

# **LOCAL GOVERNMENT CAMPAIGN GUIDELINES**

Revised April 2015

## **OVERVIEW**

The City of Fredericksburg, and the Counties of Caroline, King George, Spotsylvania and Stafford work in partnership to execute the annual Local Government Campaign (LGC). The LGC guidelines set forth below permit one annual campaign that solicits charitable contributions among local government employees through payroll deduction within the framework of these guidelines.

## **PURPOSE**

The purpose of the annual LGC is to provide local government employees with information and the opportunity to support community needs and approved nonprofit organizations that provide health and human welfare services within the Commonwealth of Virginia.

## **CAMPAIGN MANAGEMENT AND FISCAL AGENT**

For each of the governing bodies, the County Administrator, City Manager, Superintendent of Schools or their appointee shall serve on the Local Government Coordinating Committee (LGCC). The LGCC is responsible to select the Fiscal Agent of the LGC, review and authorize the campaign plan and budget, act on appeals for participation in the campaign, and ensure that the campaign is conducted in accordance with the Local Government Campaign Guidelines.

To minimize cost and workplace interruption, each governing body will only maintain an administrative relationship with one organization, the Fiscal Agent of the LGC. To be eligible to serve as the Fiscal Agent, the applicant(s) must:

1. Demonstrate experience and ability in organizing and conducting successful working giving campaigns that provide employees with information about current local community needs and a variety of nonprofit organizations to which they may contribute that provide health and human welfare services within the local community.
2. Demonstrate experience and ability in providing allocation services for donors who give directly to the campaign without specifying an eligible nonprofit.
3. Demonstrate experience and ability in collecting, recording and distributing funds from employee campaigns.
4. Demonstrate experience and ability in processing donor designations, from determining eligibility of the nonprofit designated to remittance of pledge collections, as well as the handling of exceptions.
5. Have a direct and substantial presence in the local community, including a physical office open on a full-time basis.

6. Be directed by a volunteer Board of Governors who serve without compensation and live in the local community.
7. Comply with the Charitable Solicitation Laws of the Commonwealth of Virginia.

The LGC will be conducted for the support of eligible health and human service nonprofit organizations. Those organizations that apply and are deemed eligible will be registered in campaign materials and considered fully participating. To enhance the success of the campaign, solicitation materials may feature services and nonprofits from among the qualifying participants based on donor interest and/or local priority needs.

### **ELIGIBILITY CRITERIA FOR NONPROFIT APPLICANTS**

Each nonprofit organization appealing to be a participant in the LGC must complete an eligibility application and provide evidence that it meets all criteria set forth below:

1. Must be a nonprofit organization with the 501(c)(3) IRS tax exempt status, or be mandated by government.
2. If incorporated in the Commonwealth of Virginia, must be filed with the State Corporation Commission (Articles of Incorporation, annual updates of registered agent, principle office, and Board of Directors list).
3. Must be registered with or granted exemption from registration by: The Virginia Department of Agriculture and Consumer Services, 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.
4. Have substantial presence in and enumerate services provided in Virginia, including delivery of health and human welfare services. A nonprofit is considered to provide such services if it meets the following criteria:
  - a. A service provided by the nonprofit or the services provided by all member nonprofits of a federation must directly benefit human beings.
  - b. Services provided must consist of care, research or education in the fields of human, health or social adjustment and rehabilitation; relief for victims of natural disaster and other emergencies; or assistance to those who are impoverished or in need of food, shelter, clothing, and other basic human needs / welfare services.
  - c. The primary focus of the nonprofit must *not* be one, or a combination of the following which are not considered to be direct health and human welfare services:
    - i. The support of institutions of post-secondary education.

- ii. Litigation activities on behalf of parties other than the nonprofit itself (i.e. legal advocacy; however, personal legacy advocacy services for individuals who are elderly or impoverished are considered to be direct health and human welfare service)
- iii. Political lobbying for the passage or defeat of legislation (i.e. political advocacy)
- iv. Sectarian activities, including those aimed to promote the adoption of one or more religious or philosophical points of view.
- v. Activities that related to natural resources or wildlife management policy.
- vi. Activities that related to environmental management or policy.

*Note – this list should not be considered inclusive of all types of activities which are not direct health and human welfare services. Additionally, if the nonprofit applicant participates in the below activities, but these activities are secondary to direct health and human welfare services and is not the primary focus of the nonprofit, the agency will not be disqualified on that basis.*

## **APPLICATION, DETERMINATION OF ELIGIBILITY AND ADMISSION INTO THE LGC**

### **Application**

Eligibility information is required for *all* applicants requesting to participate in the LGC, including those organizations that participate under a federated nonprofit organization. In order for any nonprofit organization to receive contributions through the LGC, they must be deemed eligible to participate within these guidelines. Donors may not “write-in” nonprofit organizations to receive contributions through the LGC. The following information is required to be submitted in order to be considered for participation in the LGC:

1. A completed LGC application.
2. A certification (which is included in the aforementioned LGC application) signed by the chief professional officer and the chief volunteer officer that certifies the organization meets the eligibility criteria set forth in these guidelines.
3. Evidence of IRS determination as a 501(c)(3) nonprofit charitable organization or governmental mandate.
4. The current year-end financial statement, which in consideration of fiscal year-end should be available.
5. Any nonprofit organization with annual gross receipts of \$100,000 or more shall submit a statement that it has been audited by an independent certified public accountant.

6. A list of the Board of Directors to include addresses and phone numbers where the members may be contacted.
7. The telephone number and address(es) of local offices where services are available.
8. A description of services provided.

*Note – A federated nonprofit organization (i.e. United Way, Community Health Charities) once approved by the LGCC, may submit a composite application on behalf of its eligible members. Members that were within the federation during the previous LGC are not required to submit full applications; however, if the member is new to the federation, the federation must submit a full application for those new members.*

### **Determination of Eligibility and Acceptance into the LGC**

1. Upon receipt of the nonprofit organizations applications, the LGCC shall determine eligibility of all applicants at a meeting called for this purpose.
2. The Fiscal Agent shall issue notification of acceptance or an explanation of rejection to all applicants within five (5) working days following the decision.
3. The authority regarding eligibility rests with the LGCC and accordingly, it will act on any appeal(s) of eligibility decisions.
  - a. All appeals must be received by the Fiscal Agent in writing within five (5) working days of the notification of rejection.
  - b. The appeal should provide the basis upon which the applicant believes it is unduly rejected.
  - c. The LGCC will meet and rule on all appeals.
  - d. The Fiscal Agent will issue final notification of the acceptance or explanation of the rejection within three (3) working days following the decision.

### **DUTIES AND RESPONSIBILITIES**

The LGCC will meeting during the first quarter of each calendar year to determine, establish and approve the LGC schedule (which includes deadlines for significant LGC events), along with the annual appointment of the Fiscal Agent.

#### **Duties of the LGCC include, but are not limited to:**

1. Appoint the Fiscal Agent.
2. Issue the LGC schedule.

3. Approve the LGC operating budget.
4. Approve the actual costs charged by the Fiscal Agent.

**Duties of the Fiscal Agent include, but are not limited to:**

1. Preserve a hard-copy public file of all material(s) related to the LGC. Files are maintained for five (5) – seven (7) years.
2. Coordinate collection of contributions and pledges.
3. Protect the confidentiality of the donor list and associated social security numbers from the general public. If the donor has *not* requested anonymity, the Fiscal Agent will forward the name and address of the donor to the designated nonprofit. The Fiscal Agent will *not* forward the social security number(s).
4. Submit a report to the LGCC of the total designated and undesignated contributions, as well as the actual budget cost report for approval. Upon acceptance of the report, copies will be distributed to all campaign participants.
5. Receive donor contributions and payroll deduction remittances and disburse them to LGC participants on a quarterly basis. The Fiscal Agent shall deduct the cost of running the LGC from the proceeds of the first disbursement.
6. Prior to June 1<sup>st</sup> of the following calendar year, submit a final report summarizing all of the financial information related to the LGC and all campaign participants.

**Duties of the LGC approved nonprofit participants include, but are not limited to:**

1. If involved as a member of a federated nonprofit, will receive all communications and remittances through their respective federation.
2. Shall protect the confidentiality of the donor list and send acknowledgment of the contribution to each donor on the list for which an address is available.
3. Shall not directly solicit nor contract any employee in the workplace at any time for a payroll deduction pledge.

**CAMPAIGN CONTRIBUTIONS**

The LGC is the only charitable fundraising effort conducted among local government employees for which payroll deduction is authorized. Donors must contribute via cash, check, credit card, payroll deduction or stock. LGC contributions may be designated to one or more specific organizations participating in the LGC. If the contribution is undesignated, then 100% of all undesignated dollars will be contributed to the Fiscal Agent for allocation based on local priority needs. Interest earned on contributions will offset Administrative expense.

## **CAMPAIGN ACTIVITIES AND MATERIALS**

LGC activities and materials will be planned and developed according to the combined nature of the campaign.

**The LGC Guide (Brochure)** will include:

1. A summary of the LGC procedures.
2. The names of the LGCC members and Fiscal Agent.
3. An alphabetical listing by federation of participating nonprofit organizations, to include a 25-word description of the services provided, telephone number, and four (4) digit designation code.

**LGC Pledge Form** is a three (3) part triplicate form that provides for:

1. Personal information of the donor (i.e. name, employer, address, email, employer ID#).
2. Contribution method (i.e. payroll deduction, check, credit card, etc.) with signature line to authorize payroll deduction.
3. Gift options for undesignated giving and four (4) spaces for designated giving.

Other necessary materials (i.e. pledge envelopes, distribution bags, etc.) will be provided by the Fiscal Agent (under LGC guidance) according to the needs of the participating governmental entities.