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See attached committee
guidelines

STATE OF COLORADO

EXECUTIVE CHAMBERS

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Richard D. Lamm
Governor

B 011 86

EXECUTIVE ORDER

COLORADO STATE EMPLOYEE ADVISORY COMMITTEE ON CHARITABLE GIVING

WHEREAS, charitable giving by state employees should be encouraged as an appropriate and convenient way to benefit their communities; and

WHEREAS, annual fund drives traditionally have been coordinated by state employees in cooperation with umbrella organizations; and

WHEREAS, the Controller has received requests from charitable organizations for permission to receive payroll deductions from state employees; and

WHEREAS, employees and charitable organizations would benefit from expanding the choices available of organizations to receive employee contributions; and

WHEREAS, it would benefit the State to have an advisory committee to establish criteria and design procedures for an expanded annual fund drive;

NOW, THEREFORE, I, Richard D. Lamm, Governor of the State of Colorado, by virtue of the authority vested in me under the laws of the State of Colorado, DO HEREBY ORDER THAT:

1. There is established a Colorado State Employee Advisory Committee on Charitable Giving (hereinafter known as the Committee). The Committee shall be composed of employees of the State of Colorado and shall be appointed by and serve at the pleasure of the Governor. Committee members shall receive no additional compensation for their services in performance of their official duties as members of the Committee.
2. The Committee shall meet at times and places designated by the Department of Personnel.

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COLORADO STATE EMPLOYEE ADVISORY COMMITTEE ON CHARITABLE GIVING
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3. The Committee shall perform the following functions:

- a. Formulate criteria to be used to determine which organizations may solicit from state employees during the annual charitable fund drive. Such criteria shall include, but not be limited to, the following:

Organizations must be exempt from federal income tax under Internal Revenue Code 501(a) as described in section 501(c)(3). Only umbrella organizations may solicit employee contributions. Each umbrella organization must have as members at least seven charitable organizations, each of whom must meet all of the requirements of the Committee;

Organizations must demonstrate that their programs have a substantial presence within the state of Colorado;

Organizations must demonstrate their capacity to conduct the administration of a fund solicitation, including production of materials, training and recruitment of state employee campaign volunteers, and production and submission of all reports and documents requested by the Committee or the Controller.

The Committee may establish other criteria it deems necessary or desirable.

- b. Design a procedure by which charitable organizations desiring to solicit from state employees may apply and be considered by the Committee. The timeline imposed by such procedure shall permit adequate time for the charitable organizations to plan and prepare for the annual fund drive.
- c. The Committee shall present its recommended criteria and procedures for the annual charitable fund drive to the Governor and the Controller by April 1, 1987, and thereafter as requested by the Governor.

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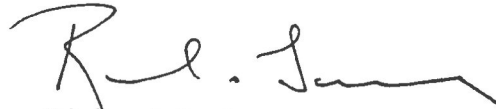
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d. Annually, according to the criteria and procedures developed by the Committee, the Committee shall recommend to the Governor and the Controller which organizations may solicit contributions from state employees during the annual fund drive.

4. In formulating the criteria and procedures, the Committee shall invite and carefully consider input from interested or affected charitable organizations, state employees, the Department of Personnel, and the Controller.

GIVEN, under my hand and the
Executive Seal of the State of
Colorado, this ninth day of
January, A.D. 1987.



Richard D. Lamm
Governor

I. PURPOSE:

- A. Charitable giving by State employees should be encouraged as an appropriate and convenient way to benefit their communities.
- B. Annual fund drives traditionally have been coordinated by State employees in cooperation with umbrella organizations.
- C. The Controller has received requests from charitable organizations for permission to receive payroll deductions from State employees.
- D. Employees and charitable organizations would benefit from expanding the choices available of organizations to receive employee contributions.
- E. It would benefit the State to have an advisory committee to establish criteria and design procedures for an expanded annual fund drive.

II. CRITERIA:

A. Charitable Organizations:

- 1. Must be exempt from federal income tax under Internal Revenue Code 501(A) as described in Section 501(c)(3). An advance ruling on its exempt status shall meet this requirement.
- 2. Must be supported in part by voluntary contributions from the public.
- 3. Must be registered as a charitable organization with the Secretary of State.
- 4. Finances:
 - a. May use either a cash-based or an accrual accounting system so long as the system can be reviewed and meets standard accounting procedures.
 - b. Must conduct its fiscal operations in accordance with a detailed annual budget which is prepared and approved at the beginning of each fiscal year by the Board of Directors. Prior authorization by the Board of Directors shall be required for any significant variation from the approved budget.
- 5. Must have a policy and procedure of non-discrimination in regard to race, color, religion, national origin, handicap, age or sex applicable to persons served by the charitable organization; applicable to charitable organization's staff employment; and applicable to membership on the charitable organization's governing board.

6. Must prepare an annual report available to the general public which includes a full description of the charitable organization's activities, including types of solicitation for contributions; the names of its chief administrative personnel; and a full disclosure of the sources and use of contributions.
7. Must demonstrate a history of service of no less than 12 months prior to the date of application as a charitable organization under these criteria.
8. Publicity and promotional activities shall be based upon the actual program and operations of the charitable organization.
9. Integrity of Operations:
 - a. Funds contributed to the charitable organization by State employees must be used for their announced purposes.
 - b. The charitable organization's activities must be consistent with the organization's stated goals and objectives.
10. Fundraising Practices:
 - a. Shall not imply directly or indirectly that approval for payroll deduction constitutes endorsement of the organization by the State of Colorado.
 - b. Shall not, from selling, or otherwise permit others to use lists of contributors who donate through the Colorado State Employee Combined Fund Drive.
 - c. Shall not mail unordered tickets or other merchandise to State employees with a request for money in return.
11. Must maintain an active local volunteer board of directors that serves without compensation through regular meetings and exercising satisfactory administrative controls in accordance with the charitable organization's articles of incorporation and bylaws.
12. Must disclose to State employees during the Fund Drive the ratio consisting of: those costs not associated with the direct service or program/total budget.
13. Must demonstrate that its programs have a substantial presence within the State of Colorado as evidenced by the following:
 - a. The availability of organizational activities as represented by goods and services provided to persons working or residing in the State of Colorado; and/or

8. Must conduct its fiscal operations in accordance with a detailed annual budget which is prepared and approved at the beginning of each fiscal year by the Board of Directors. Prior authorization by the Board of Directors shall be required for any significant variation from the approved budget.
9. Must prepare an annual report available to the general public which includes a full description of the charitable organization's activities including types of solicitation for contributions, the names of its chief administrative personnel, and a full disclosure of the source and use of contributions.
10. Must prepare and make available to the general public an annual financial report which shall be certified by an independent certified public accountant.
11. Must disclose to State employees during the Fund Drive the ratio consisting of: those expenditures from all sources of funds retained by the umbrella organization to carry out its role/total funds raised for member agencies.
12. Must have sufficient volunteers or staff or both to contribute to the organization and conduct of the Colorado State Employee Combined Fund Drive.

III. PROCEDURES:

A. Application Process:

1. Each charitable organization annually shall submit to the umbrella organization a separate application that consists of documents that prove the charitable organization is in compliance with all criteria set forth above for charitable organizations.
2. The umbrella organization annually shall submit to the State Controller an application consisting of documents that prove it is in compliance with all criteria set forth above for umbrella organizations.
3. Applications must be received on or before February 1 to be considered for eligibility for payroll deduction during the contribution year that begins January 1 of the following year.
4. The information required by this section "application process" must be maintained in the files of the umbrella organization for two years and available for inspection or audit by the Controller or his/her designee with 24 hours advance notice to the umbrella organization by the Controller or his/her designee.

- b. The presence within the State of Colorado of a facility at which goods or services may be obtained such as: an office, clinic, mobile unit, field agency or direct provider; or specific demonstrable effects of research such as personnel or facilities engaged therein; or specific state applications thereof; and/or
 - c. The availability to persons working or residing in the State of Colorado of communication with the voluntary charitable agency by means of home visits, transportation or telephone calls.
- 14. May not participate in more than one umbrella organization that receives State employee contributions in a single combined campaign.
 - 15. Must be a member of an umbrella organization that is approved for a payroll deduction according to the criteria set forth in the following section.
 - 16. Must not use donated State employee funds for lobbying activities.
 - 17. Must not use donated State employee funds for any religious purpose.

B. Umbrella Organizations:

- 1. Serves as the agent of a group of charitable organizations as defined by the criteria set forth above.
- 2. Must accept responsibility for certifying annually that all member charitable organizations meet criteria set forth for charitable organizations.
- 3. Must be an organization exempt from federal income tax under Internal Revenue Code 501(A) as described in Section 501(c)(3).
- 4. Must be registered as a non-profit organization with the Colorado Secretary of State.
- 5. Must have at least 7 member charitable organizations.
- 6. Must demonstrate a history of operations of no less than 12 months prior to submitting its application for payroll deduction eligibility under these criteria.
- 7. Must use standards of accounting and a financial system based on generally accepted accounting principles which includes accounting procedures acceptable to an independent certified public accountant.

B. The Controller shall:

1. Approve no later than March 1 of each year the recommendations of the Colorado State Employee Advisory Committee on Charitable Giving established by Executive Order B 011 86, hereafter referred to as the "Advisory Committee," as to the eligibility of umbrella groups to participate in the State-sponsored Combined Fund Drive.
2. Maintain a list of eligible charitable organizations.
3. Be the custodian of applications and other relevant documents related to the Colorado State Employee Combined Fund Drive.
4. Remove from the eligibility list any organization at any time upon the request of the organization or if the Controller or his/her designee determines that the organization has ceased to comply with these criteria or procedures. After removal, no further State employee funds shall be distributed to the organization.
5. Deposit at each payroll period the total amounts deducted from the employees' paychecks for charitable contributions in an interest-bearing account.

C. The Advisory Committee:

1. The composition of the Advisory Committee shall be no more than 15 members appointed by the Governor broadly representative of the departments of Colorado State government. It shall be the obligation of the Advisory Committee to develop and amend bylaws as necessary, including the method for selecting officers.
2. The Governor shall appoint the Advisory Committee members to serve two-year terms, except that the terms of one-half of those first appointed shall expire December 31, 1988 and the other half shall expire December 31, 1989.
3. It shall be the role of the Advisory Committee to:
 - a. Review the umbrella organization's application to determine if the applicant meets all criteria set forth above.
 - b. Make written recommendations regarding eligibility for payroll deduction authorization from umbrella organizations to the Controller.
 - c. Review and recommend discontinuance of payroll deduction for any charitable organization or umbrella group that, after approval, ceases to comply with these criteria and procedures.

- d. Receive administrative support for its activities from the Department of Personnel.
- e. Devise an application process to and select a single Campaign Manager.

D. Distribution of Funds:

- 1. The Campaign Manager described below in the "Campaign Manager Guidelines" section shall, in accordance with a plan submitted to and approved by the Advisory Committee:
 - a. Distribute funds from the account to eligible umbrella organizations in proportion to the amounts designated to each umbrella organization.
 - b. Determine the method for distributing undesignated funds.
 - c. Use standards of accounting and a financial system based on generally accepted accounting principles which includes accounting procedures acceptable to an independent certified public accountant.
 - d. Conduct its fiscal operations in accordance with a detailed annual budget which is approved by the Controller or his/her designee. No administrative costs associated with the account or distribution of funds shall be borne by the State. Prior authorization by the Controller or his/her designee is required for any significant variation from the approved budget.
 - e. Prepare and submit to the Controller or his/her designee an annual financial report which shall be certified by an independent certified public accountant.

E. Campaign Manager Guidelines:

- 1. All costs such as payment of Campaign Manager's fees, printing of brochures, preparation of slide presentations and other promotional costs shall be the responsibility of the participating umbrella organizations.
- 2. The contribution year for the purposes of annual payroll deduction of charitable contributions shall be the calendar year beginning with January.
- 3. The annual combined Fund Drive shall be conducted by the Campaign Manager.
- 4. The Campaign Manager shall prepare and submit to the Controller or his/her designee no later than May 1, a detailed plan for the Fund Drive that includes, but is not limited to:


- a. Draft design of the pledge card to be used that reflects all statutory and processing requirements set forth by the Controller and which allows State employees the option of specifying that contributions be distributed to individual charitable organization(s) members of the participating umbrella organizations.
 - b. Draft designs of all promotional and publicity materials to be used in the drive such as posters, brochures and slide shows.
 - c. Method and timeline for recruiting volunteer solicitors.
 - d. Method and timeline for training volunteer solicitors.
 - e. Method and timeline for organizing and conducting solicitation presentations.
 - f. Method and timeline for distributing and collecting pledge cards.
 - g. Budget for all expenses associated with the Fund Drive which specifies all funding sources that will be used to pay such expenses. No expenses shall be borne by the State.
 - h. Method and timeline for distributing funds that fulfills procedural requirements set forth in Section III-D, above.
5. The Controller or his/her designee shall issue a response to the Fund Drive plan within 10 working days.
 6. The Campaign Manager may immediately implement any parts of the Fund Drive plan upon written approval by the Controller or his/her designee.
 7. The Controller or his/her designee may require the Campaign Manager to revise and resubmit all or any parts of the Fund Drive plan.
 8. Prior authorization from the Controller or his/her designee is required for any significant variation from the approved Fund Drive plan. Non-compliance with this provision shall be cause to remove a charitable organization or an umbrella organization from the eligibility list or relieve the Campaign Manager from his/her responsibilities.

F. Appeals:

1. An organization that disagrees with decisions rendered by the Advisory Committee can submit a written request for a review by the Controller or his/her designee within 10 days of such decision.

G. Effective Date:

1. The first combined campaign will be conducted during the 1988 calendar year.


Governor Roy Romer

11/4/88
Date