



May 16, 2013

Keith Willingham
Director, Combined Federal Campaign
U.S. Office of Personnel Management
Room 6484A
1900 E St., N.W.
Washington, D.C. 20415

RE: Docket Number: OPM-2013-0006; **Docket RIN:** 3206-AM68; **Date:** May 16, 2013

Dear Mr. Willingham:

Established in 1961 by President John F. Kennedy, the Combined Federal Campaign (CFC) is one of the most successful and largest employee workplace giving programs in the world. With close to 200 CFC campaigns in the United States and internationally, the CFC's mission as stated in the Presidential Executive Order is to "lessen the burdens of government and of local communities in meeting needs of human health and welfare; [and] to provide a convenient channel through which Federal public servants may contribute to these efforts."

As executive director of the National Committee for Responsive Philanthropy (NCRP), I served on the special CFC-50 Commission convened by the Office of Personnel Management (OPM). The CFC-50 Commission was charged with reinvigorating the CFC and developing recommendations that would enhance "the integrity, the operation and effectiveness of the Combined Federal Campaign to ensure its continued growth and success."

NCRP, our hundreds of nonprofit members nationwide, and I are deeply concerned that the U.S. OPM's April 2013 proposed rules to amend the CFC regulations fall far short of these mandates, particularly when it comes to their unequal and inappropriate treatment of nonprofit advocacy organizations and other nonprofits that take on "controversial" issues.

Over 30 years ago, after an intense advocacy campaign by legal defense funds and policy advocacy organizations among others, the kinds of nonprofits and activities that are eligible for CFC funds was expanded to include such organizations. NCRP played a critical role in this discussion over CFC eligibility requirements. The result is the definition reiterated in Section 950.202(a)(1) of the proposed rules: an eligible charity is one that "provides or conducts real services, benefits, assistance, or *program activities*." (emphasis added)

The phrase “program activities” is vital. Currently, eligible organizations provide needed human services and traditional charity, research organizations, policy think tanks and advocacy and organizing groups. This composition reflects the diversity of the nonprofit sector and our traditional role in contributing to the common good and advancing our democracy. NCRP’s Grantmaking for Community Impact Project researched the activity of 110 local and regional advocacy and organizing nonprofits operating in 13 states over a five-year period. The project documented \$26.6 billion in benefits for taxpayers and communities, and found that every dollar grantmakers and other donors invested in policy and civic engagement provided a return of \$115 in community benefit.

This is precisely why the overuse of the words “services” or “benefits” as opposed to “program activities” has the potential to negatively impact organizations that engage in policy work and advocacy. For example, Section 950.202(a)(1)(i) states, “Local charitable organizations are not required to have provided *services or benefits* in 15 states or a foreign country over the prior 3 years. The schedule for local organizations is only required to document *services* in their local area” (emphasis added). How would a grassroots advocacy group that makes tangible contributions to the public good demonstrate that it is providing a “service” to the community it works with? In short, the overuse of the two terms “services” and “benefits” instead of “program activities” obfuscates which charities might be considered ineligible for CFC funds should the OPM’s proposed rule change be adopted.

NCRP and our members are leery of the potential impact on advocacy and organizing groups partly because of the broad room for interpretation of Section 950.202(a)(1)(vii) of the proposed rule changes. It states that “providing information to the media... does not in itself constitute a real service for CFC purposes.” Applicants “must describe the manner in which beneficiaries requested or used the document or information in order to establish the provision of a real services, benefit, assistance, or program activity.” For a research and advocacy organization, the difficulties of complying with such a requirement are abundantly clear.

Under these new rules, advocacy organizations could either be defined as entirely ineligible or CFC contributions to these organizations could be limited to larger and already well-resourced organizations that can describe their work in the frame of service provision.

Whatever new rules are considered, we recommend OPM use “program activities” as the preferred shorthand throughout. We urge CFC to revise sections referring to solely to “services” or “benefits” appropriately to reflect the diverse ecosystem of nonprofit program activity.

Finally, we echo the concerns that other nonprofit organizations have already voiced. The proposed rules:

- Introduce a “pay to play” system with exorbitant, nonrefundable, upfront fees and administrative burdens.
- Over-rely on technology and other changes in campaign operations that will only serve to decrease participation and donations.
- Eliminate the local engagement and control critical to successful workplace giving.

Along with others, we call on OPM to table the new rules and continue the dialogue that began with the CFC-50 Commission. Common-sense proposals, such as the change in the dates of the solicitation period, could move forward, while others described here should be reconsidered. This is not a matter of

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semantics; the potential for an unknown number of organizations to become ineligible is a real threat given the vagaries of the terms used by OPM.

CFC currently raises some \$260 million a year in vital funding for thousands of charities. In the service of perceived “efficiency,” these rules would not only reduce those contributions by \$50-100 million but would also undo 30 years of progress, foregoing the concrete impact and lasting contributions of advocacy to our democratic society.

Sincerely,

A handwritten signature in black ink, appearing to be 'AD', with a long horizontal stroke extending to the right.

Aaron Dorfman
Executive Director
National Committee for Responsive Philanthropy