

# **Commonwealth of Virginia Campaign**

## **2005 Procedures**



## **ARTICLE I: AUTHORITY**

The CVC is to be conducted annually among all classified and hourly state employees and is the only authorized solicitation of employees in the state workplace on behalf of charitable organizations. The CVC is designed to provide a convenient system for state employees to support the efforts of charitable health and human service organizations.

Under the Governor's authority the Secretary of Administration and the Department of Human Resource Management shall be responsible for the Campaign, including facilitating the development and implementation of governing Procedures, and the statewide coordination of the Campaign. Additionally, the CVC Advisory Council shall be responsible for providing recommendations for all procedures, management and for the interpretation of eligibility criteria.

The admission of a charity into the CVC does not constitute, nor imply endorsement by the Commonwealth of Virginia of any program, purpose, mission or philosophy of a participating organization. The CVC Advisory Council is committed to providing the workforce of the Commonwealth of Virginia with a diverse pool of charities, with a policy of being inclusive rather than exclusive.

Contributions made via the Campaign are completely voluntary. Any actions that create an impression that donations are required, or that predetermined giving levels are appropriate, are strictly prohibited.

## **ARTICLE II: DEFINITIONS**

The following terms apply to these Procedures:

**AGENCY CVC COORDINATOR:** The state employee selected by a state agency or educational institution to coordinate the Campaign in that agency or institution.

**CAMPAIGN AMBASSADOR:** Campaign mentors. State employees are appointed by the Director and serve two-year terms.

**CAMPAIGN PARTICIPANT:** A Charitable organization that is deemed eligible to receive employee donations through the Campaign.

**COMMUNITY FUNDS:** Starting Campaign 2005, seven community funds will be created for employees that wish to earmark contributions to the variety of charities located in their region. A charity would be considered in the region only if its main office zip code is within that region. These funds will be distributed equitably between all qualified charities within a certain region.

**CVC ADVISORY COUNCIL:** A committee composed of a representative from each cabinet secretariat, the legislative branch, the judicial branch, the office of the attorney general, an independent/quasi state agency, the CVC ambassadors, seven regional representatives and three state employees chosen at-large. Each of these members is appointed by their respective executive, at the request of the Secretary of Administration. Members serve three - year terms. This committee is charged with determining the eligibility for all CVC applicants and with recommending procedural changes to the Secretary. Additionally, it is charged with the continued revision and improvement of CVC and all its processes.

**DESIGNATED CONTRIBUTIONS:** Those contributions in which the donor has selected specific charities to which his or her contribution should be given.

**DIRECTOR:** The Director of the Virginia Department of Human Resource Management, the state agency charged with implementing and administering the Campaign. The Director shall also serve as the chairperson of the CVC Advisory Council.

**FEDERATED ORGANIZATION:** A charitable umbrella group that provides fund raising, administrative, and management services to its constituent members and which applies for CVC participation on behalf of its eligible member charities.

**INDEPENDENT ORGANIZATION:** A charitable organization that is not a member of any federated organization, or on whose behalf a federated organization has not applied to participate in the Campaign.

**SECRETARY:** The Secretary of Administration for the Commonwealth of Virginia.

**STATE CAMPAIGN MANAGER:** The state employee assigned to coordinate all aspects of the Campaign, reporting to the Director.

**UNDESIGNATED CONTRIBUTIONS:** Contributions in which the contributor does not select specific charities. These contributions are first used to cover any administrative costs incurred by the campaign. The remaining balance will be assigned to the Virginia State Employee Assistance Fund.

### **ARTICLE III: THE ELIGIBILITY PROCESS**

The eligibility process includes the application, screening and approval of all charity applicants to the CVC. Each organization desiring to be a Campaign participant must complete an application and provide evidence that it meets all applicable criteria set forth in this article.

The criteria for eligibility are periodically reviewed by the CVC Advisory Council to determine if they are reflective of the interests of state employees. The CVC Advisory Council recommends changes of the criteria to the Secretary, who approves all changes to the Procedures.

The CVC application must be completed with all required information provided and electronically submitted by April 30.

- A. First-time applicants must obtain a CVC code and pin number from the CVC office. Returning applicants receive their pin number by March 1 of each year. The pin number serves as the legal signature for the application.
  
- B. First-time applicants must submit an Electronic Business Agreement (EBA) as described in the CVC Application. All EBA's must be postmarked no later than April 30. Should April 30 fall on a Sunday or a holiday; the EBA must be postmarked for the following business day.

- C. Applicants without access to a computer may contact the CVC office for assistance in completing their application.

## **THE APPLICATION**

The application period will occur between March 1 and April 30. All applicants shall submit the following information

- A. The signature on the electronic business agreement certifying that the organization meets eligibility criteria set forth in these Procedures. If the applicant is a federated organization, this signature shall certify that all member agencies on whose behalf application is being made meet eligibility criteria set forth in these Procedures.
- B. Data from the most recent IRS Form 990 as officially filed with the IRS. If the organization does not complete IRS Form 990, the CVC financial worksheet must be completed with data from the most recently completed fiscal year-end financial statement. Branch offices must breakout figures from the national 990 filing to represent only its local operations. Audits may be performed and any charity guilty of misrepresenting their official tax documents will be permanently removed from the program and reported to VDACS. If this charity is represented by a federation, the federation will no longer be permitted to participate in the CVC and will also be reported to VDACS.
- C. Evidence of good standing with the Virginia Department of Agriculture and Consumer Services (VDACS). At the time of application accurate information must be provided regarding registration with VDACS. This legally permits a charity to solicit public funds in the Commonwealth. This registration establishes the applicant's intent to maintain its active registration throughout the full campaign cycle.
- D. Any other information required by the State Campaign Manager. Any organization or federation may be disqualified from participation in the CVC by majority vote of the CVCAC for filing an application to participate in the CVC that contains false or intentionally misleading information.

## Federation Specific Requirements

- A. If the applicant is a federated organization it shall apply to be in the Campaign only on behalf of eligible member agencies. An eligible member agency is a member that meets all applicable criteria set forth in these Procedures.
- B. An applicant applying to the CVC as a federation member may be represented by only one federation. Any applicant organization appearing as a member in the overall application of two or more federations shall be disqualified from CVC participation.

## **ELIGIBILITY CRITERIA**

The admission of a charity into the CVC does not constitute, nor imply endorsement by the Commonwealth of Virginia of any program, purpose, mission or philosophy of a participating organization. The CVC Advisory Council is committed to providing the workforce of the Commonwealth of Virginia with a diverse pool of charities, with a policy of being inclusive rather than exclusive.

### **A. Tax exempt, nonprofit, volunteer status**

A Campaign Participant must be:

1. A nonprofit organization with IRS Code – 501 c(3) or a volunteer fire or rescue organization with IRS Code – 501 c(4) tax-exempt status. Charities must be registered as tax-exempt with the IRS for at least one year prior to applying to participate in the CVC.
2. Registered with, or granted an exemption from registration by, the Virginia Department of Agriculture and Consumer Services (VDACS), Division of Consumer Affairs, Charitable Solicitation Section, or have filed all materials required by the Virginia Solicitation Contributions Law to register, renew registration, or request an extension of time to file, or request an exemption from registration.

3. Directed by an active, non-paid volunteer Board of Directors, which conducts meetings at least twice each year and manages the overall affairs of the organization.
4. Be the recipient of a minimum of \$500 in the prior year CVC (for returning participants only). Applicants not achieving this minimum amount will be granted a one-time exemption from this requirement. After the one-time exemption status has been used, charities not fulfilling this requirement will be required to skip a year of eligibility.
5. An organization's administrative and/or fundraising costs must not exceed 25 percent of the gross revenue received upon initial application. Applicants in subsequent years for organizations that exceed the 25 percent threshold may seek a one-year exemption from this requirement by including with their applications a written explanation. For a period of three years after the one-year exemption status has been used, any further applications with administrative costs in excess of 25% will be rejected without the right to appeal.

Those charities that exceed the 25% limit in either their initial or subsequent applications exclusively due to in-kind donations may provide detailed justification on their application for further consideration.

## **B. Sound Financial Management**

Campaign participants with annual gross receipts of \$100,000 or more must be audited annually by an independent public accountant. This examination must conform to generally accepted accounting principles and issues an annual financial report. Campaign participants must provide their organization's administrative and/or fundraising costs, as reflected on their most recently completed IRS 990, or the CVC Financial Worksheet. Applying charities should carefully review their 990 or worksheet to confirm that all costs have been appropriately represented.

An original signature on the Electronic Business Agreement certifies that all information

provided is truthful and accurate.

Organizations applying to be Campaign participants must use the donated funds to provide or support qualifying programs or services directly (in accordance with IRS 501c3.)

### **C. Charity Residence**

In order to qualify under CVC residency requirements, a charity must demonstrate one of the following:

1. A headquarters or other full-time administrative office in Virginia
2. A headquarters or other full-time administrative office within a 50 mile radius of Virginia
3. A toll-free telephone number

### **ELIGIBILITY DETERMINATION**

The CVC Advisory Council shall determine the eligibility of all applicants based on criteria set forth in these Procedures. The CVC Advisory Council shall determine eligibility by a simple majority vote of those members present at the meeting called for this purpose in accordance with the Campaign schedule they have established. The State Campaign Manager will communicate the Council's decision of acceptance or an explanation of the rejection via e-mail or letter within seven working days following the decision. There is no appeal process for rejected charities.

## **ARTICLE IV: CAMPAIGN STRUCTURE AND OPERATION**

### **THE PHILOSOPHY OF GIVING**

While the primary goal of the CVC is to conduct an efficient and fair campaign in an equitable manner in order to raise the greatest amount of contributions possible, it is imperative that the campaign be conducted in a non-coercive manner. Actions that do not allow free choice or that create the appearance that employees do not have that choice are prohibited. All contributions should remain confidential in nature, and campaign workers should use discretion as they carryout the necessary record keeping activities. The following activities are prohibited:

- A. The direct solicitation of employees by their supervisor or anyone in their direct chain of command. General demonstrations of support, such as kick-offs, speeches, newsletters, and/or other communications are acceptable and encouraged.
- B. Supervisory inquiries regarding an employees choice to give or the amount of their gift.
- C. The establishment of 100% participation goals.
- D. The establishment of personal dollar goals and quotas.
- E. Developing and using lists of non-contributors.

### **CAMPAIGN SCHEDULE**

The CVC Advisory Council shall establish the Campaign schedule, which includes deadline for the receipt of Campaign applications and eligibility determination.-Conduct of the CVC in the workplace shall occur each year between October 1 and November 30, at the discretion of each state agency.

## **ROLE OF THE COMMONWEALTH OF VIRGINIA CAMPAIGN ADVISORY COUNCIL (CVCAC)**

CVCAC members serve staggered three-year terms, and may be re-appointed for one additional term. The CVCAC shall meet at the call of the Chair.

The CVCAC's duties and responsibilities shall include:

- A. To establish the policies and guidelines of the campaign.
- B. To provide general oversight and executive leadership for the CVC.
- C. To determine the annual campaign schedule and statewide goal.
- D. To provide input and guidance on all campaign concepts.
- E. To assess the effectiveness of the Procedures.
- F. To determine eligibility for all CVC applicants in accordance with the schedule issued by the Council.
- G. To insure that all eligibility decisions are made with consistent application of the prescribed eligibility criteria contained in these Procedures.
- H. To Provide the State CVC Coordinator with a critique of the application process, suggesting improvements as needed, at the conclusion of the applicant screening cycle.

## **ROLE OF THE STATE CAMPAIGN OFFICE**

- A. Provide statewide coordination of all aspects of the Campaign.
- B. Coordinate all CVCAC meetings, and implement all CVCAC directives
- C. Establish campaign support network, to include ambassadors and agency coordinators.
- D. Provide training, consultation and guidance to agency coordinators. Agency coordinators should be trained to ensure that the pledge card is legible on each copy, verify arithmetical calculations and to confirm that the card is completed.

- E. Organize the statewide kick-off with honorary and campaign chairpersons.
- F. Respond to state employee calls and requests for information within 48 hours.
- G. Be responsible for ensuring that every state employee has been given the opportunity to participate in the Campaign.
- H. Help to ensure that no employee feels coerced or pressured to participate in CVC.
- I. Devise and implement a CVC communications plan.
- J. Establish and issue a campaign schedule and a statewide CVC goal, in consultation with the Secretary of Administration, CVC Advisory Council and Campaign Region Committees.
- K. Oversee all elements of the design and production of campaign related materials, including Procedures, pledge cards, applications, posters, participant directories, brochures, audiovisual materials, CVC website and related items.
- L. Coordinate direct shipment of the directory, pledge cards, and poster to state agencies.
- M. Serve as campaign liaison to the Administration.
- N. Coordinate all aspects of the application process, such that the CVC Advisory Council is provided eligibility information in an organized and efficient manner.
- O. Ensure fair and appropriate campaign practices and notify the CVC Advisory Council immediately if non-compliance is evident.
- P. Issue and distribute new application materials to all new requestors and all campaign participants who were active in the prior year's campaign.
- Q. Manage and monitor pledge-processing contract.
- R. Perform other duties as assigned by the Director.

## **ROLE OF THE CAMPAIGN AMBASSADOR**

- A. Serve in a mentor role with other state agencies in their area.
- B. Serve as a liaison to the local community regarding CVC.
- C. Communicate with the local community regarding various stages of the CVC, including eligibility.
- D. Provide input on campaign materials – especially best practices and the campaign video.
- E. Coordinate local CVC kickoff and/or thank you events, if desired.
- F. Work with State Campaign Office to coordinate trainings, as necessary.
- G. Help to ensure that no employee feels coerced or pressured to participate in CVC.

## **ROLE OF STATE AGENCIES AND EDUCATIONAL INSTITUTIONS**

- A. Arrange for employee payroll deductions to be properly reflected on employee pay stubs.
- B. Maintain the confidential nature of contributor names, social security numbers and amount of donations.
- C. Be responsible for ensuring that every state employee has been given the opportunity to participate in the Campaign.
- D. Help to ensure that no employee feels coerced or pressured to participate in CVC.
- E. Include CVC packet in agency orientation packages such that new employees are offered the opportunity to participate in CVC regardless of the time of year.
- F. Appoint and support the activities of an Agency Coordinator.

## **ROLE OF THE AGENCY COORDINATOR**

Agency Coordinators should organize their CVC campaign based upon the size and dynamic of their agency. All coordinators should:

- A. Distribute a pledge card and provide access to a campaign directory for each employee.
- B. Post CVC campaign materials, i.e., posters, notice of campaign application period, et al., in every agency worksite location and in other appropriate public employee places.
- C. Answer routine inquiries from employees, campaign participants and the public-at-large, referring non-routine or policy questions to the State Campaign Office for response.
- D. Forward all pledge cards to the pledge processor, with a completed Pledge Transmittal Report.

As agency size and dynamic permits, the following are also recommended:

- A. Organize and promote a meeting (or campaign kickoff) for employees within the AC's agency location.
- B. Invite a local campaign participant to make a brief presentation about its charitable service at the agency's kickoff meeting, if appropriate. The invited charity should vary from year to year in order to present a balanced view of the types of local organizations represented in the CVC.

## **ROLE OF CAMPAIGN PARTICIPANTS**

- A. Participate in a speaker's bureau in order to provide opportunities for state employees to learn more about the charities that participate in the campaign. Charities who do

not have the staff or are not physically located in the Commonwealth are exempt from this requirement.

- B. Honor the universal nature of the CVC by insuring that no supplemental materials, personal solicitation or services of the participating organization are offered to the state employee or in the state workplace. All campaign materials must be official, as sanctioned by the CVCAC.
- C. Publicize activities and solicit employee participation in the CVC through the news media or other private outlets outside State facilities.
- D. Protect the confidentiality of the contributor list and, if requested by the donor, send an acknowledgement of the contribution.
- E. Honor the purpose of the CVC, in that all solicitations are consolidated into one campaign.
- F. Respect the wishes of CVC donors, in that donor names should not be used for future solicitation independent of the CVC.
- G. Submit only one CVC application on behalf of all its branches and affiliates throughout the state.
- H. Provide additional follow-up information regarding its operations and services to the State Campaign Office, as requested.
- I. Recognize that in the event the letter and spirit of these Procedures are not followed, appropriate action will be taken.

## **CAMPAIGN MATERIALS**

The campaign directory and pledge card constitute the official CVC information package and will be made available to all state employees.

The State Campaign Office shall distribute all campaign materials, and provide guidance and

samples for documents created locally by state employees. All such materials shall reflect the Commonwealth nature of the Campaign and equally promote all campaign participants. Further, these materials shall clearly explain that there is no minimum contribution and that contributions may be designated to specific campaign participants. Notice must be given that contributions are confidential and voluntary and that any action which creates an impression that donations are required is not appropriate.

The Campaign Directory will be designed, printed and distributed at the direction of the Campaign Manager. This will be the only directory used in the campaign, and will consist of a comprehensive alphabetical list of all charitable organizations throughout the state which have been approved for participation by the CVC Advisory Council.

The administrative/fund-raising cost, as a percentage of total revenue, shall be printed for each charity. The Campaign Pledge Card will be designed, printed and distributed at the direction of the State Campaign Manager. No other pledge card may be substituted, and no CVC contribution may be accepted without an official pledge card. Each pledge card will permit a donor to make up to four separate designations. Pledge cards must contain the employee's name, social security number, signed authorization for payroll deduction (if applicable), agency name agency code number, and location. Incomplete or unsigned pledge cards will not be processed.

## **ARTICLE V: FISCAL ACTIVITIES**

State employees may contribute to a Campaign participant through cash, check, stock gift or payroll deduction. The Campaign is the only charitable fund-raising effort conducted among state employees for which payroll deduction is authorized.

Campaign contributions may be designated to as many as four specific organizations participating in the CVC, or they may be undesignated, in which case they will first be used to cover all campaign administrative costs.

Interest earned on contributions shall be treated as undesignated funds for purposes of distribution. Neither the Commonwealth nor its agents, officials, employees or instrumentality's will be responsible for collection of unpaid donations resulting from unhonored pledges,

employee resignations, transfers or the cessation of payroll deduction authorizations.

An employee may not make a designation to an organization not listed in the brochure. All pledge cards with “write-in” designations will be returned to the donor.

If the pledge processor receives a pledge card that has designations that add up to less than the total amount pledged, the processor will honor the total amount pledged and treat the excess amount as undesignated funds. If the processor receives a pledge card that has a total amount pledged that is less than the sum of the individual designations, the processor will honor the designations by assigning a proportionate share of the total gift to each organization designated.

An independent contractor will handle pledge processing. An annual audit will confirm the efficiency and accurateness of the organization’s performance.

#### **ARTICLE VI: SECRETARY’S AND DIRECTOR’S AUTHORITY**

The Secretary and Director shall retain final authority over all decisions not expressly delegated to other parties herein. The Secretary may revise and/or suspend these Procedures when, in the Secretary’s sole discretion, it is in the best interest of the Commonwealth. The Secretary may also call for “special” campaigns to be administered through the existing CVC structure.