STATE OF OKLAHOMA

1st Session of the 45th Legislature (1995)

COMMITTEE SUBSTITUTE
FOR
SENATE BILL NO. 653 By: Leftwich

COMMITTEE SUBSTITUTE

(State government - creating the Oklahoma State Employee Charitable Campaign Act - codification - effective date -

emergency)

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 7012 of Title 74, unless there is created a duplication in numbering, reads as follows:

This act shall be known and may be cited as the "Oklahoma State Employee Charitable Campaign Act".

SECTION 2. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 7013 of Title 74, unless there is created a duplication in numbering, reads as follows:

As used in the Oklahoma State Employee Charitable Campaign Act:

1. "Campaign district" means an area covered by an organized LPCFRO. The State of Oklahoma shall be divided into sixteen campaign districts; those districts are established as follows:

District 1: Alfalfa, Beaver, Cimarron, Dewey, Ellis, Harper, Major, Texas, Woods, and Woodward counties.

District 2: Beckham, Custer, Greer, Harmon, Jackson, Kiowa, Roger Mills, Tillman, and Washita counties.

District 3: Garfield and Grant counties.

District 4: Blaine, Caddo, Canadian, Comanche, Cotton, Grady, Jefferson, Kingfisher, and Stephens counties.

District 5: Oklahoma County.

District 6: Cleveland County.

District 7: Garvin and McClain counties.

District 8: Carter, Johnston, Love, Marshall, Murray, and Pontotoc counties.

District 9: Kay, Logan, Noble, Osage, Pawnee, and Payne counties.

District 10: Creek, Hughes, Lincoln, Okfuskee, Okmulgee, Pottawatomie, and Seminole counties.

District 11: Tulsa County.

District 12: Adair, Cherokee, Delaware, Mayes, Nowata, Rogers, Wagoner, and Washington counties.

District 13: Craig and Ottawa counties.

District 14: Haskell, Latimer, McIntosh, and Pittsburg counties.

District 15: Atoka, Bryan, Choctaw, Coal, McCurtain, and Pushmataha counties.

District 16: LeFlore, Muskogee, and Sequoyah counties;

2. "Federation" means a legally constituted nonprofit tax-exempt charitable organization under the meaning of Section 501(c)(3) of the U.S. Internal Revenue Code and consists of at least five voluntary charitable agencies that are bound together to raise and distribute charitable contributions, and who has had and/or whose member agencies have had status as 501(c)(3) organizations for at least one (1) year;

3. "Local Campaign Committee (LCC)" means, in each campaign district, a committee of state employees who will promote the campaign in their district;

4. "Local Principal Combined Fund Raising Organization (LPCFRO)" means the local principal combined fundraising

organization which shall be the local federation in the district that provides, through one specific annual public solicitation for funds, the greatest financial support for charitable agencies that depend on public subscription for support in that district, that has the necessary staff and volunteer support, to administer the charitable contribution campaign and has a track record of running successful federated employee campaigns;

5. "Oklahoma State Employee Charitable Campaign (OSECC)" means the annual fundraising program established to provide the employees of this state with a convenient and responsible mechanism for contributing to approved charitable organizations with the option of utilizing payroll deductions;

6. "State employee" means employees subject to the provisions of the state payroll system;

7. "Century Club" means the Oklahoma State Employee Charitable Campaign Century Club which is comprised of state employees who have contributed One Hundred Dollars ($100.00) or more through the Charitable Campaign in any one year; and

8. "Voluntary charitable agency" means an agency which falls within the meaning of 26 CFR, Section 1.501(C)(3), which is eligible to receive tax deductible contributions under 26 U.S.C., Section 170, and which actively conducts programs and provides services to individuals.

a. The services provided by the agency must directly benefit human beings, whether those recipients are children, youth, adults, the aged, the ill and infirm, or the mentally or physically handicapped.

b. The services provided must consist of care, education or research in the fields of human health or social adjustment and rehabilitation; relief for victims of natural disaster and other emergencies; or assistance to those who are impoverished and in need of food,

shelter, clothing, or other basic human welfare services.

SECTION 3. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 7014 of Title 74, unless there is created a duplication in numbering, reads as follows:

A. Payroll deduction is a preferred method of charitable giving, providing both contributor convenience and an enhanced level of financial support for vital community services. Employees wishing to contribute to the Oklahoma State Employee Charitable Campaign (OSECC) should be encouraged to consider this method of payment.

B. State employee involvement in the work of participating voluntary agencies is regarded as beneficial, not only to the annual campaign effort itself but to the overall morale and productivity of the state government environment. Accordingly, following the practice in business and industry and federal government, it will be the policy of the state to permit time during the working day for state employees to participate in the state campaign.

C. In order to allow the processing of payroll deduction requests to take effect with the beginning of a calendar year, the solicitation period shall fall within September 1 to November 30. Select pilot campaigns may be conducted just prior to this period with the approval of the Office of Personnel Management. The length of the campaign period is intended to be eight (8) weeks, although that period may be extended or shortened.

D. Employee solicitations are to be conducted during working hours using methods that permit true voluntary giving. True voluntary giving is basic to fundraising activities. Actions that do not allow free choice or create the appearance that employees do not have a free choice to give are contrary to good fundraising policies. This should in no way be interpreted as restricting the need for an effective, well-organized education program among

employees on the needs that exist in their community. All employees should be given the necessary information to make an informed decision. Group meetings are encouraged, as this format provides the most efficient and effective method of educating employees.

E. Not more than one on-the-job solicitation will be made in any year at any location on behalf of any voluntary charitable agency.

F. In the event a participating federation fails to adhere to the eligibility requirements or to the policies and procedures of the state program, eligibility may be withdrawn at any time by the Office of Personnel Management.

G. The Oklahoma State Employee Charitable Campaign is the only annually authorized payroll deduction fundraising effort among state employees.

SECTION 4. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 7015 of Title 74, unless there is created a duplication in numbering, reads as follows:

Any voluntary charitable agency providing direct human health and welfare services may participate in the campaign provided it meets the following criteria:

1. It is a nonprofit, tax-exempt charitable organization under the meaning of Section 501(c)(3) of the U.S. Internal Revenue Code;

2. The agency has a governing board that meets at least quarterly, whose members serve without compensation;

3. The organization is providing direct human health and welfare services;

4. The organization has an office in the state with a qualified volunteer or paid staff. The services provided by the organization must be accessible and provided to state residents. A toll-free telephone number itself does not constitute presence. The provisions of this paragraph do not apply to charitable agencies organized to primarily serve international purposes;

5. The agency's financial records are audited by an independent auditor if they receive Fifty Thousand Dollars ($50,000.00) or more per year from all sources;

6. A report detailing the activities of the agency is made available to the general public on an annual basis;

7. A financial statement is compiled and has been approved by the governing board;

8. It secures annually a license from the Oklahoma Tax Commission to raise funds in this state;

9. Its funds may result from one or more of the following:

a. a community-wide solicitation,

b. a statewide solicitation,

c. a nationwide solicitation organized on a national scale with a national board of directors, or is affiliated with a federation that is organized on a national scale with a national board of directors which regularly undertakes fundraising activities at that level; and

10. It is a member of a state-approved federation consisting of five or more state-approved agencies, which has not been organized exclusively to solicit contributions from state employees.

SECTION 5. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 7016 of Title 74, unless there is created a duplication in numbering, reads as follows:

An agency shall be considered to provide direct human health and welfare services if it meets all of the following criteria:

1. The services provided by the agency must directly benefit human beings, whether those recipients are children, youth, adults, the ill and infirm, or the mentally or physically handicapped;

2. The services provided must consist of care, education, or research in the fields of human health or social adjustment and rehabilitation; relief for victims of natural disaster and other

emergencies; or assistance to those who are impoverished and in need of food, shelter, clothing, and other basic human welfare services; and

3. The primary focus of the agency must not be one or a combination of the following or similar examples of agency focus, which are not considered direct human health and welfare agencies:

a. the support of institutions of post-secondary education,

b. lobbying for the passage of defeat of legislation (political advocacy),

c. sectaran activities, including activities aimed to promote the adoption of one or more religious or philosophical viewpoints,

d. activities which relate to natural resource or wildlife management or policy,

e. activities which relate to environmental management or policy, and

f. the support of institutions whose primary focus is the arts, performing arts, museums, or cultural activities.

If the agency's participation in any of the activities listed in subparagraphs a through f of this paragraph is incidental to its activities in providing direct human health and welfare services and is not the primary focus of the agency, the agency will not be disqualified from participation in the Oklahoma State Employee Charitable Campaign on that basis.

SECTION 6. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 7017 of Title 74, unless there is created a duplication in numbering, reads as follows:

A. 1. In each district where state employees will be solicited, the state agencies in that district shall establish a

Local Campaign Committee (LCC), consisting of not less than three (3) state employees.

2. LCCs shall receive staff support services from the LPCFRO.

3. Federations wishing to participate in the campaign shall forward a completed application packet to the Office of Personnel Management identifying those districts in which they have participating agencies that provide or produce human care services and in which they wish to be included prior to the published deadline. Once approved, each federation must annually certify that its member agencies meet the eligibility criteria described in Section 4 of this act. Application from individual agencies shall not be accepted by the Office of Personnel Management.

4. A federation which has been denied admission will be allowed ten (10) days to file an appeal with the Office of Personnel Management. The Office of Personnel Management shall notify appealing federations of its final decision within ten (10) days of receipt of the appeal.

5. It shall be the responsibility of the LPCFRO to develop, print, and distribute campaign materials, which include brochures listing approved federations and agencies deemed eligible for participation. Office of Personnel Management-approved pledge cards will be used in all cases. Agency listings shall be submitted to the federations for accuracy review prior to printing.

6. State employees may designate their gifts to agencies or federations listed in the campaign materials, and the pledge cards will be so designed to facilitate designations. Gifts which are not specifically designated shall be distributed in proportion to the designated gifts.

7. LPCFROs shall recoup administrative costs from participating charitable agencies based on the percentage of total campaign monies received by that agency. The administrative costs of the campaign shall not exceed ten percent (10%) of the campaign.

8. Any shrinkage experienced (monies pledged but not received) shall reduce the monies distributed to federations.

9. Any state employee may obtain a pledge card from any LPCFRO of their choice.

10. After the local campaign concludes, the LPCFRO shall notify those federations which are recipients of gifts of the amount, minus any administrative and shrinkage costs, agency designations and the approximate schedule of payments.

11. Payroll deduction contributions authorized by a state employee shall be in equal amounts each pay period, beginning with the first pay period in January, and shall remain in effect through the last pay period in December.

12. Complaints arising from the Oklahoma State Employee Charitable Campaign shall be referred first to the LPCFRO. Complaints not resolved at this level shall be referred to the Office of Personnel Management.

B. 1. The Office of Personnel Management shall have the following duties and responsibilities:

a. review and determine eligibility of federations and their agencies to participate in each campaign district,

b. review and approve the pledge card design submitted by the LPCFROs,

c. retain responsibility for all decisions not expressly delegated to other parties herein,

d. promulgate rules affecting this act, and

e. provide such staff support as is necessary to comply with the provisions of this act.

2. Local campaign committees shall have the following duties and responsibilities:

a. promote and encourage state employee participation in the campaign,

b. establish goals,

c. develop, with the input of the LPCFRO, a campaign plan and activities, and

d. provide oversight of the local campaign.

3. The directors of each state executive department or agency are responsible for:

a. promoting and encouraging participation and support for the state campaign to all agency employees,

b. encouraging the involvement of top-level staff in campaign committees where they have major installations, and

c. seeing that voluntary fundraising within the state department or agency is conducted in accordance with the policies and procedures prescribed herein.

4. Local state agency heads shall be responsible for:

a. serving on or selecting a top-level employee to serve on the LCC,

b. promoting the campaign within their offices or installations and providing active support,

c. assuring that every state employee is given the opportunity to learn about and participate in the annual campaign, and

d. cooperating with the LPCFRO toward the goal of a successful campaign.

5. In their management role on behalf of participants in the campaign, each LPCFRO shall:

a. work with the LCC to provide and ensure a successful campaign,

b. provide staff services to the LCC,

c. develop a local campaign timetable and plan,

d. prepare and print brochures listing participants in the campaign,

e. provide recognition for Century Club members, with assistance of the LCC,

f. process, report, account for, and distribute all funds contributed in the district to the participating federations,

g. participate with other selected LPCFROs, if requested by the Office of Personnel Management, in preparation of statewide campaign materials, and

h. provide other services as necessary.

SECTION 7. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 7018 of Title 74, unless there is created a duplication in numbering, reads as follows:

A locally developed Contributor's Information Brochure, listing federations and participating agencies, along with a state pledge card shall be distributed to each state employee. The pledge card will be a uniform design statewide.

Other campaign materials shall be developed by each LPCFRO.

SECTION 8. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 7019 of Title 74, unless there is created a duplication in numbering, reads as follows:

Each pay period, all state payroll offices shall send payroll deduction pledges to the LPCFRO in the district from which the pledges were made.

SECTION 9. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 7020 of Title 74, unless there is created a duplication in numbering, reads as follows:

These procedures supersede any existent state laws, campaign agreements, and practices which may have developed in their absence and with which they may now conflict.

SECTION 10. REPEALER 74 O.S. 1991, Sections 7003, as amended by Section 3, Chapter 103, O.S.L. 1993, 7005, as amended by Section 1, Chapter 109, O.S.L. 1994, 7007, 7008, 7009 and 7010, as

amended by Sections 6, 7, 8 and 10, Chapter 103, O.S.L. 1993, and Section 9, Chapter 103, O.S.L. 1993 (74 O.S. Supp. 1994, Sections 7003, 7005, 7007, 7008, 7009, 7009.1 and 7010), are hereby repealed.

SECTION 11. This act shall become effective July 1, 1995.

SECTION 12. It being immediately necessary for the preservation of the public peace, health and safety, an emergency is hereby declared to exist, by reason whereof this act shall take effect and be in full force from and after its passage and approval.

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