

CITY OF CINCINNATI

POLICIES AND PROCEDURES

FOR

CHARITABLE SOLICITATION CAMPAIGNS OF EMPLOYEES

February 2010

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Chapter I. Purposes

- A. Purposes for the adoption of guidelines for the City of Cincinnati Charitable Solicitation Program are:
1. To accommodate and assist City employees' preference for and tradition of funding charitable service providers through a payroll deduction process;
 2. To promote the provision of basic health and human welfare services to those most in need by funding methods that are a legitimate alternative to the use of government funds;
 3. To minimize workplace disruption and distractions associated with charitable solicitations of City employees;
 4. To promote the accountability of organizations eligible to participate in the program for the legitimate, effective, and efficient provision of charitable services and to facilitate the ability of the City to monitor and manage the program efficiently;
 5. To concentrate the limited funds generated by the program on those charitable organizations that directly serve basic human needs to maximize the effective use and impact of such funding;
 6. To concentrate the expenditure of such funding by eligible charitable organizations in the Cincinnati area to retain the maximum impact derived from such expenditures and to ensure that such expenditures are made in the general area where City employees live and work; and
 7. To provide specific, fair, non-discriminatory eligibility guidelines for charities seeking to solicit City employees and to provide clear administrative guidelines for the effective and efficient management of the program.
- B. The City's intent is to allow a charitable solicitation campaign of its employees by only those organizations which distribute the contributions to health and welfare service organizations providing services primarily in Cincinnati and Hamilton County because:
1. It is believed to be important that employees see their donations going to charities they care about and that employees can see the results of their contributions.
 2. The distribution of funds to health and welfare service organizations that primarily serve Cincinnati and Hamilton County will provide a direct benefit to its citizens that the City

may not otherwise be able to provide and the City is therefore willing to allow charitable solicitation campaigns of its employees.

City or joint City-County related organizations that exist only to promote or assist a City agency or department or a joint City-County agency administered by the City are not subject to these policies and procedures. (An example of such an organization would include, but not be limited to, The Park Foundation.)

C. For purposes of these guidelines, a health and welfare service organization is defined as an organization where:

1. The services provided by the agency directly benefit human beings in need.
2. The services provided consist of care, research or education to meet human health, social adjustment, or rehabilitation needs; relief for victims of natural disasters and other catastrophes; assistance, including personal legal advocacy, to those who are impoverished and in need of food, shelter, clothing and other basic human welfare services; safety, foster and protective services for children and adults; assistance for home management and maintenance; transportation, referral and counseling, and adoption services; and assistance for the elderly.

D. These policies and procedures guide the City of Cincinnati and the organizations that apply for and are approved for inclusion in the program by the City Manager or his designee. The City Manager or his designee shall determine, based on the eligibility requirements contained herein, if an organization may participate in this program.

Chapter II. Application to Participate

- A. To minimize workplace disruption and to promote the manageability of the program, the City will limit the number of campaigns to five (5) annually. This number will include all grandfathered organizations but will not include City or City-County related organizations described in Chapter 1.
- B. The City will accept applications between January 15th and February 15th each year for participation in that year's campaign for solicitations. The payroll deductions based on that campaign will begin in pay period one (I) of the following calendar year. An organization may apply only once for each calendar year.

- C. Completed applications and requests for applications should be sent to:

City of Cincinnati/Human Resources Department
Charitable Contributions Steering Committee
Two Centennial Plaza, Suite 200
805 Central Avenue
Cincinnati, OH 45202

- D. Applications from organizations not previously approved by the Steering Committee will be reviewed by the City's Charitable Contributions Steering Committee. Upon receipt of a new application, the City Manager will convene the Steering Committee. The Steering Committee will consist of one representative each from Executive Management (Salary Division 5), Division O, CODE, the FOP, APECS, IAFF, Building Trades, Teamsters, and AFSCME. Each of these employee organizations will be asked to designate a member for the Steering Committee. The Steering Committee will review all new applications and determine which organizations meet the City's criteria and are thus eligible to participate in the City campaign.
 - 1. If, after all appeals have been decided by the City Manager or his designee, the number of applicants meeting the City's criteria is equal to or less than the number of available campaign slots, then each such organization will be permitted to participate in that year's campaign.
 - 2. If, after all appeals have been decided by the City Manager or his designee, the number of applicants meeting the City's criteria, including those previously approved, exceeds the number of available campaign slots, then the Steering Committee will evaluate and

rank the applications according to the degree that each application is supportive of and promotes the governmental interests articulated in Sec. 306-50 of the Municipal Code. As part of the ranking process, the committee will provide specific, detailed rationale for the ranking assigned each application. Upon approval of the City Manager or his designee, the highest ranking organizations will be selected for the remaining campaign slots. The list of organizations selected shall be final.

- E. For the purposes of ensuring accountability to participants in regard to the funds raised, each umbrella organization seeking to participate in the program must provide the following information with the completed application:
1. Proof of tax exempt status under Internal Revenue Code Chapter 501 (c)(3). and proof that contributions to the organization are deductible under Internal Revenue Code Chapter 170. This is required of an umbrella fund-raising organization and of each of its constituent agencies. Proof relating to the constituent agencies can take the form of an officially adopted rule of the umbrella organization that its constituent agencies must also have tax-exempt status under IRS Chapter 501 (c)(3). However, the umbrella organization must maintain a file, available for review by the City, containing proof of the tax exempt status for each of its constituent agencies.
 2. Proof of current registration and compliance with any reporting requirements of the State of Ohio, the City of Cincinnati and Hamilton County. The umbrella organization must maintain a file, available for review by the City, containing proof of current registration and compliance for each of its constituent agencies.
 3. A copy of current articles of incorporation and by-laws or other governing instrument. The umbrella organization must maintain a file, available for review by the City, containing copies of such documents for each of its constituent agencies.
 4. A copy of an audited financial report available to the general public which includes a full description of the organization's area activities, including fundraising activities (IRS Form 990 would be acceptable), and information on the ratio of administrative and fundraising expenses to receipts. If the organization's area activities are not described in the report, then this information must be provided separately. The umbrella organization must maintain a file, available for review by the City, containing such information for each of its constituent agencies.
 5. A copy of a detailed budget which provides, at a minimum, information on the ratio, not to exceed 25 percent, of the umbrella organization's administrative and fundraising expenses to receipts. (It is important that the organization be efficient in distributing donations to its constituent agencies.) For City of Cincinnati purposes, this percentage is computed from information on IRS Form 990, by adding the amount spent on "management and general" (currently line 14) to "fundraising" (currently line 15) and then dividing the sum by "total revenue" (currently line 12). The umbrella organization must maintain a file available for review by the City containing such information for each of its constituent agencies.

6. A listing of recent and current litigation along with the cost or potential cost of each legal proceeding. (It is important that the organization is a financially healthy organization and that City employee donations are not used to support legal proceedings.) The umbrella organization must maintain a file, available for review by the City, containing such information for each of its constituent agencies.
7. A list of all of the separate constituent agencies that are a part of the umbrella fundraising organization or a copy of the applying organization's letterhead if this information is provided on the letterhead.
8. One copy of each piece of campaign solicitation material that would be used or material similar to what would be used to solicit City employees. (Approval by the City to solicit funds does not constitute approval to identify the City as supporting the campaign in the campaign literature.)
9. A list of the organization's governing body showing the mailing address of each person (only the city, county, and state) and whether the person serves with or without compensation. The umbrella organization must maintain a file, available for review by the City, containing such information for each of its constituent agencies.
10. A list of all recipient agencies that have received funds from the applying organization within the past two years, showing for each recipient agency: the amount provided to it, the services provided by it, and whether its services were provided primarily within the City of Cincinnati and Hamilton County.
11. Any other information requested on the application or that is necessary to show that the organization meets the requirements listed in these guidelines.

Chapter III. Eligibility Requirements

- A. To be eligible to participate in the campaign to solicit contributions from City employees through the City's payroll system, the following criteria which support the purposes of the Charitable Solicitation Campaign must be met:
1. The applying organization must be an umbrella organization, consisting of at least five constituent health and welfare service agencies providing services primarily in Cincinnati and Hamilton County, that collects and distributes contributions to constituent (affiliated or federated) agencies.
 2. The organization must operate in compliance with all applicable federal, state, and local laws.
 3. The organization must operate under current, valid articles of incorporation and by-laws or other governing instruments which comply with federal and state laws.
 4. The organization must hold and maintain a current, valid designation by the IRS as a 501 (c)(3) organization and be eligible to receive tax-deductible contributions under Chapter 170 of the Internal Revenue Code. This requirement also applies to each constituent agency of the umbrella organization.
 5. The organization must fully comply with any state and local laws concerning the registration of charitable organizations. This requirement also applies to each constituent agency of the umbrella organization.
 6. The organization must be financially responsible as shown by the adoption of a detailed annual budget, and the use of generally accepted accounting principles and procedures as promulgated by the Financial Accounting Standards Board. This requirement also applies to each constituent agency of the umbrella organization. Furthermore, annual publication of audited financial statements is required of the umbrella organization and its constituent agencies with budgets of \$100,000 or more. In addition, the umbrella organization must be able to demonstrate board of directors' approval for deviations from the approved budget. The umbrella organization must show ability to limit administrative and fundraising expenses to not more than 25 percent of annual receipts. For City of Cincinnati eligibility purposes, this percentage is computed from information on IRS Form 990, by adding the amount spent on "management and general" (currently line 14) to "fundraising" (currently line 15) and then dividing the sum by "total revenue" (currently line 12).

7. Ninety percent of the organization's governing body must serve without compensation, with at least 50 percent of the board members living in Hamilton County.
 8. Organizations must show that funds have been provided to at least five constituent health and welfare service agencies for at least two campaigns preceding the calendar year of the campaign for which application is made to demonstrate that the organization has a proven track record.
 9. The organization's constituent agencies must provide health and welfare services to individuals within Cincinnati and Hamilton County primarily to be eligible for fund distribution from the City's plan.
- B. Regional umbrella organizations which conduct campaigns and provide services in a regional area that includes Cincinnati and Hamilton County may qualify for exemption from the requirements that (1) 50% of the board members reside in Hamilton County and (2) that its constituent agencies that are eligible provide service primarily to individuals in Hamilton County upon a demonstration that the organization delivers substantial services to Cincinnati and Hamilton County and that Cincinnati and Hamilton County are adequately represented on the board.
- C. If the above-listed eligibility criteria cannot be determined from the materials and information listed, then the organization must provide with its application any additional materials and information from which the above-listed criteria can be determined.

Chapter IV. Grandfathered Organizations

- A. Four charitable organizations have successfully conducted solicitation campaigns among City of Cincinnati employees. Based on past performance and their reasonable expectations to continue, two of these organizations are not subject to these guidelines. The College Fund - UNCF and the Fine Arts Fund are hereby grandfathered into the City of Cincinnati Charitable Campaign. This clause will hold until such time as the College Fund - UNCF or the Fine Arts Fund choose to withdraw on their own accord or until such issues should occur that would cause the Steering Committee to disqualify their participation.
- B. The United Way has also successfully conducted solicitation campaigns among City of Cincinnati employees in the past. Beginning in 1999, the United Way must adhere to all policies and procedures contained herein and any future amendments thereof.
- C. Community Shares has also successfully conducted solicitation campaigns among City of Cincinnati employees in the past and must continue to adhere to all policies and procedures contained herein and any future amendments thereof.

Chapter V. Restrictions on Campaigns

- A. The following restrictions apply to solicitation campaigns of City employees on City premises:
1. A grandfathered organization or an umbrella charitable fundraising organization may conduct only one campaign on City employees on City premises during a calendar year. Any such campaign may take place only during a three (3) week period. Constituent agencies may not conduct an independent campaign. All campaign activities must be conducted by the umbrella organization.
 2. The deduction or pledge cards and any campaign materials must be approved in advance by the Steering Committee. No more than three pieces of campaign materials per grandfathered organization or umbrella organization may be sent to each City employee. Posters may also be placed in locations designated by the City. The City reserves the right to reject any and all campaign materials.
 3. Each City employee will be allowed to attend one employee meeting conducted by each approved grandfathered or umbrella organization. Such attendance is purely voluntary. City employees will be compensated for attendance at no more than one campaign meeting per agency or umbrella organization per year. Campaign meetings should be scheduled to enable employees to attend without disrupting service to the public. No overtime payments or compensatory time accumulation will be granted. Employees may not be compensated to attend meetings for organizations not approved by the City Manager or his designee.
 4. No office space will be provided by the City, except that the City may allow reasonable space for employee meetings conducted by eligible grandfathered or umbrella organizations.
 5. The Steering Committee will determine the minimum contribution eligible for payroll deduction.
 6. One City employee in each department or agency of the City may be named as the department or agency coordinator for the campaign. The City may direct and limit the tasks associated with the coordinators.
 7. The City will determine, in its sole discretion, when an organization may conduct its campaign. It is the policy of the City that campaigns should not overlap and that campaigns should be separated by at least a three week period of time. The City, at its sole discretion,

may permit overlapping campaigns for eligible organizations that participate in a larger coordinated national or statewide campaign conducted at a time not determined locally.

8. Campaign materials to be distributed to City employees must be restricted to information about agencies eligible for participation in the City's Charitable Solicitation Campaign. It is the responsibility, subject to City approval, of the umbrella organization to determine which of its constituent agencies meet the City's guidelines.
9. An organization may:
 - a. Supply a catalog or list and require that a donor designate how the donor's contribution should be distributed among the constituent agencies; or
 - b. Supply a catalog or list and provide donor designation of contribution distribution as an option that donors can select for some or all contribution amounts in addition to or as an alternative to direct contributions to the umbrella organization; or
 - c. Provide for direct contributions to the umbrella organization only.
10. The organization must supply its own forms at its own expense, subject to City approval.

Chapter VI. Determination of Eligibility to Solicit Employees

A. Time Determination

1. The city will determine whether an umbrella organization will be eligible to participate in a campaign of City employees using the criteria listed in this policy. The City will attempt to make this determination within 30 days of the deadline date for applications.
2. For the purpose of minimizing administrative costs, any umbrella organization receiving fewer than 200 contributions (approximately 3% of the current City workforce) during a campaign year may not apply for participation in future campaigns without an employee petition signed by at least 200 City employees wishing to contribute to that umbrella organization.

B. Notice of Eligibility & Memorandum of Understanding

If the City determines that an organization may solicit City employees, then it will so notify the organization. The organization must then sign a Memorandum of Understanding (copy attached) with the City before it may participate in the City's Charitable Solicitation Campaign program.

C. Ineligibility

1. If the City determines that an organization is not eligible to solicit City employees, then it will so notify the organization.
2. If the City allows an organization to solicit City employees and that organization later fails to satisfy any of the criteria or abide by the restrictions listed in this policy, or otherwise acts contrary to this policy, then the City will stop allowing employee payroll deductions for that organization: If the organization is still in the solicitation process or has not yet begun it, the City will stop the solicitation process or not allow it to begin and will not honor employee payroll deduction authorizations.

Chapter VII. Appeal of Determination of Ineligibility for or Revocation of Charitable Solicitation Campaign Status

A. Revocation

1. Prior to revoking a grandfathered or umbrella organization's charitable solicitation campaign status, the City shall provide the organization with:
 - a. Written notice (by certified mail, return receipt requested) of the City's intent to revoke its charitable campaign status;
 - b. The reason(s) for such action; and
 - c. A reasonable opportunity for the agency or umbrella organization to be heard.

B. Determination of Ineligibility for Charitable Solicitation Campaign Status

1. A grandfathered or umbrella organization may appeal the determination of the City that it is not eligible to participate in that year's campaign. The City must provide the grandfathered or umbrella organization with:
 - a. Written notice (by certified mail, return receipt requested) of the City's determination that the organization is not eligible to participate in that year's campaign.;
 - b. The reason(s) for such action. For an umbrella organization that the Steering Committee determined did not meet the eligibility criteria, the written notice must specify each criteria the organization was deemed not to have met; and
 - c. A reasonable opportunity to be heard.

C. Appeal Process

1. The grandfathered or umbrella organization must submit a written appeal of the City's denial or revocation of eligibility for charitable campaign status to the City's Personnel Director (by certified mail, return receipt requested) within ten (10) work days of receipt of the City's determination. The appeal must provide a detailed statement of each basis

for the appeal. The failure to address one or more of the reasons for the City's revocation or denial of charitable campaign status shall be deemed agreement by the organization with the City's determination regarding that reason or those reasons.

2. An appeal hearing shall be conducted by the Charitable Campaign Appeal Board within 10 work days of the City's receipt of the grand fathered agency or umbrella organization's appeal. The Appeal Board shall be an ad hoc group which shall consist of one representative from each of the following groups: (1) the City Manager's Office; (2) the Personnel Department; (3) the Department of Neighborhood Services, Human Services Division; (4) AFSCME; (5) the Middle Management Association; (6) the Police Division and (7) the Fire Division. No member of the Charitable Campaign Steering Committee shall serve on the Appeal Board. Representatives of the appealing agency or umbrella organization will have an opportunity to personally appear before the Appeal Board to present evidence that it should be a participant in that year's campaign.
3. The appeal Board shall submit its recommendation to the City Manager or his designee within five (5) work days of the conclusion of its hearing. The City Manager or his designee shall render a decision within five (5) work days of receipt of the recommendation of the Appeals Board. The decision of the City Manager or his designee shall be final.
4. The appeal process articulated in this chapter is not available to umbrella organizations determined to have met City eligibility criteria that have been reviewed and ranked by the Steering Committee but not approved for selection by the City Manager or his designee under Chapter II of this Policy and Procedure.

Chapter VIII. Miscellaneous

- A. The City may change these policies and procedures at any time without prior notice.

- B. Organizations making solicitations of City employees or receiving contributions through payroll deductions are not instrumentalities of the City and are separate from the City. The City is not responsible for decisions made by any such organization or its constituent agencies.

Chapter IX. Appendices

Application for Participation in the City of Cincinnati Charitable Contributions Payroll Deduction Program

(Before completing this application, please read the attached copy of the City's Policy on Charitable Contributions Payroll Deductions.)

General Information

Name of Umbrella Organization: _____

Address _____

Contact Person: _____ Phone: _____

Number of Constituent Agencies: _____

Materials to Accompany Application

Materials to accompany this application are listed in the policy. This application will not be considered unless all of the requested information is sent with this application. You may also send materials not listed in the policy if you think it will assist the City in reviewing this application.

Please sign and date this application, and return it with all accompanying materials by mail to:

City of Cincinnati, Human Resources Department
Charitable Contributions Steering Committee
Two Centennial Plaza, Suite 200
805 Central Avenue
Cincinnati, Ohio 45201

Or by Fax to: (513) 352-5223

By signing this application you acknowledge that you have read and accepted the City's policy, and that the information provided in this application (including attached materials) is true and accurate.

Authorized Signature: _____

Please Print Name Here: _____

Title: _____ Date: _____

Memorandum of Understanding

This Memorandum of Understanding is between the City of Cincinnati (City) and _____ as follows:

1. The Organization understands that (as of the latest date of the signatures below) the City has determined, based on its application, that the Organization appears to be eligible to conduct a charitable-contributions campaign of City employees through the City's payroll system, and that the Organization may therefore conduct such campaign.

2. The Organization understands and accepts the City's policy concerning charitable contributions campaigns of City employees and agrees to abide by the terms of that policy. The Organization understands and agrees that the above mentioned policy may be changed by the City at any time and without prior notice.

3. The Organization agrees to conduct only one charitable solicitation campaign of City employees during the _____ calendar year and that such campaign will not exceed the three-week period starting on _____ .

4. The Organization acknowledges that the information provided with its application, including attached materials, is true and accurate. The Organization further agrees to immediately inform the City of any changes affecting said information or materials, if such change occurs either before or during the Organization's campaign. The Organization agrees that the City may revoke this Memorandum of Understanding at any time and without prior notice.

5. The Organization agrees that the City may reject or alter its Charitable Solicitation Campaign material for any or no reason.

Organization:

City of Cincinnati

By and through the STEERING COMMITTEE:

Authorized Signature:

City Manager:

Please Print Name:

_____ Milton Dohoney, Jr.

Date: _____

Date: _____