

From: Internet, CFC [<mailto:CFC@opm.gov>]
Sent: Tuesday, October 18, 2016 12:25 PM
To: Internet, CFC <CFC@opm.gov>
Subject: CHANGES TO THE COMBINED FEDERAL CAMPAIGN FOR 2017

Dear CFC Participating Charities:

I am sure you have heard that there will be changes to the Combined Federal Campaign (CFC) starting with the 2017 campaign. We are very excited about these changes as we believe they will increase both your pledge dollars and your volunteer rosters. Some of the changes are:

- 1) All applications will be done online through a centralized system;
- 2) All distributions will be made from one centralized source;
- 3) You will have an online dashboard within the centralized system to track your pledges and receipts;
- 4) Federal retirees will now be able to pledge through their annuities (doubling the current donor base of the CFC);
- 5) Federal donors may register to volunteer time to your organization through the CFC; and
- 6) The costs of the CFC will be paid through fees.

With the change to the centralized application system, the application period may be earlier than many of you are used to. We recommend you review the new regulations at <https://www.federalregister.gov/documents/2014/04/17/2014-08574/solicitation-of-federal-civilian-and-uniformed-service-personnel-for-contributions-to-private> to ensure you have all the necessary information ready when the application period opens. While most of the eligibility requirements remain the same, there was a change regarding audits. The new requirements are:

- (i) An organization with annual revenue of less than \$100,000 reported on its IRS Form 990 or pro forma IRS Form 990 submitted to the CFC is not required to undergo an audit, submit audited financial statements, or to account for its funds on an accrual basis in accordance with generally accepted accounting principles. Rather, the organization must certify that it has controls in place to ensure that funds are properly accounted for and that it can provide accurate and timely financial information to interested parties.
- (ii) An organization with annual revenue of at least \$100,000 but less than \$250,000 is not required to undergo an audit. The organization must certify that its financial statements are reviewed by an independent certified public accountant on an annual basis or are audited by an independent public accountant on an annual basis. A copy of the reviewed or audited financial statements must be included with the application. The financial statements must cover the fiscal period ending not more than 18 months prior to the January of the year of the campaign for which the organization is applying. The organization must certify that it accounts for its funds on an accrual basis in accordance with United States or International generally accepted accounting principles.
- (iii) An organization with annual revenues of at least \$250,000 must certify that it accounts for its funds on an accrual basis in accordance with United States or International generally accepted accounting principles and that an audit of its fiscal operations is completed annually by an independent certified public accountant in accordance with generally accepted auditing standards. A copy of the organization's most recent annual audited financial statements must be included with the application. The statements must include all statements required for voluntary health and welfare organizations by the United States Financial Accounting Standards Board or the International Accounting Standards Board. The audited financial statements must cover the fiscal period ending not more than 18 months prior to the January of the year of the campaign for which the organization is applying.

We will be sending out more emails over the next month as we prepare for the application system to open. Please ensure you have cfc@opm.gov and cfc-compliance@opm.gov marked as safe addresses so these emails do not end up in your spam boxes. Please also contact us if there are additional email addresses to include for your organization. When you send this information, please include your organization name and 5 digit CFC code so we can attach the information to the correct organization.

Sincerely,

Keith Willingham, Director
Combined Federal Campaign