EXECUTIVE ORDER
NUMBER EIGHTY-SEVEN

RE: RE-ESTABLISHING THE STATE EMPLOYEES' CHARITABLE CAMPAIGN

WHEREAS, the employees of the State of Delaware have demonstrated their generosity and commitment to the support of charitable health and welfare causes; and

WHEREAS, it is in the best interest of the State to provide a single annual campaign with minimal disruption to the work and services that our state employees provide to the residents of our State; and

WHEREAS, it is impossible to allow every nonprofit organization to conduct a campaign, but it is reasonable to establish guidelines and procedures to establish a single, combined annual campaign; and

WHEREAS, it is a worthy endeavor to encourage state employees to contribute to charitable organizations within Delaware.

NOW, THEREFORE, I, RUTH ANN MINNER, by virtue of the authority vested in me as Governor of the State of Delaware do hereby declare and order the following:

1. Reestablishment of the State Employees' Charitable Campaign. The State of Delaware shall henceforth conduct an annual combined charitable solicitation campaign (hereinafter referred to as the "Campaign") to provide its employees with the
opportunity to make charitable contributions either through direct payment or payroll deduction.

II. Criteria for Selection. An organization must meet the following criteria in order to participate in the Campaign:

A. Foundation, Umbrella Organization, or Individual Organization. An organization may be a foundation, an umbrella organization, or an individual organization.

1. A foundation means a not-for-profit organization that makes grants to other organizations. Such a foundation must meet the other criteria for selection as set forth herein.

2. An umbrella organization means an organization that meets the other criteria for selection as set forth herein and that serves as the administrative agency for at least four nonprofit organizations, each of which meets the other criteria for selection as set forth herein. An approved umbrella organization shall certify that each of its participating organizations meets the criteria for selection as set forth herein. The certification shall apply only for purposes of the Campaign. The documentation supporting the certification of an individual organization under an umbrella organization shall be provided to the State Employees' Charitable Campaign Steering Committee (hereinafter referred to as the "Steering Committee") upon request. An organization may not affiliate with more than one umbrella organization for purposes of the Campaign.

3. An individual organization means an organization that meets the other criteria for selection as set forth herein and that is not affiliated with a foundation or an umbrella organization.

B. Health and Welfare Purpose.

An organization must be organized and operated for the purpose of rendering, or materially or financially supporting the rendering of, services to benefit the health and welfare of residents of the State of Delaware, including, but not limited to:

1. Delivery of health care to ill or infirm individuals;

2. Education and training of personnel for the delivery of health care to ill or infirm individuals;

3. Health research for the benefit of ill or infirm individuals;

4. Delivery of education, training, and care to individuals with physical and mental disabilities;

5. Education of individuals who, without assistance, would not be able to afford it.
6. Treatment, care, rehabilitation, and counseling of juvenile delinquents, persons convicted of crimes, persons who abuse drugs or alcohol, persons who are victims of family violence or abuse, persons who are otherwise in need of social adjustment and rehabilitation, and the families of such persons:

7. Relief for victims (including non-residents of Delaware) of crime, war, casualty, famine, natural disasters, and other catastrophes or emergencies:

8. Neighborhood and community-wide services that directly assist needy, poor, and indigent individuals, including provision of emergency relief and shelter, recreation, transportation, and preparation and delivery of meals, educational opportunities, and job training:

9. Legal aid services that are provided without unlawful discrimination to needy, poor, and indigent individuals solely because such individuals cannot afford legal counsel:

10. Protection of families that, on account of poverty, indigence, emergency, or other adversity, are in need of family, child care, or maternity services, child or marriage counseling, foster care, and guidance or assistance in the management and maintenance of the home and household:

11. Relief for needy, poor, and indigent infants and children (including orphans), including the provision of adoption services:

12. Relief for needy, poor, and indigent adults and the elderly:

13. Assistance, consistent with the mission of the state agency or facility involved, to members of its staff or service, who, by reason of geographic isolation, emergency conditions, injury in the line of duty, or other extraordinary circumstances, have exceptional health or welfare needs; or

14. Lessening of the burdens of government with respect to the provision of any of the foregoing services.

C. Established Physical Presence in State. An organization must have an established physical presence in the State of Delaware, either in the form of an office or service facility which is staffed at least fifteen hours a week, or by making available its staff through scheduled appointments with Delaware residents or businesses at least fifteen hours a week.

D. Charitable Status. An organization shall hold and maintain a currently valid designation from the Internal Revenue Service as a section 501(c)(3) organization, and be eligible to receive tax-deductible contributions under Section 170 of the Internal Revenue Code. A copy of the Internal Revenue Service designation letter shall be submitted with the application.
E. Nondiscrimination. An organization shall have a policy and demonstrate a practice of nondiscrimination on the basis of race, color, religion, sex, age, national origin, or physical or mental disability, applicable to staff employment, and to memberships on its governing board.

F. Annual Report. An organization shall prepare an annual report or report to the general public on an annual basis, which shall include a full description of the mission, target population, activities, objectives, and achievements of the organization and the names of its chief administrative personnel. Organizations with an annual budget of less than $100,000 shall not be required to prepare an annual report, but must submit a copy of the Form 990, which they file with the Internal Revenue Service, with the Steering Committee.

G. Limit on Administrative and Campaign Costs. Each foundation, umbrella organization, and individual organization shall submit a statement certifying that its management, general, and fundraising expenses are not in excess of twenty-five percent (25%) of total revenue. If such costs are in excess of the percentage of total revenue established above, an organization shall provide an explanation and documentation that its actual expenses for those purposes are reasonable and appropriate under the circumstances. The Steering Committee, established in Section III of this Order, shall decide that such excess is acceptable or shall require the organization to come within the percentage cap within a certain time period.

H. Fundraising Practices. The publicity and promotional activities of a foundation, an umbrella organization and its constituent organizations, or an individual organization must be based upon the actual program and operations of the entity and must be truthful, nondeceptive, and consumer-oriented. Fundraising practices must assure: protection against unauthorized use of the organization's contributors' list; no payment of commissions, kickbacks, finder fees, percentages, or bonuses for fundraising; that no mailing of unsolicited tickets or commercial merchandise with a request for money in return will occur; and that no general telephone solicitations will be conducted. This requirement shall apply only to those activities connected with the Campaign.

I. Voluntary Board of Directors. An organization shall be directed by an active, voluntary board of directors, which serves without compensation, holds regularly scheduled meetings, and exercises effective administrative control. If the board of directors is not located in Delaware, there must be a local board comprised of Delaware citizens, which advises the board of directors with respect to Delaware activities.

J. Accounting Standards. An organization shall adopt and employ the Standards of Accounting and Financial Reporting for voluntary Health and Welfare Organizations from the American Institute of Certified Public Accountants ("AICPA") and provide for an annual external audit by an independent, certified public accountant. Organizations with an annual budget of less than $100,000 shall not be required to submit to an independent audit, but must submit a copy of the Form 990, which they file with the Internal Revenue Service with the Steering Committee.
K. Establishment of Organization. An organization must have been in operation in Delaware for at least three years before application in order to demonstrate a reasonable degree of continuity and economical, effective, and efficient operation.

L. Organizations Deemed Not Eligible. The following organizations are not eligible to participate in the State Campaign:

1. Those with partisan political and propaganda programs; 2. Those with programs which exist solely to advocate particular religious or ethical beliefs; and 3. Those which do not promote health and welfare.

III. Establishment and Appointment of the State Employees' Charitable Campaign Steering Committee.

A. The Steering Committee is hereby established and shall consist of 12 members who shall be state employees and who shall be appointed to serve at the pleasure of the Governor. Of the members appointed, there shall be at least one employee from each of the three counties. In addition, one of the appointees shall be an employee who is represented by one of the unions under which the employees of the State are organized; one shall be an employee of the Department of Finance recommended by the Secretary of Finance; one shall be a representative from the Governor's staff; and one shall be a representative of the Lieutenant Governor's staff.

B. The Director of the Office of Management and Budget shall serve as co-chairperson of the Steering Committee. The Governor shall annually appoint an honorary co-chairperson of the Steering Committee.

C. Six members of the Steering Committee shall constitute a quorum. A simple majority vote of a quorum of voting members shall be required for the Steering Committee to take formal action. A representative of the organization, which serves as administrator for the program, shall attend the meetings of the Steering Committee, but shall not be a voting member.

D. Meetings of the Steering Committee shall be open to the public in accordance with state law, including to representatives of the approved and participating foundations, umbrella, and individual organizations.

E. The Office of Management and Budget shall provide administrative support to the Steering Committee and record the proceedings of the Committee's meetings.

IV. Responsibilities of the Steering Committee.

A. The Steering Committee shall have the following duties, responsibilities, and authority:

1. Develop all necessary schedules, policies, and procedures to implement this Executive Order;
2. Develop, receive, and review applications for participation in the Campaign by foundations, umbrella organizations, and individual organizations;

3. Approve eligible foundations, umbrella organizations, and individual organizations for participation in the Campaign;

4. Select the administrator for the Campaign in accordance with the procedures set forth at Section VI;

5. Oversee the management of the Campaign;

6. Recruit employee chairpersons;

7. Promote and publicize the Campaign; and

8. Review pamphlets, donor cards, and other promotional materials for the Campaign.

V. Selection of Eligible Organizations by Steering Committee.

A. Organizations interested in participating in the Campaign shall submit an application in accordance with the procedures set forth by the Steering Committee.

B. The Steering Committee, in accordance with its procedures, shall review each application and determine whether an organization should be approved for participation in the Campaign. The Steering Committee is expressly authorized to adopt and utilize an abbreviated application form and process for any organization that has participated in the Campaign for the prior three (3) consecutive years, provided that a duly authorized representative of the organization certifies that such organization continues to meet all of the criteria for participation listed in Section II above.

C. In the event the Steering Committee determines to reject an organization for participation in the Campaign, the Steering Committee shall send the subject organization a certified letter, return-receipt requested, advising the organization that the Steering Committee has rejected its application, and stating the reason(s) for that rejection. The decision of the Steering Committee with respect to approval of eligible foundations, umbrella organizations, and individual organizations shall be final.

VI. Administration of State Employees' Charitable Campaign.

A. The Campaign shall be administered by one of the organizations that has previously been approved for participation in the Campaign.

B. The Steering Committee shall issue to all organizations previously accepted for participation in the Campaign an invitation to submit a bid as administrator of the Campaign.
C. The bid specifications shall describe the services to be provided, including, but not limited to the:

1. Organization and administration of any informational presentation to employees;

2. Assistance to any department or division which wishes to have a rally or other event by providing professional or training assistance and promotional materials;

3. Manufacture and distribution of informational pamphlets, posters, donor cards or other promotional materials;

4. Collection of donations and donor cards and tabulation of fund designation information;

5. Proper distribution of donations to approved organizations, both with respect to funds collected at the time of the Campaign and to those which will be forwarded to the administrator from the Department of Finance representing payroll deductions authorized during the Campaign by employees:

6. Completion of an audit of the Campaign; and

7. Provision of a written report to the Committee detailing the distribution of funds to participating agencies at each time of distribution.

D. Bid proposals shall include a statement from the organization which substantiates a claim that the organization:

1. Demonstrates the administrative and financial capability to manage and operate an extensive fundraising campaign among State employees in an efficient manner; and

2. Ensures public accountability by certifying that it: annually submits to a financial audit by a certified public accountant; makes its audited financial statement, or a summary thereof, available to the public upon request; will provide evidence that it engages in sound management practices that indicate that contributions donated by the public have been utilized with the utmost integrity.

E. Bid proposals shall further include a percentage figure representing that portion of each donated dollar the organization would charge if chosen to serve as the administrator of the Campaign.

F. The Steering Committee shall choose as the administrator of the program that organization which submits a responsible bid with the lowest percentage figure as outlined above, unless the Steering Committee determines that the State's interest is best served by selecting other than the lowest responsible bidder, in which case
the Steering Committee shall state, in writing, its reasons for such determination. The Steering Committee may choose to reject all bids and rebid the matter.

G. The organization, which is chosen to administer the program, shall not assign, subcontract, or otherwise transfer its duties and responsibilities to manage and administer the Campaign unless expressly permitted to do so in writing by the Steering Committee.

VII. State Employees' Charitable Campaign Fund Drive Programs.

A. All facets of the Campaign shall have safeguards to ensure fair and equitable treatment and representation of the approved organizations.

B. If practical, all pamphlets, donor cards, and other promotional materials representing the Campaign shall be formatted in such a way as to provide equal representation of each of the approved organizations.

VIII. Distribution of Contributions.

Contributions shall be distributed to organizations as designated by contributors. Undesignated funds shall be distributed to each approved organization in an amount proportionate to the percentage of the total designated funds contributed to that approved organization. Likewise, shrinkage due to unfulfilled pledges shall be absorbed by each approved organization in an amount proportionate to that percentage for the total designated funds, which were contributed to that approved organization.

IX. Executive Order Number Twenty and Executive Order Number Forty-Five issued on September 13, 2001 and May 28, 2003, respectively are rescinded.

Approved and adopted this 24th day of

May, 2006.

Ruth Ann Minner
Governor

Attest:

Harriet Smith Mushoor
Secretary of State