs. Awards to any Federal worker in recognition of their CFC activities must be of nominal value. Cash awards in any amount are never permitted. No Federal employee or agency may receive an award from any individual charity or federation for CFC performance. Awards support an effective and successful overall CFC campaign and should never be perceived as recognition for efforts supporting any individual charity or federation.

Supervision of campaign events can be problematic for an LFCC Chair. This is because well-meaning CFC supporters can take the initiative to plan an event, unaware that certain aspects of the event might violate CFC's regulations. It is often difficult to anticipate things that might occur during an event you have not been closely involved in planning. You need to depend upon local agency CFC volunteers' input and your oversight of PCFO officials' to alert you to potential problems. All Federal campaign workers should understand that since CFC is an officially-sanctioned Federal activity, Federal ethics rules apply. Keep in mind that any activity that violates Federal ethics rules is impermissible in connection with CFC. This is true irrespective of whether the CFC activity takes place at a Federal facility during working hours or after hours at an off-site location.

When planning campaign activities, you should take time to look at the reference materials included in this manual. Behind the FAQ/Proven Practices/Awards & Recognition Chapter on the Table of Contents, you will find examples of agency recognition programs, public relations campaigns, internet initiatives, goal-setting programs and evaluation activities that have been used successfully by experienced LFCC Chairs. You should incorporate these, and other initiatives, into your local campaign as they fit your purposes. An effective partnership with your PCFO, who is experienced with local fund-raising campaigns, will be the foundation of a successful solicitation program. However, as LFCC Chair it is your responsibility to understand and communicate the differences that may exist between a permissible CFC activity and other kinds of fundraising and to ensure that the integrity of CFC's solicitation activities is not inadvertently compromised.

Leadership and Committee Structure - There is considerable variation in the length of tenure that LFCC Chairs serve. It is highly desirable to preserve institutional memory and stability within a campaign. So, it is useful to recruit one or two LFCC Vice-Chairs to serve each year. This structure provides for additional assistance in handling the management of the campaign and allows for effective leadership succession, when needed. Similarly, it is desirable for an LFCC Chair to continue as an LFCC member for at least one year after your tenure as Chair is over.

The LFCC should also advise CFC's Operation's Office if it is advisable to consider combining contiguous local campaigns into a single, larger campaign. The geographic boundaries of local campaigns are determined by OPM's Director – individual local campaigns may not voluntarily combine without OPM approval. CFC campaigns can sometimes reduce administrative overhead by combining with another local campaign. Since this results in larger donations to local charities, it is an objective to be considered as part of the LFCC's leadership role.

Some LFCC Chairs find it useful to keep formulated calendars and notes documenting campaign events, successful initiatives and details of how participant concerns have been resolved. Campaign information should be maintained for at least 3 years. All information prepared and maintained by Federal workers in connection with CFC constitute government records subject to the Freedom of Information and Privacy Acts. If you have questions about the appropriateness of providing CFC records to non-Federal employees, you may wish to consult with the FOIA/Privacy Act officers in your agency. Problems involving such information should also be brought to the CFC Operations Office. Because problems associated with CFC campaigns can reoccur in future years, it is useful to retain historical campaign records.