



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

October 29, 2012

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To: Supervisor Zev Yaroslavsky, Chairman
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From: William T Fujioka
Chief Executive Officer 

INCLUSION OF BOY SCOUTS AND BOYS' AND GIRLS' CLUBS IN FUTURE CHARITABLE GIVING CAMPAIGNS (Agenda of 10/2/12, Item 44A)

On October 2, 2012, on motion by Supervisor Michael D. Antonovich, the Board instructed this Office to report back on how to include the Boy Scouts and the Boys' and Girls' Clubs in future charitable giving campaign contributions.

Based on Board Policy Number 3.010, Workplace Giving Program Standards, the Boy Scouts and the Boys' and Girls' Clubs do not meet the criteria to be a Fund Distribution Agency. However, employees can still make a contribution to these organizations through the Direct Designation process.

Background

On June 2, 1998, the Board of Supervisors approved the Workplace Giving Program Standards. The mission is to support local nonprofit charitable organizations which provide a broad range of health and human care services to the residents of Los Angeles County, reflecting the cultural and ethnic diversity of the region, and focusing on underserved areas impacting the status of men, women, and children.

The County annually conducts a voluntary, employee-driven Charitable Giving Campaign (CGC) consistent with this program. There are five Fund Distribution Agencies (FDAs) approved by the Board to participate in the CGC: Asian Pacific Community Fund, Brotherhood Crusade, EarthShare California, United Latino Fund, and United Way of Greater Los Angeles. Employees may also contribute to Direct Designation Agencies (DDAs) through the County FDA process.

"To Enrich Lives Through Effective And Caring Service"

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Fund Distribution Agency Definition

Section D-1 of the Workplace Charitable Giving Standard defines the term "Fund Distribution Agency" as:

- A non-profit California corporation, 501(c)(3) which distributes funds to member agencies who provide health and human care services to the residents of Los Angeles County, reflecting the cultural and ethnic diversity of the region and the underserved areas impacting the status of men, women, and children.

The FDAs are required to distribute employee dollars raised to a minimum of 15 local non-profit agencies serving Los Angeles County. Parent agencies and not their affiliates are counted in local agency totals. Branches, chapters or subunits of a parent agency are counted as a single unit within the membership structure of an FDA.

In addition, FDAs must be those whose principle service function is provided to the culturally diverse residents of Los Angeles County. This criterion is intended to ensure that the widest and most diverse range of services possible is provided to the residents of Los Angeles County.

Boy Scouts of America

The Boy Scouts of America (BSA) is a privately-funded organization. Their purpose is to provide an educational program for young men and women to build character, train in the responsibilities of participating citizenship, and develop personal fitness. The BSA National Council grants a charter to religious organizations, service clubs, businesses, and others who want to sponsor a Scout unit. A unit is actually "owned" by its chartered organization. Chartered organizations vary widely in tax status; some have 501(c)(3) status, some do not.

The Boy Scouts of America would not qualify under the requirements of an FDA for the following reasons: Chartered groups under the Boy Scouts may not have a 501(c)(3) status and they do not distribute dollars to a minimum of 15 local non-profit agencies in the County. However, as discussed below, employees may be able to donate to Boy Scout organizations with a 501(c)(3) status through the "Direct Designation" process.

Boys' and Girls' Clubs of America

The Boys' and Girls' Clubs of America is a non-profit 501(c)(3) organization. They are a national organization of local chapters which provide after-school programs for young

people. Their mission is “to enable all young people, especially those who need us most, to reach their full potential as productive, caring, responsible citizens.”

The Boys' and Girls' Clubs would not qualify under the requirements of an FDA for the following reasons: They do not distribute dollars to a minimum of 15 local non-profit agencies in the County. However, as noted below, employees would be able to make donations through the Direct Designation process.

Direct Designation Agencies Definition

Section D-2 of the Workplace Charitable Giving Standard defines the term Direct Designation Agencies (DDAs) as:

- A non-profit California corporation, 501(c)(3) which raised \$25,000 locally and provides services to local and diverse communities in Los Angeles County.

Donor direct designated agencies would receive 90 percent of the employee direct designation dollar (processed through the County FDA payroll deduction process) with 10 percent representing a processing fee required by the FDA. It is the responsibility of each FDA to ensure that DDAs, to which each routes funding, meet campaign funding thresholds and have a current Internal Revenue Code 501(c)(3) designation.

Employee Contributions through Direct Designation

Through Direct Designation, employees wishing to donate to any community organization within Los Angeles County, including the Boy Scouts (those which have 501(c)(3) status) or Boys' and Girls' Clubs, may do so by filling out a Direct Designation form. Employees have the option of a one-time donation or payroll deduction to their designated agency, but it must be processed through an approved FDA.

Throughout the Charitable Giving Campaign, employees are informed of Direct Designation through various ways, including:

- The Chief Executive Office, Office of Workplace Programs annually trains countywide coordinators and provides the forms for payroll deduction and direct designation;
- Workplace Programs hosts or assists with Direct Designation Day. This year, Direct Designation Day was held at the Hall of Administration on Wednesday, October 24, 2012, and the Department of Public Works is scheduled to host one at their headquarters office on November 7, 2012; and

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- Employees are continuously encouraged to sign up using payroll deduction or direct designation.

If you have any questions regarding this matter, please contact Eddie Washington at (213) 974-1347, or ewashington@ceo.lacounty.gov.

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RW:EW:LP:mr

c: Executive Office, Board of Supervisors

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