

**BYLAWS  
COLORADO STATE EMPLOYEE ADVISORY COMMITTEE  
ON CHARITABLE GIVING  
REVISED JUNE 2011**

**I. PURPOSE**

- A. To encourage charitable giving by expanding the choices of qualified and approved organizations in the COLORADO COMBINED CAMPAIGN as a way to benefit the State and individual communities.
- B. To set forth guidelines for an annual fund drive, hereinafter referred to as the COLORADO COMBINED CAMPAIGN (hereinafter "CCC"), to be coordinated by State employees in cooperation with approved organizations.

**II. DEFINITIONS**

**ACCRUAL ACCOUNTING SYSTEM** – An accounting system that recognizes revenues when earned rather than when cash is received and recognizes expenditures when incurred rather than when paid.

**ADMINISTRATIVE COSTS** – Any use of CCC funds that is not direct services.

**ANNUAL BUDGET** – An itemized summary of estimated expenditures and income for a one-year period.

**AUDIT** – An examination of books, records and financial statements to check and verify their fairness and accuracy.

**BYLAWS** – A set of procedures or guidelines. Rules adopted by an organization chiefly for the government of its members and the regulation of its affairs.

**CAMPAIGN MANAGER** – The organization contracted with to manage the CCC and subject to oversight by the Colorado State Employee Advisory Committee and the Executive Director (DPA).

**CAMPAIGN PLAN** – The detailed annual plan prepared and developed by the Campaign Manager which guides the CCC and is approved by the Colorado State Employee Advisory Committee.

**CASH BASIS OF ACCOUNTING** – An accounting system that recognizes revenues when the cash is received rather than earned and recognizes expenditures when paid rather than incurred.

**CHARITABLE GIVING** – A gift for public benevolent purposes. In the CCC, a financial pledge or gift to an approved organization that benefits the needy, suffering or other vital community services within the State of Colorado.

**CHARITABLE ORGANIZATION** – An organization that is registered as a non-profit organization in Colorado by obtaining a Certificate of Authority from the Secretary of State's office, is exempt from federal income tax under Internal Revenue Code 501(a) as described in Section 501(c), is a member of an umbrella organization and otherwise meets the criteria established in the Bylaws of the Colorado State Employee Advisory Committee.

**COLORADO COMBINED CAMPAIGN** – The annual fund drive for charitable giving by State employees which is established by Executive Order.

**COLORADO STATE EMPLOYEE ADVISORY COMMITTEE ON CHARITABLE GIVING** – A committee composed of employees from each of the Branches and all Departments of the State of Colorado that advises the Governor and the Executive Director (DPA) regarding all aspects of the CCC.

**CONTRIBUTION** – Money given or pledged to the CCC.

**CONTRIBUTION YEAR** – Calendar year.

**COLLEGES & UNIVERSITIES/STATE SERVICE ORGANIZATION** – An organization that a registered non-profit organization in Colorado by obtaining a Certificate of Authority from the Secretary of State’s office, is exempt from federal income tax under Internal Revenue Code 501(a) as described in Section 501(c), is directly associated with a department of the State of Colorado Government and otherwise meets the criteria established in the Bylaws of the Colorado State Employee Advisory Committee.

**CRITERIA** – A standard rule, or test on which a judgment or decision may be based.

**DESIGNATED FUNDS** – To specify or stipulate one or more organizations which are to receive a prescribed amount or portion of the donation pledged by a particular State employee.

**DIRECT COST** – A cost for services or goods provided in direct support of a program; fund-raising and administrative expenses associated with a program are not considered direct costs.

**DIRECT SERVICES** – Services and goods provided in direct support of a program; fund-raising and administrative expenses associated with a program are not considered direct services.

**DIRECT SOLICITATION** – Approaching, contacting, urging or influencing any State organization or employee at the work site regarding contributions or designations during the CCC’s fundraising drive.

**EMPLOYEE OR STATE EMPLOYEE** – Any temporary, permanent, part-time or full-time person employed by the State of Colorado.

**EXECUTIVE DIRECTOR** - Director of Department of Personnel & Administration

**EXECUTIVE ORDER** – An order or directive issued by the Governor of the State of Colorado.

**FUND-RAISING** – Any activity intended to raise funds for the CCC.

**GENERALLY ACCEPTED ACCOUNTING PRINCIPLES** – A common set of accounting standards and procedures that either have been established by the governing bodies of the accounting profession or have been accepted over time as appropriate because of their universal application.

**GUIDELINE** – A statement of policy or procedure.

**LOBBYING** – The act of trying to influence legislators or officials, especially in favor of a special interest.

**NON-PROFIT ORGANIZATION** – An organization that is exempt from federal income tax under Internal Revenue Code 501(a).

**PLEDGE** – A binding promise or agreement to do or forbear.

**POLICY** – A plan or course of action designed to influence and determine decisions, actions and other matters.

**PROCEDURE** – A particular way of accomplishing something. An established way of doing something.

**UMBRELLA ORGANIZATION** – An organization that is registered as a non-profit organization in Colorado by obtaining a Certificate of Authority from the Secretary of State’s office, is exempt from federal income tax under Internal Revenue Code 501(a) as described in Section 501(c), serves as the agent for a group of at least **five (5)** charitable organizations and otherwise meets the criteria established in the Bylaws of the Colorado State Employee Advisory Committee.

**UNCOLLECTIBLE FUNDS** – Unmet pledges or other monies which are donated, but not actually deducted from the payroll or paid to the CCC and deposited to the account established by the Campaign Manager.

**UNDESIGNATED FUNDS** – Pledges that have not been designated to a particular agency or umbrella organization.

**VOLUNTEER** – A person who performs or gives services on his/her own initiative of his/her own free will without financial remuneration.

### **III. CAMPAIGN GUIDELINES**

- A. The Colorado State Employee Advisory Committee on Charitable Giving (hereinafter referred to as “the Committee”), which was created by Executive Order, will establish criteria and procedures for the CCC.
- B. A Campaign Manager, hereinafter referred to as the Manager, responsible for the administration of the CCC will be nominated by the Committee with final approval by the Executive Director (DPA) or designee, hereinafter referred to as the Executive Director (DPA).
- C. No direct costs associated with the CCC will be borne by the State. All costs, such as payment of the Manager’s fees, printing of brochures, preparation of presentations and other promotional costs shall be borne by the proceeds from the campaign.
- D. The contribution year for the purpose of annual payroll deductions of charitable contributions shall be the calendar year, unless otherwise authorized by the Executive Director (DPA).
- E. The Manager shall prepare a detailed plan, hereinafter referred to as the Plan for the CCC for submission to the Committee.
- F. The Manager shall implement the Plan upon approval by the Committee.
- G. Prior authorization from the Committee is required for any significant variation from the approved plan. Non-compliance with this provision shall be cause to relieve the Manager from his/her responsibilities.
- H. The Committee has a policy of non-discrimination with regard to race, color, religion, national origin, disability, age, gender or sexual orientation.
- I. The committee requires all organizations to be in compliance with all applicable federal and state statutes or regulations.
- J. With an ever increasing number of national and international disasters vying for charitable contributions, the Committee recognizes that State employees may wish to contribute to organizations that provide services outside of the State of Colorado. The central tenet of the CCC is that money raised in Colorado stays in Colorado to benefit Coloradoans. In the event of any disaster of such wide-ranging proportions, the CCC Manager will compile a list of participating CCC in-state organizations that are providing relief within this state.
- K. All participating CCC entities shall certify that they are in compliance with all statutes of the United States of America Patriot Act.

### **IV. CRITERIA AND PROCEDURES**

- A. Charitable Organizations must:**
  - 1. Be exempt from federal income tax under Internal Revenue Code 501(a) as described in Section 501(c)(3).
  - 2. Be supported in part by voluntary contributions from the public.
  - 3. Be registered as a non-profit organization with the Colorado Secretary of State by obtaining a Certificate of Authority.
  - 4. Be registered, unless exempt, with the Colorado Secretary of State in accordance with the Colorado Charitable Solicitation Act.
  - 5. Use either a cash basis or an accrual accounting system with sufficient books and records to allow for review by an auditor.
  - 6. Conduct financial operations in accordance with an annual budget that is approved by the board of directors. Authorization by the Board of Directors must be required for any significant variation from the approved budget.
  - 7. Have a policy and procedure of non-discrimination with regard to race, color, religion, national origin, disability, age, gender, or sexual orientation applicable to persons served by the organization.
  - 8. Prepare a report annually which is available to the general public and includes:
    - a) A full description of the charitable organization’s activities
    - b) Methods of solicitation for contributions
    - c) The names and addresses of all chief administrative personnel
    - d) The names of all members of the board of directors
    - e) A full disclosure of the sources and uses of contributions
    - f) The percentage of expenditures out of total revenues which is not used for **direct** services (the organization’s overall administrative cost rate.)
  - 9. Demonstrate a history of service in the State of Colorado as a charitable organization under the criteria set forth in Section IV(A) for no less than 12 months prior to the date of application.
  - 10. Demonstrate that the publicity and promotional activities are based upon the actual program and operations of the charitable organization.
  - 11. Limit direct monetary solicitation of support from State employees to the CCC activities coordinated by the Manager during its annual campaign.

12. Use the funds contributed to the charitable organization by State employees for their stated purposes within the State of Colorado. No more than 15% of these funds may be used for the organization's administrative costs.
13. Engage only in activities that are consistent with the charitable organization's stated goals and objectives.
14. Ensure that they:
  - a) Will not imply directly or indirectly that approval for payroll deduction constitutes endorsement of the organization by the State of Colorado.
  - b) Will not sell or permit others to make any use of the lists of contributors who donate through the CCC.
  - c) Will not involve the mailing of unordered tickets or other merchandise to State employees with a request for money in return.
  - d) Maintain an active volunteer board of directors that serves without compensation through regular meetings and exercises satisfactory administrative controls in accordance with the charitable organization's articles of incorporation and bylaws.
  - e) Demonstrate that their programs reside within and serve the State of Colorado as evidenced by the presence within the State of Colorado of a staffed facility at which goods or services may be obtained such as an office, clinic, mobile unit or field agency.
  - f) Be a member of an umbrella organization that is approved for payroll deduction according to the criteria set forth in Section IV(B) of these bylaws.
  - g) Not participate in more than one umbrella organization that receives State employee contributions in a single CCC.
  - h) Not use donated State employee funds for lobbying activities.

**B. Umbrella Organizations must:**

1. Serve as the agent of a group of at least five (5) charitable organizations as defined by the criteria set forth in Section IV(A) of these bylaws.
2. Certify annually that all charitable organizations meet **all** the criteria set forth for charitable organizations in Section IV(A) of these bylaws.
3. Be exempt from federal income tax under Internal Revenue Code 501(a) as described in Section 501(c)(3).
4. Be registered as a non-profit organization with the Colorado Secretary of State by obtaining a Certificate of Authority.
5. Be registered, unless exempt, with the Colorado Secretary of State in accordance with the Colorado Charitable Solicitation Act.
6. Demonstrate a history of operations of no less than 12 months prior to submitting an application for payroll deduction eligibility under all the criteria as set forth in Section IV(A).
7. Use a financial accounting system that is in accordance with generally accepted accounting principles unless the umbrella organization's annual expenditures are less than \$100,000, in which case a cash basis of accounting is acceptable provided that books and records are sufficient to allow for review by an auditor.
8. Conduct financial operations in accordance with a detailed annual budget that is prepared and approved at the beginning of each fiscal year by the board of directors. Prior authorization by the board of directors must be required for any significant variation from the approved budget.
9. Prepare a report annually which is available to the general public and includes:
  - a) A full description of the umbrella organization's activities.
  - b) Methods of solicitation for contributions.
  - c) The names and addresses of all chief administrative personnel.
  - d) The names and addresses of all members of the board of directors.
  - e) A full disclosure of the sources and uses of contributions
  - f) The percentage of expenditures out of total revenues which is not used for direct services (the organization's overall administrative costs.) Administrative cost percentages greater than 25% will be subject to Committee audit.
10. At minimum an organization must have a financial review performed annually by an independent certified public accountant. Organizations that submit financial reviews in lieu of an audit must submit an audit performed by an independent certified public accountant at least once in every three-year period. The umbrella organization must make audited financial statements available to the public. The opinion rendered on the financial statements by the accountant must be unqualified. The Committee reserves the right to request an audit at any time. Additional items may be included in the scope of an audit or financial review at the request of the Committee..
11. Distribute funds as provided in Section IV(H) below.
12. Provide a description of the procedures used to disburse funds in compliance with the designation requirements cited in Section IV(H) of these bylaws.
13. Submit Internal Revenue Service Form 990 annually to the Committee.

14. Provide information required from the Manager by the Committee or Executive Director (DPA).
15. Have sufficient volunteer or staff to support the activities of the CCC as required by the Manager.
16. Limit direct solicitation of support from State employees to the CCC activities coordinated by the Manager.
17. Maintain the information required by this section for the application process for three years from the date the application was due. This information must be available for inspection or audit by the Committee or Executive Director (DPA) with 24 hours advance notice.
18. Use the funds contributed to the umbrella organization by State employees within the State of Colorado.
19. Ensure that they:
  - a) Will not imply directly or indirectly that approval for payroll deduction constitutes endorsement of the organization by the State of Colorado.
  - b) Will not sell or permit others to make any use of the lists of contributors who donate through the CCC.
  - c) Will not involve the mailing of unordered tickets or other merchandise to State employees with a request for money in return.
20. Have a policy and procedure of non-discrimination with regard to race, color, religion, national origin, disability, age, gender or sexual orientation, applicable to persons served by the organization.

**C. College & Universities/State Service Organizations (CU/SSO's) must:**

1. Demonstrate a direct association with a department of the State of Colorado Government. In order to be considered, the organization must (1) be supported by the State of Colorado by state ownership of capital improvements or equipment or, state sharing of operating or maintenance funding; or (2) have a direct relationship to a state agency by providing enhanced services of that agency; or (3) act as an agent of the state to operate, manage or administer a function of the state.
2. 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.
3. Be registered as a non-profit corporation with the Colorado Secretary of State.
4. Be registered, unless exempt, with the Colorado Secretary of State in accordance with the Colorado Charitable Solicitation Act.
5. Be supported in part by voluntary contributions from the public.
6. Finances:
  - a) Use either a cash-based or an accrual accounting system so long as the system can be reviewed and meets standard accounting procedures.
  - b) Conduct financial operations in accordance with an annual budget that is approved by the Board of Directors. Authorization by the Board of Directors must be required for any significant variation from the approved budget.
7. Have a policy and procedure of non-discrimination in regard to race, color, religion, national origin, disability, age, gender, or sexual orientation, applicable to persons served by the organization.
8. Prepare a report annually which is available to the general public and includes:
  - a. A full description of the umbrella organization's activities.
  - b. Methods of solicitation for contributions.
  - c. The names and addresses of all chief administrative personnel.
  - d. The names of all members of the board of directors.
  - e. A full disclosure of the sources and uses of contributions.
  - f. The percentage of expenditures out of total revenues which is not used for direct services (the organization's overall administrative costs.) Administrative cost percentages greater than 25% will be subject to Committee audit.
9. Demonstrate a history of service of no less than 12 months prior to the date of application as a SSO under these criteria.
10. Base its publicity and promotional activities upon the actual program and operations of the charitable organization.
11. Limit direct monetary solicitation of support from State employees to the CCC activities coordinated by the Manager during its annual campaign.
12. Use funds contributed to the SSO by State employees for their announced purposes, ensure that its activities are consistent with the organization's stated goals and objectives, and be available during regular work hours through a local telephone number to respond to inquiries from residents of Colorado.
13. Ensure that they:
  - a) Will not imply directly or indirectly that approval for payroll deductions constitutes endorsement of the organization by the State of Colorado.
  - b) Will not sell or permit others to make any use of the lists of contributors who donate through the CCC.

- c) Will not involve the mailing of unordered tickets or other merchandise to state employees with a request for money in return.
- d) Maintain an active volunteer board of directors that serves without compensation through regular meetings and exercises satisfactory administrative controls in accordance with the charitable organization's articles of incorporation and bylaws. A Colorado-based board of directors, advisory council, support committee, local chapter, or an auxiliary could serve to demonstrate that involvement and input.
- e) Demonstrate that their programs reside within and serve the State of Colorado as evidenced by the presence within the State of Colorado of a staffed facility at which goods or services may be obtained such as an office, clinic, mobile unit or field agency.
- f) Not use donated State employee funds for lobbying activities.

**D. Application Procedures for CU/SSO's.**

- 1. Each applicant for CU/SSO status shall submit annually to the Colorado Combined Campaign a separate application that consists of documents that prove it is in compliance with all criteria set forth above for a SSO.
- 2. The information required by the application process must be maintained in the files of the CU/SSO for three years and be available for inspection or audit by the Committee or the State Auditor within one business day advance notice to the CU/SSO.

**E. The Executive Director (DPA) shall:**

- 1. Forward payroll deductions at each payroll period to the Manager.
- 2. Whenever the Executive Director (DPA) chooses to appoint a designee to fulfill responsibilities under this section, and said designee is to be other than the Executive Director (DPA)'s staff, the appointment of the designee shall be in writing and accepted in writing by the designee.

**F. The Committee shall:**

- 1. Be appointed by their respective department's Executive Director, or State Court Administrator, or Legislative Director.
- 2. Have as officers a Chairperson, Vice-Chairperson and Secretary/Finance Liason.
  - a) The election of officers shall be held during the November meeting. New officers shall take office on January 1.
  - b) The term of officers shall be from January 1 to December 31.
  - c) Upon completion of the term as Vice-Chairperson, the Vice-Chairperson will become the Chairperson for the following term and a new Vice-Chairperson shall be elected.
    - 1. If the Vice-Chairperson is not able to serve the full term as Vice-Chairperson, or Chairperson, a new Vice-Chairperson who has served at least one year on the Committee shall be elected from the Committee to fill the vacancy.
    - 2. If the Chairperson is not able to serve the full term, the Vice-Chairperson will assume the duties of the Chairperson and a new Vice-Chairperson shall be elected.
    - 3. If the Chairperson and the Vice-Chairperson resign or cannot fulfill their full term, a new Chairperson and Vice-Chairperson who have served at least one year on the Committee shall be elected from the Committee.
  - d) The Secretary/Finance Liason shall:
    - 1. Prepare the Minutes of each meeting in consultation with the Committee Chair and CCC Staff.
    - 2. Review the Executive Director's budget on a monthly basis and report finding to Advisory Committee.
    - 3. Chair the Committee Meeting in the absence of both the Chairperson and Vice-Chairperson.
- 3. Be responsible for developing and amending bylaws as necessary, including the method for selecting officers.
- 4. Devise a fair and equitable application process for selection of a single Manager who will serve for up to five (5) years at the discretion of the Committee.
- 5. Review and approve the Plan and budget prepared by the Manager as described in Section IV(F)(1) & (2) of these bylaws.
- 6. Review each umbrella organization's application to determine if each applicant meets all criteria set forth above and approve or disapprove for inclusion in the CCC.
- 7. At its discretion, discontinue distribution of funds to any charitable organization or umbrella organization that, after approval by the Committee, ceases to comply with the criteria and procedures as set forth in Section IV.

8. Conduct business only when a quorum of one-third of the Committee membership, including an elected officer or a designee, are present.

**G. The Campaign Manager Shall:**

1. Hire sufficient staff to support the activities of the CCC as required by the Manager.
2. The Manager shall prepare and submit to the Committee annually, no later than the February meeting of the Committee, a budget for all expenses associated with the CCC which specifies all funding sources that will be used to pay such expenses.
3. The Manager shall prepare and submit to the Committee annually, no later than May 1, a Plan for the CCC that includes, but is not limited to:
  - a) Draft design of the pledge card to be used that reflects all requirements set forth by the Executive Director (DPA) and which allows State employees the option of specifying that contributions be distributed to individual charitable organizations' members of the participating umbrella organizations and SSO's included in the approved authorized campaign brochure.
  - b) Draft designs or preliminary outlines of all promotional and publicity materials to be used in the CCC, such as including but not limited to, approved posters, brochures, slide shows and tapes.
  - c) Method and timetable for recruiting volunteer solicitors.
  - d) Method and timetable for training volunteer solicitors.
  - e) Method and timetable for organizing and conducting solicitation presentations.
  - f) Method and timetable for distributing and collecting pledge cards.
  - g) Method, timetable and a description of the procedures used to distribute funds that fulfill the policy and procedural requirements set forth in Section IV(H) of these bylaws.
4. The Manager shall be guided by the approved Plan and the distribution requirements of Section IV(H) of these bylaws in the handling of all funds pertaining to the CCC and shall:
  - a) Deposit in an interest-bearing account at each payroll period the total amounts deducted from the employees' paychecks for charitable contributions;
  - b) Use a financial accounting system that is in accordance with generally accepted accounting principles;
  - c) Conduct fiscal operations in accordance with a detailed annual budget and not vary significantly from the approved budget unless prior authorization is obtained from the Committee; and
  - d) Be audited annually by an independent certified public accountant and submit an annual audit report to the Executive Director (DPA). The Executive Director (DPA) may require that the scope of such audit include reasonable tests for compliance by SSO's, umbrella organizations, and charitable organizations with the criteria set forth in Sections IV(A), (B) and (C) of these bylaws. The opinion rendered on the financial statements of the CCC by the accountant must be unqualified.
5. The Manager shall be the custodian of applications and other relevant documents related to the CCC.
6. The Manager shall ensure use of only approved, authorized campaign materials.
7. Maintain a list of eligible umbrella and charitable organizations, and state service organizations.

**H. Distribution of Funds:**

1. Donations from the CCC are disbursed monthly to the umbrella organizations. The umbrella organizations shall disburse these funds, **at least quarterly**, to the participating charitable organizations' Colorado address.
2. CCC funds shall not be disbursed to any agency or charitable organization that has not been accepted by the Committee as an approved organization for the CCC.
3. Funds shall be distributed by the Manager from the account cited in Section IV(G)(4)(a) of these bylaws to eligible umbrella organizations in proportion to the total amount designated to each umbrella organization and charitable organizations.
4. There are three categories of funds which an umbrella organization may receive from the CCC; i.e., funds designated to a charitable organization, funds designated specifically to the umbrella organization, and funds not designated. The following guidelines apply to these circumstances:
  - a. 100% of donations designated to specific CCC member charities **must** be disbursed by the umbrella organization as designated. **No administrative costs may be withheld from such designated funds by the umbrella organization.**
  - b. Donations **not designated**, which are disbursed to an umbrella organization, must be allocated in the same manner and proportion as the designated funds.
5. In the event an umbrella organization becomes defunct, or out of compliance with applicable Colorado Statutes or regulations the Manager will distribute all funds, on a monthly basis, to member charities of said umbrella based upon donor designations.

6. There are two categories of funds which a state service organization (SSO) may receive from the CCC; i.e., funds designated to a charitable organization, funds designated specifically to the umbrella organization, and funds not designated. The following guidelines apply to these circumstances:
  - a. 100% of donations designated to said SSO.
  - b. Donations not designated, which are disbursed to a state service organization, must be allocated in the same manner and proportion as the designated funds.
  - c. The Manager will disburse funds based upon actual receipts rather than the amount pledged.

**I. Appeals:**

An organization that disagrees with decisions rendered by the Committee can submit a written request for reconsideration to the Committee within 10 calendar days of receipt of such decisions.

**J. Waivers:**

The Committee believes that it may be necessary to waive certain provisions of the bylaws under special circumstances and also considers that such waivers should be the exception rather than the rule.