

The Combined Federal Campaign: CFC Regulatory Revisions

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July 25, 2023

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Federal Advisory Committee Recommendations

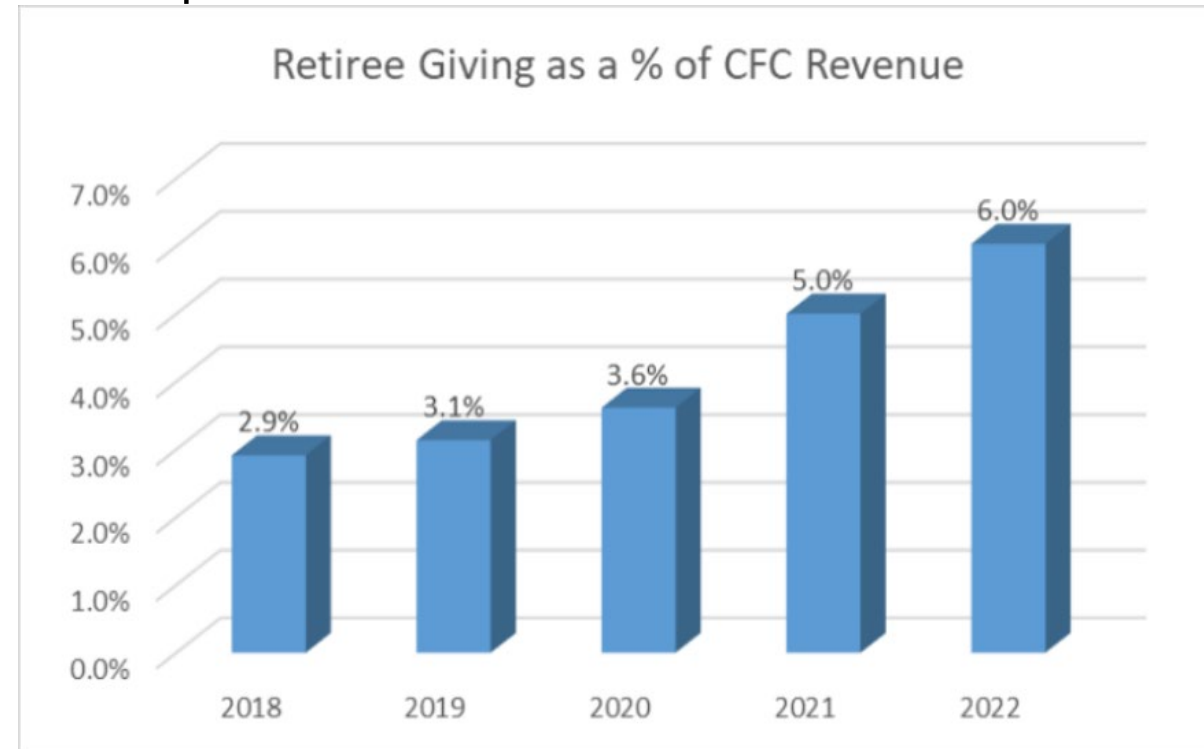
Donor Participation	CFC Infrastructure
Expand CFC to retirees and contractors	Create a “one-stop shop” central website
Allow new employees to donate immediately	Standardize payroll offices reporting
Renew or continue their pledges by simply checking a box	Consolidate back-office functions
Clarify and explain the true cost and benefits of the CFC campaign to donors	Improve the governance of the CFC program at the local level
Enable donors to give to any charity in any campaign	Accelerate efforts to “go green,” reducing paper processes
Shifting the burden of CFC costs from donors to participating charities (Fees)	Monitor overall campaign costs to seek continued efficiencies
Urge donors to authorize release of information to charities	
Establish a disaster relief program	
Change the campaign solicitation end date from December 15 to January 15	
Standards of Transparency and Accountability	
Develop a robust survey tool and create focus groups to determine what donors and charities want and why they do not participate.	
Strengthen the eligibility criteria that allow charities to participate and provide donors with essential charity information when selecting charities	
Consider a tiered process for application requirements to reduce for small local charities the disproportionate burden of obtaining annual audited financial statements	
Strengthen CFC regulations regarding federations to increase transparency and accountability	
Streamline the charity application process to reduce costs for participating charities	



Presidential Executive Order & CFC Rule Change

To implement the Advisory Committee recommendations, OPM updated and issued [CFC Final Rules](#) and [Executive Order -- Charitable Fundraising | whitehouse.gov \(archives.gov\)](#) in 2014 and 2016 respectively. These new authorities allowed OPM to transform the CFC from a paper-based process to a full online enrollment, funds management and disbursement process.

OMB required OPM to insert language into the final rules to 5 CFR 950 issued in 2014. Specifically, the language states, ***“Over the first three campaign periods affected by these rules, OPM will continue to review the impact of the rules and engage with stakeholders to ensure that the rules are having the intended effect on the CFC.”***



CFC Rules Impact Assessment



- Over the last two years, OPM have engaged LFCCs, campaign managers, charities and others in assessing the impact of the CFC rule changes
- OPM evaluated lessons learned as a part of a three-campaign year review of charity applications and donor behavior
- Rules being considered for revision or technical correction track as follows:
 - Rules affecting charities
 - Rules affecting donors
 - Rules affecting governance
 - Other provisions being considered

CFC Rules Impact Assessment

Rules Affecting Charities

- Increase \$ threshold requiring audited financial statements and index to published data (e.g. Consumer Price Index)
- Ease the paperwork burden on federations reporting to OPM by including any required information at the time of application
 - This would remove the monthly reports in current rules
- Follow IRS requirements for religious organizations
- Update rules for MWR/FSYP programs in order to align CFC with the current state of DoD authority on such programs
 - Increase the participation of such programs in the CFC

CFC Rules Impact Assessment

Rules Affecting Charities

- Merge the National/International and International Only sections online into one part to avoid confusion
 - Rules for international charities would remain the same
- Align eligibility with business practices for online and web-based services
- Expand charity eligibility
 - 501(c)(19) and (c)(23) (organizations serving veterans)
 - Native American Organizations under IRC § 7871

CFC Rules Impact Assessment

Rules Affecting Charities

- Include provisions for business processes when a charity ceases operations, merges, or loses its 501(c)(3) status with the IRS
- Align OPM rules with IRS requirements for national organizations with chapters and affiliates
 - This would not change the single listing for national organizations
 - Pro-forma Form 990 remains in effect

CFC Rules Impact Assessment

Rules Affecting Donors

- Align with Executive Order No. 13743
 - New ways of giving for Annuitants
 - Retiree Required Minimum Distributions (RMD)
 - Qualified Charitable Transfers from retirement accounts
- Improve interaction with Feds Feed Families and other in-kind giving programs considering hybrid work environments
- Automatic renewals like other federal benefit programs
- Possible updates to disaster giving provisions not included in memo guidance
- Explore looking at allowing allotment adjustments during a special solicitation

CFC Rules Impact Assessment

Rules Affecting Governance - LFCC

- Improved alignment with the Federal Executive Boards changes
- Codify ability of retirees to serve on LFCC
- Adjust LFCC leadership term limit provision
- Allow for online training
- Update Outreach Coordinator selection process to align with current contracting provisions being utilized

CFC Rules Impact Assessment

Other provisions being considered

- Remove regulations regarding printing pledge forms and charity lists and allow that to be a management decision
- Update sanctions and penalties sections as they would apply to the Central Campaign Administrator and the Outreach Coordinators
- Update references to past years and dates originally written into the regulations in 2014

Rules Change Process

What's Next?

- Draft rules undergo OPM internal clearance and are then sent to the Office of Management and Budget (OMB)
- OMB may require an intra-governmental clearance process
- Revised rules (in draft) are published in the Federal Register for public comment
- OPM will respond to those comments and consider revisions
- Final rules are published in the Federal Register with a date for implementation

QUESTIONS