



County of Los Angeles CHIEF EXECUTIVE OFFICE

Kenneth Hahn Hall of Administration
500 West Temple Street, Room 713, Los Angeles, California 90012
(213) 974-1101
<http://ceo.lacounty.gov>

WILLIAM T FUJIOKA
Chief Executive Officer

June 4, 2014

To: Supervisor Don Knabe, Chairman
Supervisor Gloria Molina
Supervisor Mark Ridley-Thomas
Supervisor Zev Yaroslavsky
Supervisor Michael D. Antonovich

From: William T Fujioka
Chief Executive Officer

John Naimo
Acting Auditor-Controller

Board of Supervisors
GLORIA MOLINA
First District

MARK RIDLEY-THOMAS
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

CHARITABLE GIVING CAMPAIGN – (AGENDA ITEM 9, JULY 30, 2013)

On July 30, 2013, your Board directed the Auditor-Controller (A-C) and the Chief Executive Officer (CEO) to include in the current Charitable Giving Campaign (CGC), a policy incorporating the full capabilities of the County's electronic payroll system, allowing employees to designate to the non-profit organization of their choice with no administrative cost charged to the employee.

BACKGROUND

Government Code Section 1157.2 enables the Board of Supervisors, under such regulations as it may prescribe, to allow employees to authorize deductions made from their salaries or wages for payment of contributions of designated sums to charitable local organizations or to non-profit California corporations. The charitable organizations must qualify under Section 501 (c) (3) of the U.S. Internal Revenue Code of 1974.

County Policy #3.010 – Workplace Charitable Giving Standard establishes the policies for charitable giving and designates two types of charitable agencies eligible to participate in the program.

"To Enrich Lives Through Effective And Caring Service"

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Intra-County Correspondence Sent Electronically Only**

- Fund Distribution Agencies (FDA) – Which have raised \$75,000 locally and must raise at least \$35,000 (ongoing) through a combined effort of County employee cash contributions and County employee payroll deductions. Fund Distribution Agencies must also raise at least \$35,000 in a single County employee campaign, to be achieved by the second year of campaign participation, or be deemed ineligible to participate in future County campaigns.
- Direct Designation Agencies (DDA) – Which are designated by a County employee for a direct contribution and are qualified as tax-exempt organizations under Section 501 (c) (3) of the U.S. Internal Revenue Code of 1974. A Direct Designation Agency must expend no more than 20% on administrative, marketing or campaign funding and have raised more than \$15,000 locally in the last campaign.

Employee contributions to a DDA are currently made through a FDA which is allowed to withhold a maximum of ten (10) percent as an administrative fee. Currently, there are seven (7) FDA agencies established in the County's CGC for 2014.

NEW CHARITABLE GIVING CAMPAIGN APPROACH

The Board Motion directs the CEO and A-C to consider changes which will modify the County's current CGC in two major ways:

- Technology Improvements – Development of a new web page for employees to access and manage (add, change or remove) contributions that are withheld from their salary through the County's payroll system in a convenient, paperless manner, and
- A New Process with No Administrative Fee on Direct Designations – Establishing new procedures for eligible 501 (c) (3) charitable agencies to be certified and maintain eligibility in the County's CGC.

In order to meet these objectives, the A-C and the CEO developed a new web page giving employees direct access to manage their charitable contributions in an easy, paperless manner.

The new application is a convenient innovative use of technology accessible through the Countywide **MyLACounty.gov** portal (Attachment 1). Employees are already familiar with this portal to access their on-line timesheet, claim mileage reimbursement

through the Mileage Authorization and Reimbursement System (MARS), and access their paystub, W-2s, and other Employee Self-Service capabilities.

The new web page developed by the A-C will:

- Display an employee's current contribution(s) to eligible agencies;
- Allow the employee to manage (change) their existing contributions;
- Add a contribution (semi-monthly payroll deduction) to a new charitable agency;
- Directly submit the change or addition of a contribution for the next available payroll period thereby removing the processing delay;
- For the upcoming enrollment, provide a link to complete a DDA request form for email submittal requesting the CEO to process the certification for a new charitable agency (Attachment 2);
- Not charge an administrative fee to the employee; and
- Perform any of these actions in a convenient, on-line, paperless way!

The new CGC web page has been designed to be intuitive and easy to use. In addition, the A-C developed helpful user guides and training materials to assist employees through the new charitable giving process. The new web page is available to all employees on the ***MyLACounty.gov*** portal.

To work alongside the new web page designed by the A-C, the CEO developed new procedures to administer employee requests for certifying DDAs during the CGC open enrollment period. Currently, the County CGC programs are conducted annually from July through December and DDAs are processed during direct designation days which occur 3 times per year. Beginning with the 2014 CGC program, open enrollment for DDAs will increase from 3 days to a period of two months, from September 1st to October 31st. Once established as a certified DDA, the employee may adjust their contributions online throughout the year.

The new DDA certification process will:

- Send the employee an electronic notification to acknowledge their request;
- Verify 501 (c) (3) status and check the IRS database list;
- Verify compliance with the USA Patriot Act and check the U.S. Treasury Department to ensure the proposed agency is not on the Specially Designated Nationals List;
- Transmit to the requested agency an application for self-certification confirming compliance with the Board of Supervisors Workplace Charitable Giving Standard Policy #3.010 (Attachment 3); and
- Process the self-certification form.

If a DDA does not respond to our request(s) for information or does not meet the established criteria, the employee will be advised.

Upon certification, the CEO will reach out to the DDA to assist the organization in registering as a County Vendor through the ISD vendor registration site, if necessary. The CEO will forward certification and vendor information to the A-C to establish the new agency in the County eHR Payroll System. The A-C will also work with the certified agency to obtain the necessary bank account information to process contribution payments via electronic fund transfers (EFT). Once established by the A-C in the eHR Payroll System, the CEO will notify the employee of the certification results and that the agency is immediately available on the CGC webpage for employees to make contributions.

Employees will also have the option to continue their charitable contribution to a DDA through the current arrangement using a FDA, where an administrative fee is withheld.

Employees will have the opportunity, once a DDA is established, to remove their donation that is being passed through the FDA and make a donation directly to the DDA to avoid the administrative fee.

SUMMARY

The new CGC web page and procedures incorporates the use of technology to provide a convenient, paperless process to improve the employee's charitable giving experience and strengthen the County's program.

The new DDA certification process has been simplified to the fullest extent possible, however, the required searches and inquiries will necessitate manual processing and this will be a new workload for the CEO. In addition, it is important to note that this certification process will be conducted on an annual basis; the FDAs conduct the certification process on a monthly basis. The A-C will also experience new workload as they coordinate with the certified agency to obtain banking information to process contributions via EFTs.

Although every effort will be made by our offices to process each DDA application as expeditiously as possible, at this time, there are too many unknown variables to quantify the full impact of this new approach. For example, we do not know how many employees will utilize this new procedure for DDAs; as previously indicated, employees will have the option to continue their charitable contribution to a DDA through the current arrangement using a FDA, where an administrative fee is withheld. As the new

Each Supervisor
June 4, 2014
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DDA certification process has never been conducted internally, our best estimate is that it will take approximately 2 hours for the CEO to process each application. Each CGC includes approximately 100 DDA requests; therefore, it is possible that we may be required to certify 100 applications annually. In addition, for each newly certified agency, our best estimate for the A-C to obtain and process contributions via EFTs is also 2 hours.

A board motion to approve the 2014 Charitable Giving Campaign will be presented on June 24, 2014. It is our intent to utilize current staff to process requests for DDA as outlined above as part of the 2014 CGC and we will monitor and maintain statistics (volume, time required to process each element, etc.). Upon completion of the 2014 CGC we will report back to the Board our findings, including the need, if any, for additional staffing resources.

Finally, we believe that the CGC Program and the County's work with the FDAs is a very important and highly worthwhile effort. The FDAs speak for County employees as a community and they help direct our funding contributions to qualified organizations that serve residents of the greater Los Angeles County. We will monitor the impact that the new DDA certification process may have on our FDAs and the Charitable Giving Campaign and will also advise the Board in our report noted above.

If you have any questions regarding this program, please contact either of us at (213) 974-1101 or (213) 974-8302 respectively.

WTF:JN:SHK
RAD:MLM:mr

Attachment (3)

c: Executive Office, Board of Supervisors
County Counsel
Charitable Giving Campaign Fund Distribution Agencies

Attachment 1

How can I change or stop my contribution(s)?

Modify Current Contribution(s)

- 1) Select the contribution you would like to modify in the 'Current Deductions' section and click the 'Modify' button.

Code	Description	Amt/Pct	Actions
EM150	EARTH SHARE	\$7.50	Modify
EM150	UNITED WAY	0.5%	Modify

- 2) Change the dollar or percentage amount and click 'OK'.

Modify a Current Charitable Deduction

Charity
UNITED WAY

Current Percentage
0.5%

New Percentage
1%

- 3) Select the modified contribution in the 'Not Submitted' section and click the 'Submit Button'.

Type	Code	Description	Amt/Pct	Actions
Modify	EM150	UNITED WAY	5.08%	Submit

- 4) Click 'OK' to electronically sign and submit your modification.

Submit a Charitable Deduction

Charity
UNITED WAY

I hereby pledge a contribution through the County of Los Angeles Charitable Giving Campaign and authorize the Auditor-Controller to deduct the amount indicated above from my current semi-monthly earnings. I further authorize the Auditor-Controller to forward the amount deducted to the fund distribution agency or agencies of my choice for distribution as I've requested. This authorization shall remain in effect until cancelled by me or by my written notice. By clicking OK you electronically sign this form.

Your modification request is now pending processing.

Submitted for Processing

Type	Code	Description	Amt/Pct	Status	Status Date
Add	EM152	UNITED LATIN FUND	2.0%	Submitted	01-16-2014
Modify	EM150	UNITED WAY	3.0%	Submitted	01-31-2014

Stop Current Contribution(s)

- 1) Select the contribution you would like to stop in the 'Current Deductions' section and click the 'Stop' button.

Code	Description	Amt/Pct	Actions
EM114	EARTH SHARE	\$7.50	Stop

A pop up window will appear.

- 2) Click 'OK' to stop the deduction.

Stop a Current Charitable Deduction

Charity
EARTH SHARE

Flat Amount
\$7.50

Are you sure you want to stop this deduction?

- 3) Click 'OK' to electronically sign and submit your stop request.

Submit a Charitable Deduction

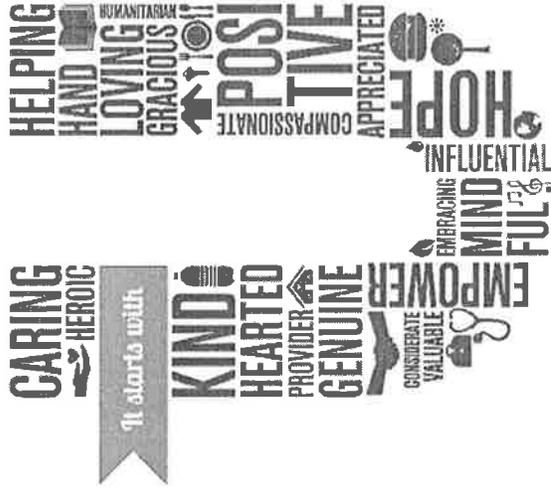
Charity
EARTH SHARE

I hereby acknowledge that by submitting this transaction I am stopping the selected charitable contribution. This authorization shall remain in effect until cancelled by me or by my written notice. By clicking OK you electronically sign this form.

Your stop request has been submitted and is now pending processing. It will take one or two payroll cycles for the change to take effect.

CONTACTS

- Questions regarding your contribution, contact your Departmental CGC coordinator and/or Payroll
- Questions regarding the Charitable Giving program, contact the CEO's Workplace Programs at (213) 974-2619



LOS ANGELES COUNTY
**CHARITABLE
GIVING
CAMPAIGN**

QUICK REFERENCE GUIDE



Attachment 1

This quick reference guide (QRG) will demonstrate how to access the new Charitable Giving Portal through mylacity.gov.

Accessing the Charitable Giving Portal

Login to mylacity.gov.

1.) A list of your applications will appear. Click on the Charitable Giving link.

My Applications

Employee Self-Service (ESS)

My Account View

MASS Application

Charitable Giving

Click on Charitable Giving link.

The Charitable Giving Portal opens displaying three sections:

- **Current Deductions** section shows all your current charitable contribution(s). Your contribution(s) can be modified by dollar amount or percentage, **AND/OR** stopped.
- **Not Submitted** section shows the charities that you are considering to donate to. You can delete **OR** modify the charitable dollar amount and percentage. To complete this request, you must submit for processing.
- **Submitted for Processing** section shows your charitable contribution(s) which have been submitted for processing. The change will take effect in one or two payroll cycles.

How can I give to a new charity?

Employees can give to charities by signing up for payroll deductions, where employees can choose to contribute a portion of their paycheck.

1) Click 'Add a Charity for Payroll Deduction' link.

 **Add a Charity for Payroll Deduction**

A popup window will appear.

2) Click on the drop down list  to select a charity. Enter a dollar amount (up to \$50) **OR** a percentage (up to 5%) then click 'OK'.

Add a Charity for Payroll Deduction	
Charity	COMMUNITY HEALTH CHARITIES OF CALIF
Flat Amount	
Percentage	1.5
<input type="button" value="OK"/> <input type="button" value="Cancel"/>	

If you want to make changes to the dollar amount **OR** percentage for the charities you are considering, click the 'Delete' action button for the corresponding charity in the 'Not Submitted' section. Your action is not final until submitted.

A popup window will appear.

Not Submitted		
Type	Description	Amt/Pct Action
Add	EM111 BROTHERHOOD CRUSADE	\$10.00 <input type="button" value="delete"/>

Click 'OK' to delete and repeat steps one and two or otherwise, click the 'Submit' button.

 **Delete a Not Submitted Transaction**

Charity

BROTHERHOOD CRUSADE

Are you sure you want to delete this transaction?

3) Click 'OK' to electronically sign and begin your donations.

 **Submit a Charitable Deduction**

Charity

BROTHERHOOD CRUSADE

I hereby pledge a contribution through the County of Los Angeles Charitable Giving Campaign and authorize the Auditor-Controller to deduct the amount indicated above from my current semi-monthly earnings. I further authorize the Auditor-Controller to forward the amount deducted to the fund distribution agency or agencies of my choice for distribution as I've requested. This authorization shall remain in effect until cancelled by me or by my written notice. By clicking OK, you electronically sign this form.

Your request is now pending processing.

Submitted for Processing			
Type	Code	Description	Status
Add	EM111	UNITED LATINO FUND	2.0% Submitted 01-16-2014
Add	EM111	BROTHERHOOD CRUSADE	\$10.00 Submitted 01-16-2014

QUICK TIPS

- ❑ Once your contribution is submitted for processing, no additional changes can be made until payroll is processed.



New Direct Designation Agency Request

The County of Los Angeles will accept requests for new Direct Designation Agencies (DDA) for the Charitable Giving Campaign 2014. Applications will be accepted during the open enrollment period, September 1, 2014 through October 31, 2014.

To request a new DDA, please fill out the information below. Only forms having all fields completed with accurate information will be processed.

SECTION 1: REQUESTED AGENCY

Name of 501(c)(3) Tax Identification # (TIN)

Location Address City, State, Zip

Mailing Address (all correspondence, will be mailed here) City, State, Zip

Contact Person Title

Telephone Email

SECTION 2: EMPLOYEE INFORMATION

Employee Name Telephone #

Email Address

SECTION 3: PROCESSING

Please submit request to the County of Los Angeles, Chief Executive Office, Office of Workplace Programs, Charitable Giving Campaign Coordinator:

CGCCoordinator@ceo.lacounty.gov

[Date]

[Contact Name]
[Organization]
[Street Address]
[City, State, Zip]

Dear [Contact Name]:

2014 CHARITABLE GIVING CAMPAIGN

The Charitable Giving Campaign is the County of Los Angeles' workplace giving program, where County employees contribute money to non-profit organizations that provide services to local and diverse communities in our County.

As part of our 2014 Charitable Giving Campaign, County employees have the opportunity to request charitable organizations to be added in the payroll system as a Direct Designation Agency (DDA), which would allow employees to contribute to the charity through payroll deduction if they elect to do so. As such, one of our County employees has identified your organization as an agency they wish to contribute to.

If your 501(c)(3) agency wishes to become a DDA, please refer to the attached application for eligibility requirements. If your organization meets such requirements, please complete and submit your application by _____ (14 calendar days from date on letter). **Please email or send completed application to:**

Charitable Giving Campaign Coordinator
CEO Workplace Programs
County of Los Angeles
500 West Temple Street, Room B-1
Los Angeles, CA 90012

Please note that upon successful completion of your agency's application, an email notification will be sent to you. That email will contain a link taking you to the online County Vendor Registration application. You must register in order to receive employee contributions to your organization.

If you have any questions, please contact June Tai, Charitable Giving Campaign Coordinator, at jtai@ceo.lacounty.gov.

Sincerely,

WILLIAM T FUJIOKA
Chief Executive Officer

M. Loreto Maldonado
Director, Office of Workplace Programs

WTF:SHK:MLM
JT:

Attachment



Direct Designation Agency Application

SECTION 1: REQUESTED AGENCY

Name of 501(c)(3) Tax Identification # (TIN)

Location Address City, State, Zip

Mailing Address (all correspondence, including checks will be mailed here) City, State, Zip

Contact Person Title

Telephone Email

SECTION 2: ELIGIBILITY INFORMATION

In order for an organization to be eligible to become a Direct Designation Agency (DDA), it must meet the standards set forth by the County of Los Angeles Board of Supervisors Policy 3.010:

- A non-profit California corporation, holding 501(c)(3) status;
- Raised \$15,000 locally;
- Provides services to local and diverse communities in Los Angeles County; and
- Administrative, marketing and campaign expenditures do not exceed 20% of annual funding.

Additionally, the organization must be in compliance with the USA Patriot Act:

- All funds and donations will be used in compliance with all applicable anti-terrorist financing and asset control laws, statutes and executive orders

SECTION 3: CERTIFICATION

I certify on behalf of _____ that the following requirements for serving as a DDA are met and will continue to be met at all times:

- We are a non-profit California Corporation;
- We hold 501(c)(3) status with the IRS, and for which all contributions to the organization are eligible to be deductible for federal income tax purposes;
- We raised \$15,000 locally and provide services to local and diverse communities in Los Angeles County;
- Our administrative, marketing and campaign expenditures do not exceed 20% of annual funding;
- All funds and donations will be used in compliance with all applicable anti-terrorist financing and asset control laws, statutes and executive orders;

Direct Designation Agency Application

- Our publicity and promotional activities are based upon actual programs and operations, are truthful and non-deceptive, and make no exaggerated or misleading claims;
- We prohibit the sale, lease or distribution of LA County Employee contributor lists;
- We will provide upon request to the Los Angeles County Chief Executive Office, County Council, and/or Auditor-Controller all documents necessary to verify compliance with eligibility requirements, including but not limited to: the most recent annual report, financial statement, and IRS 990;
- We concur that all funds will be distributed by direct deposit to our agency twice a month;
- We acknowledge that the certification process noted above may be subject to audit by the Los Angeles County Auditor-Controller’s Office; and
- We understand that DDA status with LA County may be revoked if at any time the following occurs: fraud, misrepresentation or failure to inform the LA County Chief Executive Office of any fact that would affect determination of eligibility.

I, _____ (print name), declare under penalty of perjury under the laws of the State of California that the foregoing is true, complete and correct, and that I am an authorized agent who has actual authority to bind this organization to the terms listed above.

Signature

Title

Date

SECTION 4: REFERENCE INFORMATION

Employee Name Department

SECTION 5: PROCESSING

This application and all applicable attachments must be received at the noted County office by _____. Please email or send application to:

Charitable Giving Campaign Coordinator
CEO Workplace Programs
County of Los Angeles
500 West Temple Street Room B-1
Los Angeles, CA 90012

For questions and concerns, please email our Office: CGCCoordinator@ceo.lacounty.gov

Please double check application and all attachments for completeness. Incomplete applications will not be processed.