



NATIONAL ALLIANCE FOR CHOICE IN GIVING  
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## **STANDARDS OF CONDUCT FOR WORKPLACE GIVING FEDERATIONS AND FUNDS**

### **1. GUIDING PRINCIPLES & STANDARDS FOR WORKPLACE GIVING FEDERATIONS AND FUNDS**

- A. Employees shall have the opportunity for choice in directing their charitable gifts through the workplace campaign.
- B. The workplace campaign belongs to the employer and employee and the workplace solicitation policy is set by each individual employer, not charitable federations/funds.
- C. Federations/funds shall not deliberately obstruct other federations through negative campaigning, disinformation, intimidation, or other means.
- D. Federations/funds shall not prohibit their member agencies from conducting workplace giving campaigns for their employees that include other charitable federations.
- E. Federations/funds shall not engage in coercion of employees or promote coercive campaigns.
- F. Federations/funds shall not engage in deceptive practices or make exaggerated claims with respect to all aspects of the organization's operations including marketing to donors, employers, member charities, and grantees.
- G. Federations/funds shall honor all agreements including campaign and access negotiated with other federations/funds.

### **2. GENERAL FINANCIAL PRACTICES**

Workplace giving federations and funds shall:

- A. Comply with IRS Reporting Regulations.
- B. Comply with charitable organization reporting requirements of the states in which they operate.
- C. Comply with generally accepted accounting principles for non-profit organizations.
- D. Provide financial reports to their boards of trustees no less than four times per year.

- E. Have its board adopt an annual budget that clearly itemize all sources of income including but not limited to campaign revenues; fees retained from campaign revenues; member dues; special events; foundations; individuals; corporations; fees for services; and sales revenue.
- F. Conduct an annual financial audit performed by an independent and accredited C.P.A firm unless total revenues on line 12 of IRS form 990 are below the current combined federal campaign audit requirement.
- G. Adopt clear distribution/allocations policies and make available to the public.
- H. Inform donors of the actual percentage of their designated and undesignated contributions that will be distributed to member agencies.
- I. Honor all designations and maintain financial systems that ensure accurate tracking of designations to all agencies in good standing.
- J. Distribute funds to member organizations at least two times per year.
- K. In both financial statements and public campaign reports, distinguish between funds raised for the federation/fund's member organizations and "agency transactions" -- those funds designated by employees to other federations/funds and non-member organizations.
- L. Ensure that the total amount distributed to the member groups as a percentage of what is received through the campaign be 75% or greater, unless otherwise approved by the recipient agencies.
- M. The allowance for uncollectible pledges to members shall be based on actual overall pledge loss, not estimated pledge loss.
- N. Report the value to the organization of "loaned executives" as part of "Direct Public Support" on Part I, Line 1A of IRS Form 990 and as part of "noncash" contributions on Line 1d. A loaned executive is defined as an individual employed by another corporation, government agency, or nonprofit organization but providing full or part-time staffing to the federation/fund in return for compensation by their legal employer.
- O. Make the following documents available to the public upon request:
  - 1. IRS Form 990
  - 2. Accountant's Audit
  - 3. Annual Report

### **3. WORKPLACE CAMPAIGN MANAGEMENT STANDARDS**

For federations/funds serving in a contractual role as a campaign manager and/or fiscal agent for public or private sector employers:

- A. The federation/fund will in no way intentionally use its role as campaign manager to assert its interests over the interests of other charitable organizations participating in the campaign.
- B. Federations/funds shall assess fair, reasonable, and documented actual costs in their capacity as campaign manager. These fees shall not exceed 15% of campaign revenues. When a federation/fund is serving strictly as a fiscal agent without additional campaign management responsibilities, these fees shall not exceed 5% of campaign revenues.
- C. Federations/funds serving as fiscal agent shall not include the results of other federations and agencies in their own campaign goals and results reported to the media and general public.
- D. Federations/funds shall conduct campaign operations such as training, kick-off and other events and fiscal operations such as banking and fund distribution separate from the federation/fund's non-campaign management operations.
- E. Federations / funds shall respect the integrity of all donor information and shall not use their position as campaign manager / fiscal agent to solicit or otherwise contact donors to other federations or funds unless the contact is necessary to carry out fiscal agent duties. If such contact is made, it shall be made clear that the contact is for fiduciary duties and not for solicitation.
- F. Federations/funds shall distribute funds no less than quarterly, unless otherwise instructed by the employer.
- G. The allowance for uncollectible pledges shall be based on actual overall pledge loss, not estimated pledge loss. A federation/fund serving as fiscal agent receives from the employer only those dollars actually withheld from employee paychecks. It shall therefore distribute exactly what it receives from each employer (less approved fees) and report the actual pledge loss at the end of the campaign cycle.
- H. Interest earned on campaign revenues shall be tracked and distributed to campaign participants on a pro-rata basis or applied toward campaign costs.
- I. The federation/fund will comply with audit standards set by the employer.

#### **4. GENERAL ETHICAL & PROFESSIONAL STANDARDS**

- A. A federation/fund shall assist in maintaining the integrity and competence of workplace and payroll deduction campaigns and other forms of legitimate charitable giving.
- B. A federation/fund shall ensure that all donations/charitable contributions in its custody and control shall be remitted to the designated charity pursuant to the donor's wishes.

- C. A federation/fund shall preserve the confidentiality of any donor wishing to remain anonymous and/or any information such donor wishes to remain confidential.
- D. A federation/fund shall exercise the best independent professional judgment at all times.
- E. A federation/fund shall assist in improving and enhancing workplace and payroll deduction campaigns for all members, participants and donors.
- F. A federation/fund shall avoid even the appearance of professional impropriety.
- G. The Board of Directors of every federation/fund shall have a conflict of interest policy.
- H. A federation/fund shall not condone or accept discrimination based on age, gender, sexual preference, race, economic status or physical state and further shall avoid even the appearance of discrimination based on age, gender, sexual preference, race, economic status or physical state.

## **5. OTHER RECOMMENDATIONS**

- A. Avoid borrowing against restricted campaign revenues.
  - B. Promote diversity in boards, staff, & volunteers.
  - C. Protect the interests of the federation/fund and its employees through adequate insurance protection (fidelity bonding; general liability; workers compensation).
  - D. Provide a fair and reasonable compensation package for employees.
  - E. Abide by Independent Sector's Code of Ethics for Nonprofit and Philanthropic Benefits to the Employer.
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*This statement was first adopted by the NACG Board of Directors, January 2000*

*Revised by the NACG Membership, January 13, 2004*

*Revised by the NACG Membership, January 22, 2005*

## **2005 NACG MEMBERS:**

### **NATIONAL FEDERATIONS AND FUNDS**

America's Charities  
American Red Cross  
Community Shares U.S.A  
Earth Share

Global Impact  
National Black United Fund  
Neighbor to Nation

### **LOCAL FEDERATIONS AND FUNDS**

Action for Boston Community Development  
Alaska Community Share  
Another Way Texas Shares  
Asian Pacific Community Fund  
Children's Trust Fund of Oregon Foundation  
Choices in Community Giving, Idaho  
Community Health Charities of Alabama  
Community Health Charities of Iowa  
Community Services Fund, Nebraska  
Community Shares of Colorado  
Community Shares of Greater Cincinnati  
Community Shares of Greater Milwaukee  
Community Shares of Illinois  
Community Shares of Louisiana  
Community Shares of Mid-Ohio  
Community Shares of Southern Arizona  
Community Shares of Tennessee  
Community Shares of Utah  
Community Shares of Wisconsin  
Community Solutions Fund, Minneapolis  
Community Works, Boston  
Community Works of CT  
Community Works of New York State

Earth Share of California  
Earth Share of Michigan  
Earth Share of Missouri  
Earth Share of New Jersey  
Earth Share of North Carolina  
Earth Share of Ohio  
Earth Share of Oregon  
Earth Share of Texas  
Environmental Fund for Arizona  
Environmental Fund for Maryland  
Environmental Fund for Pennsylvania  
Fund for Community Progress, R.I.  
Georgia Black United Fund  
Georgia Shares  
Greater Cleveland Community Shares  
Iowa Shares  
MaineShare  
Minnesota Environmental Fund  
Montana Shares  
North Carolina Community Shares  
Northwest Ohio Community Shares  
Women's Funding Alliance, Seattle  
Women's Fund of New Jersey