

Regulations of Connecticut State Agencies

TITLE 5. State Employees

Agency

Office of the State Comptroller

Subject

State Employee Campaign for Charitable Giving

Inclusive Sections

§§ 5-262-1—5-262-12

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State Employee Campaign for Charitable Giving

Sec. 5-262-1. Definitions

The definitions in Section 5-262-1 of the Connecticut General Statutes apply to Sections 5-262-2 through 5-262-12, inclusive, of these regulations.

(a) **Appointing authority** shall have the meaning set forth in Section 5-196 of the Connecticut General Statutes.

(b) **Comptroller** refers to the Comptroller of the State of Connecticut.

(c) **Date of application**— January 15 or if January 15 falls on a non-business day, the next succeeding business day.

(d) **Local Campaign Community (LCC)** means a geographical area in which the campaign is conducted.

(e) **Local Campaign Manager (LCM)** A participating federation or member agency under the direction of the PCFO with the capacity to manage the local campaign on behalf of all participating federations in the SEC.

(f) **Principal Combined Fund Organization (PCFO)** means a participating federation with workplace campaign experience that has been selected by the SECC pursuant to Section 5-262 of the Connecticut General Statutes and these regulations, and charged to administer the SEC for the entire state, subject to the direction and control of the SECC.

(g) **Quorum** a majority of the total membership with voting rights of a committee.

(h) **SEC** refers to the State Employee Campaign.

(i) **SECC** refers to the State Employee Campaign Committee established in Section 5-262 of the Connecticut General Statutes.

(Effective June 22, 1994)

Sec. 5-262-2. General provisions

(a) Participating federations may engage in workplace solicitation of state employees only in accordance with the procedures outlined herein.

(b) Employee solicitations shall be conducted during work hours using non-coercive methods that permit voluntary giving and reserve to the individual contributor the right to disclose any gift or keep it confidential.

(c) The solicitation period for the annual SEC shall be scheduled to allow timely processing of payroll deduction requests.

(d) At the discretion of the appointing authority, loaned state employees may volunteer to be assigned on a full or part time basis, for the specific period of time, to conduct or assist in the operation of the SEC. The employing state agency shall decide who will serve as a loaned employee and the length of the assignment. When assigned to the SEC, the loaned employee shall retain his salary and benefits.

(e) No federation will be allowed to participate in the SEC unless it and all its member agencies are in compliance with the requirements of Section 5-262 of the Connecticut General Statutes and Sections 5-262-1 through 5-262-12, inclusive, of the regulations of

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Sec. 5-262-3. Eligibility standards

To be eligible for approval for participation in the State Employee Campaign, a federation and all of its participating member agencies must:

(a) Be incorporated or authorized to do business in the State of Connecticut as a private non-profit organization and, unless exempt pursuant to Section 21a-190d of the Connecticut General Statutes, registered with the Department of Consumer Protection in compliance with the provisions of Sections 21a-190b and 21a-190c of the Connecticut General Statutes.

(b) Be engaged in the delivery of charitable and public health, welfare, environmental, conservation or service purposes.

(c) Maintain its status as a 501 (c) (3) tax exempt entity pursuant to the Internal Revenue Code.

(d) Be directed by an active Board of Directors which meets regularly and whose members serve without compensation.

(e) Provide for an annual external audit by a certified public accountant, if its annual budget is \$50,000 or greater. Organizations whose annual budget is less than \$50,000 may provide for an annual external financial review by a certified public accountant in lieu of an external audit report.

(f) File an IRS Form 990, if required to do so by federal law or regulation.

(g) Provide accurate information as to the percentage of its budget which is used for fund raising and administrative purposes.

(h) Not expend more than 25 percent of its annual revenue for administrative and fundraising expenses. The SECC may grant an exception for good cause.

(i) Verify that its publicity and promotional activities assure protection against the sale or exchange of its SEC contributor list and permit no payment of commissions, kickbacks, finder's fees, or bonuses for fund raising in connection with the SEC.

(j) Ensure that its publicity and promotional activities are based upon its actual program and operations, are truthful and non-deceptive, and include all material facts relative to its cause.

(k) Have a stated policy of non-discrimination and be in compliance with all requirements of law and regulations respecting non-discrimination, equal employment opportunity, and public accommodations with respect to its programs, clients, officers, employees and volunteers.

(l) Demonstrate a history of service of not less than 12 months prior to the date of application to participate in the SEC.

(m) Not have been organized exclusively for the purpose of soliciting contributions from state employees.

(n) Disclose to the SEC that it or any of its directors, officers or employees are the subject of any investigation or legal proceeding by any federal, state or local law enforcement

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authority based upon its charitable solicitation activities, delivery of program services, or use of funds, not later than ten days after being informed of such investigation or proceedings and disclose the outcome of any such investigation or proceeding not later than ten days after such outcome.

(Effective June 22, 1994)

Sec. 5-262-4. Application process

(a) On or before January 15 annually, each federation seeking to participate in the SEC shall submit an application to the SECC c/o the Comptroller. The application shall be in the form prescribed by the Comptroller and shall contain the following information:

- (1) the name, address and telephone number of the federation;
- (2) the name, address and telephone number of a person designated by the federation who the SECC may contact regarding the federation application;
- (3) a list of member agencies, their telephone numbers and a 25 word description of each agency and the percentage of annual expenditures each agency used for fund-raising and administration;
- (4) a document signed by an officer or the executive director of the federation, certifying the following:

(A) that the federation maintains on file the following documents for itself and for each member agency, and that it will produce at the federation's expense any such document(s) upon the written request of the Comptroller, the State Auditors or the SECC:

- (i) Articles of Incorporation and current Bylaws;
- (ii) evidence of tax exemption under IRS Section 501 (c) (3);
- (iii) Certificate of Registration from the Connecticut Department of Consumer Protection, Public Charities Unit or, if exempt, a Certificate of Exempt Status;
- (iv) most recent annual financial audit, or financial review, as provided under Section 5-262-3 (e) of the regulations of Connecticut state agencies and IRS Form 990 with all attachments;
- (v) most recent annual report;
- (vi) a list of officers and directors, giving names, addresses and defined roles;
- (vii) a written policy of non-discrimination;
- (viii) a statement affirming that there will be no unauthorized use of the SEC contributor lists and that no commissions or bonuses relating to the SEC have been or will be paid;
- (ix) a statement affirming that publicity and promotional activities are truthful;
- (x) a statement that funds will be used for the stated purposes of the federation and member agencies;
- (xi) current operating budget;
- (xii) a description of operations and services which includes information on the extent of contributor support and volunteer participation in the activities of the organization.

(B) that the federation and each member agency is in compliance with the eligibility standards set forth in Section 5-262 of the Connecticut General Statutes and Section 5-262-

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(C) that the federation shall monitor the compliance of its member agencies and shall inform the SECC as soon as possible if any member agency fails to comply with any of the requirements of Section 5-262 of the General Statutes or Sections 5-262-1 through 5-262-12, inclusive, of the regulations of Connecticut state agencies.

(D) that the federation and each member agency is up to date in its filing of annual financial reports required by state law.

(E) that the federation will maintain all documents listed in subsection (A) for a minimum of 3 years after the end of the fiscal year to which such document relates.

(b) The SECC shall select a committee comprised of three or more voting members (“the application review committee”) which shall review all applications for completeness and for compliance with eligibility standards. The application review committee may request documents or information pertinent to its review from the applicant federation and from any member agency. The application review committee shall make its recommendations to the SECC. The SECC shall vote on each application and notify each federation of its decision in writing no later than April 15.

(c) Any federation whose application has been denied may request a hearing before the SECC to appeal the denial of its application. Such request for a hearing shall be in writing, and filed with the SECC within fifteen (15) days of receipt of the notice of denial. The SECC shall promptly schedule a hearing, and may request the federation to produce documents or information pertinent to the application and appeal. The SECC shall issue a decision on the appeal within 21 days of the hearing. The decision shall be in writing and shall state the reason(s) for its decision. The decision of the SECC shall be final.

(Effective June 22, 1994)

Sec. 5-262-5. Withdrawal of eligibility

(a) In the event that a participating federation or member agency fails to adhere to the eligibility requirements or to the policies and procedures of the SEC, eligibility of such federation or agency may be withdrawn by the SECC. The SECC shall send written notification to the federation and agency of the specific reasons for the withdrawal of eligibility.

(b) The federation or agency or both may appeal the withdrawal of eligibility by filing a written appeal with the SECC within ten (10) working days after receipt of such notification. The SECC shall provide the appealing federation or agency a hearing within ten (10) working days of the receipt of the notice of appeal, unless by mutual consent the parties agree to a different date for such hearing. The SECC may request the federation or agency to produce documents or information pertinent to the appeal. The SECC shall issue a decision on the appeal within 21 days of the hearing. The decision shall be in writing and shall state the reason(s) for its decision. The decision of the SECC shall be final.

(c) If a member agency’s eligibility to participate in the SEC is withdrawn by the SECC,

the federation may not distribute any funds raised in the SEC to such agency.

(Effective June 22, 1994)

Sec. 5-262-6. State employee campaign costs

The cost of the campaign shall be underwritten by the participating federations. The SECC shall annually determine the total cost of the SEC, which costs may include campaign materials and related administrative charges. Annually, the SECC shall determine a cost allocation formula under which each participating federation's share of the campaign costs shall be determined.

(Effective June 22, 1994)

Sec. 5-262-7. State employee campaign committee; meetings; procedures

(a) For any action of the SECC to be binding, a quorum of SECC members with voting rights shall be present. Only members who have voting rights and are present at a meeting may cast a vote.

(b) All actions shall be by majority vote of the members with voting rights.

(c) Annually, the SECC shall elect from among its voting members a chairperson and a vice chairperson, who shall serve in the absence of the chairperson.

(d) The chairperson of the SECC shall be responsible for scheduling meetings, notifying members of the time and place of meetings, and presiding over the conduct of the meeting.

(e) Members of the SECC that represent participating federations and do not have voting rights, shall have all other rights of SECC members, including the right to participate in discussions regarding SECC action and to serve on subcommittees.

(f) Any state employee who serves on the SECC or any subcommittee thereof shall not participate in any decisions where there is a conflict of interest or when such participation would constitute a violation of state ethics laws.

(Effective June 22, 1994)

Sec. 5-262-8. Duties of state employee campaign committee

(a) The SECC shall be responsible for the overall coordination of the SEC, selection of participating federations, and approval of generic campaign materials to be used by local campaign managers.

(b) Annually, the SECC shall select a PCFO to administer the SEC. The SECC shall be responsible for supervising the activities of the PCFO.

(c) Annually, the SECC shall review and approve the budget submitted by the PCFO pursuant to Section 5-262 of the Connecticut General Statutes.

(Effective June 22, 1994)

Sec. 5-262-9. Selection of the principal combined fundraising organization

(a) Annually, the SECC shall send a letter to each federation that participated in the previous year's SEC, informing them of their right to apply to become the PCFO for the

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(b) Applying federations shall demonstrate the following qualifications:

- (1) It operates on a statewide basis.
- (2) It has or will have a Connecticut office from which to run the SEC.
- (3) It has prior campaign management experience.
- (4) It has a written plan for operation of the SEC, which shall include a proposed budget.

Such plan shall be submitted to the SECC.

(c) If more than one federation applies to serve as PCFO, selection of the PCFO shall be by a competitive process. From among the federations that apply to serve as PCFO and demonstrate all required qualifications, the SECC shall select the lowest responsible bid.

(Effective June 22, 1994)

Sec. 5-262-10. Duties of the principal combined fundraising organization

(a) The PCFO shall serve as the central accounting point for payroll deduction funds received from the Office of the State Comptroller. The PCFO shall manage the campaign fairly and equitably and shall conduct its own organization operations separately from duties performed in its role as PCFO.

(b) The PCFO shall perform the following duties, subject to the direction and control of the SECC:

- (1) Provide staff to administer the SEC;
- (2) Prepare an itemized budget of anticipated administrative expenses for the SEC, including LCM administrative expenses, and submit it to the SECC for approval;
- (3) Maintain a separate bank account for managing the income and expenses of the SEC;
- (4) Create and arrange for distribution of SEC materials;
- (5) Oversee the operations of the LCMs to ensure that they are performing their duties;
- (6) Consult, as appropriate, with the other federations on the operation of the SEC, including preparation of any printed SEC materials, participation in SEC events, and providing timely access to SEC reports, budgets, audits and other records;
- (7) Distribute campaign funds received from the Office of the State Comptroller to the appropriate federations within thirty (30) days of receipt of such funds;
- (8) Provide an end of campaign report to the SECC by March 1 annually.

(c) The PCFO shall recover its expenses from the gross receipts of the campaign. In no event shall the amount recovered by the PCFO exceed by more than 10% the estimated budget approved by the SECC.

(d) The PCFO shall be responsible for any costs attributable to its own negligence or misconduct.

(e) The SECC may request the PCFO to perform additional duties, consistent with its administrative role.

(Effective June 22, 1994)

Sec. 5-262-11. Duties of the local campaign manager

(a) The LCM shall perform its duties fairly and equitably and conduct its own organization operations separately from organizing activities on behalf of all SEC participants.

(b) The LCM shall perform the following duties related to the conduct of the actual campaign, subject to the direction of the PCFO:

- (1) Develop volunteer manpower requirements;
- (2) Establish a timetable and plan for the SEC in the LCC. The plan shall provide for:
 - (A) Recruitment and training of volunteers;
 - (B) Establishing fundraising goals;
 - (C) Distribution of campaign materials;
 - (D) Activities to advertise the SEC and promote employee participation, such as rallies, pilot campaigns and solicitation of union support;
 - (E) Arrangements for meeting with the PCFO;
 - (F) Assignment and supervision of loaned employees;
 - (G) Cooperation and communication with participating federations; and
 - (H) Maintaining records related to their campaign activities.

(Effective June 22, 1994)

Sec. 5-262-12. Use of contributor names

(a) Federations and agencies that receive the names and addresses of state employee contributors shall segregate this information from all other lists of contributors. The segregated list may not be sold or in any way released to anyone outside the recipient federation or agency. Failure to protect the integrity of this information may result in penalties up to permanent expulsion from the SEC.

(b) Any federation or agency participating in the SEC shall cooperate fully with any SECC investigation into the care and use of state employee contributor lists.

(Effective June 22, 1994)