



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

MAR 28 2012

The Director

MEMORANDUM FOR LOCAL FEDERAL COORDINATING COMMITTEES AND
PRINCIPAL COMBINED FUND ORGANIZATIONS

FROM:

JOHN BERRY
DIRECTOR

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SUBJECT:

Directive Prohibiting the Approval of Costs Incurred for Meals and/or
Entertainment

As the Federal agency responsible for overseeing the Combined Federal Campaign (CFC) across the nation and around the world, the Office of Personnel Management (OPM) is committed to ensuring that charitable contributions made by federal employees and military members are carefully protected and properly administered. Recent concerns raised by the OPM Inspector General in connection with an audit of the National Capital Area CFC prompt this directive concerning costs incurred by Principal Combined Fund Organizations (PCFOs) and Local Federal Coordinating Committees (LFCCs) in the conduct of CFC campaigns and campaign operations.

As provided in OPM's regulations, "[t]he primary goal of the PCFO is to conduct an effective and efficient campaign in a fair and even-handed manner aimed at collecting the greatest amount of charitable contributions possible." 5 C.F.R. § 950.105(b). Further, pursuant to 5 C.F.R. §§ 950.104(b)(17) and 950.106(a), LFCCs may approve campaign expenses only if they are legitimate CFC costs and are adequately documented.

In past guidance, OPM has instructed that meals served in conjunction with a campaign event (such as a kickoff rally, victory celebration, or awards ceremony) could be charged as an expense of the campaign, subject to the review of the LFCC Chair for its propriety. This guidance was intended to allow reasonable charges for the cost of meals or refreshment at special events where such charges would contribute to the ultimate goal of maximizing charitable contributions. The guidance did not authorize the expenditure of funds that would otherwise go to charity for meals served as a convenience to members of the LFCC, or to employees of the PCFO or to the loaned executives and other CFC volunteers.

Further, OPM has never authorized CFC campaigns to charge for the expenses of entertainment, either at special events or on any other occasion. Thus, the costs of entertainment such as tickets to shows or sporting events, musical entertainment, or any other amusements, diversions or social activities are not chargeable to the CFC.

The purpose of the CFC is and always has been to collect the greatest amount of contributions possible, and to direct those contributions to the charities that participate in the

campaign. Therefore, in light of the IG's recent report dated March 12, 2012 and in order to ensure the continuing integrity of and confidence in the CFC, OPM is rescinding its prior guidance related to the expenditure of funds for meals. Effective immediately, LFCCs are instructed not to approve, and PCFOs are directed not to incur any expenses for food, beverages or entertainment, and no such expenses are to be charged against the proceeds of the campaign.

Finally, OPM reiterates that LFCCs bear primary responsibility to ensure that costs incurred by PCFOs in the conduct of campaign operations are legitimate and adequately documented. Accordingly, to the extent not already established, LFCCs must immediately institute policies and procedures to review costs incurred by the PCFO at your regularly scheduled LFCC meetings to ensure the CFC is not charged with the costs of meals, entertainment, or similarly inappropriate expenses.