

01 NCAC 35A .0101 is repealed as published in 34:6 NCR 467 as follows:

## CHAPTER 35 - STATE EMPLOYEES COMBINED CAMPAIGN

### SECTION .0100 - PURPOSE AND ORGANIZATION

#### **01 NCAC 35A .0101      DEFINITIONS**

*History Note:      Authority G.S. 143-3.3; 143-340(26); 143B-10;*  
*Eff. February 1, 1984;*  
*Amended Eff. December 1, 1994; December 1, 1993; May 1, 1987;*  
*Temporary Amendment Eff. February 15, 2002;*  
*Amended Eff. August 1, 2004;*  
*Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. January 3,*  
*2017.*  
*Repealed Eff. April 1, 2020.*

01 NCAC 35A .0102 - .0103 are repealed as published in 34:6 NCR 467 as follows:

**01 NCAC 35A .0102      PURPOSE**

**01 NCAC 35A .0103      ORGANIZATION OF THE CAMPAIGN**

*History Note:      Authority G.S. 143-340(26); 143B-10;*  
*Eff. February 1, 1984;*  
*Amended Eff. December 1, 1994; December 1, 1993; February 3, 1992; June 1, 1988;*  
*Temporary Amendment Eff. February 15, 2002;*  
*Amended Eff. March 1, 2006; August 1, 2004.*  
*Repealed Eff. April 1, 2020.*

01 NCAC 35A .0201 - .0205 are repealed as published in 34:6 NCR 467 as follows:

## SECTION .0200 - APPLICATION PROCESS AND SCHEDULE

**01 NCAC 35A .0201      APPLICATIONS**

**01 NCAC 35A .0202      CONTENT OF APPLICATIONS**

**01 NCAC 35A .0203      REVIEW AND SCHEDULE**

**01 NCAC 35A .0204      RESPONSE**

**01 NCAC 35A .0205      AGREEMENTS**

*History Note:      Authority G.S. 143-340(26); 143-3.3; 143B-10;  
Eff. February 1, 1984;  
Amended Eff. January 1, 1995; December 1, 1994; December 1, 1993; February 3, 1992; June 1,  
1988; May 1, 1987;  
Transferred and Recodified from 1 NCAC 35 .0301-.0302 Eff. December 1, 1993;  
Temporary Amendment Eff. February 15, 2002;  
Amended Eff. March 1, 2006; August 1, 2004.  
Repealed Eff. April 1, 2020.*

01 NCAC 35A .0301 - .0302 are repealed as published in 34:6 NCR 467 as follows:

**SECTION .0300 - GENERAL PROVISIONS**

**01 NCAC 35A .0301      OTHER SOLICITATION PROHIBITED**

**01 NCAC 35A .0302      COERCIVE ACTIVITIES PROHIBITED**

*History Note:      Authority G.S. 143-3.3; 143-340(26); 143B-10;  
Eff. February 1, 1984;  
Transferred and Recodified from 1 NCAC 35 .0401 - .0402 Eff. December 1, 1993;  
Amended Eff. December 1, 1994; December 1, 1993;  
Temporary Amendment Eff. February 15, 2002;  
Amended Eff. March 1, 2006; August 1, 2004.  
Repealed Eff. April 1, 2020.*

01 NCAC 35A .0304 is repealed as published in 34:6 NCR 468 as follows:

**01 NCAC 35A .0304      METHODS OF GIVING AND TERMS OF CONTRIBUTION**

*History Note:      Authority G.S. 143-3.3; 143-340(26); 143B-10;*  
*Eff. February 1, 1984;*  
*Amended Eff. February 3, 1992; May 1, 1987;*  
*Transferred and Recodified from 1 NCAC 35 .0403 Eff. December 1, 1993;*  
*Amended Eff. December 1, 1993;*  
*Temporary Amendment Eff. February 15, 2002;*  
*Amended Eff. March 1, 2006; August 1, 2004.*  
*Repealed Eff. April 1, 2020.*

01 NCAC 35A .0305 is repealed as published in 34:6 NCR 468 as follows:

**01 NCAC 35A .0305      CAMPAIGN LITERATURE**

*History Note:      Authority G.S. 143-340(26); 143B-10;*  
*Eff. February 1, 1984;*  
*Amended Eff. May 1, 1987;*  
*Transferred and Recodified from 1 NCAC 35 .0404 Eff. December 1, 1993;*  
*Amended Eff. December 1, 1994; December 1, 1993;*  
*Temporary Amendment Eff. February 15, 2002;*  
*Amended Eff. March 1, 2006; August 1, 2004;*  
*Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. January 3,*  
*2017.*  
*Repealed Eff. April 1, 2020.*

01 NCAC 35A .0306 - .0307 are repealed as published in 34:6 NCR 468 as follows:

**01 NCAC 35A .0306      DESIGNATION CAMPAIGN**

**01 NCAC 35A .0307      DISTRIBUTION OF UNDESIGNATED FUNDS**

*History Note:      Authority G.S. 143-3.3; 143-340(26); 143B-10;  
Eff. February 1, 1984;  
Amended Eff. January 1, 1988;  
Transferred and Recodified from 1 NCAC 35 .0405 -.0406 Eff. December 1, 1993;  
Amended Eff. December 1, 1994; December 1, 1993;  
Temporary Amendment Eff. February 15, 2002;  
Amended Eff. March 1, 2006; August 1, 2004.  
Repealed Eff. April 1, 2020.*

01 NCAC 35A .0309 is repealed as published in 34:6 NCR 468 as follows:

**01 NCAC 35A .0309      CAMPAIGN OPERATION**

*History Note:      Authority G.S. 143-3.3; 143-340(26); 143B-10;*

*Temporary Adoption Eff. February 15, 2002;*

*Eff. August 1, 2004;*

*Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. January 3, 2017.*

*Repealed Eff. April 1, 2020.*



## **REQUEST FOR TECHNICAL CHANGE**

AGENCY: Department of Administration

RULE CITATION: 01 NCAC 35B .0101

**DEADLINE FOR RECEIPT: Friday, January 10, 2020**

**PLEASE NOTE: This request may extend to several pages. Please be sure you have reached the end of the document.**

The Rules Review Commission staff has completed its review of this Rule prior to the Commission's next meeting. The Commission has not yet reviewed this Rule and therefore there has not been a determination as to whether the Rule will be approved. You may call our office to inquire concerning the staff recommendation.

In reviewing this Rule, the staff recommends the following technical changes be made:

*In (1), please don't define a word, with that same word. With that in mind, could you change "expenses for reporting" to "costs for reporting." Also, what are "administrative activities"? What are these beyond business management? Same with Item (11) and (15).*

*In (1), change "which" to "that" in "which are neither"*

*In (1), delete the "nor" in between "educational" and "direct conduct"*

*In Item (2), what is "another comprehensive basis of accounting"? Would this be up to the accountant?*

*In (5), what is a "regional contact"?*

*In Item (7), is it "approved in accordance with the rules of this Subchapter"?*

*In Item (9), what are "other activities involved with soliciting contributions"? Here do you mean something like "... means the act of soliciting contributions, gifts, and grants including participating in federated activities, maintaining donor mailing lists..."*

*In (14), what is a "voluntary charitable agency"?*

*I note that I don't see "program services expenses" used elsewhere in this Subchapter. Do you need this definition? To the extent that you do need it, what is the practical difference between this and "administrative expenses"?*

Amber May  
Commission Counsel  
Date submitted to agency: December 27, 2019

Please retype the rule accordingly and resubmit it to our office at 1711 New Hope Church Road, Raleigh, North Carolina 27609.

Amber May  
Commission Counsel  
Date submitted to agency: December 27, 2019

01 NCAC 35B .0101 is adopted with changes as published in 34:6 NCAC 468 as follows:

## **SECTION .0100 ORGANIZATION**

### **01 NCAC 35B .0101      DEFINITIONS**

The following definitions shall apply:

- (1) “Administrative Expenses” means expenses for reporting and informational activities related to business management and administrative activities which are neither educational, nor direct conduct of program services, nor fund-raising services.
- (2) “Audit” or “Audited Financial Statement” shall mean an examination of financial statements of an organization by a Certified Public Accountant (“CPA”), conducted in accordance with generally accepted auditing standards, to determine whether, in the CPA’s opinion, the statements conform with generally accepted accounting principles or, if applicable, another comprehensive basis of accounting.
- (3) “Campaign Contribution” means the amount of funds received ~~by~~ **from** a contributor.
- (4) “Campaign Fiscal Year” shall be January 1 through December 31 of each year.
- (5) “Campaign Solicitation Organization” or “Solicitation Organization” means the regional contacts for fund-raising.
- (6) “Campaign Solicitation Period” means the period between August 1 and December 31 of each year in which solicitations will be conducted.
- (7) “Charitable Organizations” means any Independent Organization or Federation approved to solicit contributions.
- (8) “Federation” or “Federated Group” means a group of voluntary charitable human health and welfare agencies organized for purposes of supplying common fund-raising, administrative, and management services to its constituent members.
- (9) “Fund-raising” or “Solicitation Activities” means the act of soliciting contributions, gifts, **grants;** **grants, etc.,** participating in federated campaigns; maintaining donor mailing lists; preparing and distributing fund-raising manuals, instructions and other materials; and conducting other activities involved with soliciting contributions.
- (10) “Fund-raising Consultant” means a consultant as defined in G.S. 131F-2(10).
- (11) “Fund-raising Expenses” means the total expense incurred from all activities that constitute, or are an integral and inseparable part of, an appeal for financial support.
- (12) “Fund-raising Solicitor” means a solicitor as defined in G.S. 131F-2(19).
- (13) “Independent Organization” or “Independent Charitable Organization” means a singular voluntary charitable agency.
- (14) “Member Charitable Organization” means a voluntary charitable agency that is organized under a Federation or Federated Group.

- 1       (15) “Program Services Expenses” means expenses for those activities that the reporting organization  
2       was created to conduct which fulfill the purpose or mission for which the organization exists,  
3       exclusive of fund-raising and administrative expenses, and which, along with any activities  
4       commenced subsequently, form the basis of the organization’s current exemption from tax.  
5       (16) “SECC Advisory Committee” or “Advisory Committee” means an appointed committee that  
6       serves as an application point for all Charitable Organizations applying to participate in the SECC.  
7       (17) “State Employee Combined Campaign” or “SECC” shall be the official name of the state  
8       employee charitable fund-raising drive.  
9       (18) “Statewide Campaign Organization” means the organization contracted to manage the SECC’s  
10       administrative operations.  
11       (19) “Undesignated Funds” means solicited funds received in which the designee is not stated or that  
12       has not been approved through the SECC application process.

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14       History Note: Authority G.S. 143-340(26)  
15       Eff. April 1, 2020  
16  
17  
18

## **REQUEST FOR TECHNICAL CHANGE**

AGENCY: Department of Administration

RULE CITATION: 01 NCAC 35B .0102

**DEADLINE FOR RECEIPT: Friday, January 10, 2020**

***PLEASE NOTE: This request may extend to several pages. Please be sure you have reached the end of the document.***

The Rules Review Commission staff has completed its review of this Rule prior to the Commission's next meeting. The Commission has not yet reviewed this Rule and therefore there has not been a determination as to whether the Rule will be approved. You may call our office to inquire concerning the staff recommendation.

In reviewing this Rule, the staff recommends the following technical changes be made:

*In (a), consider saying "~~approved~~ Independent Organizations or Federations approved in accordance with the Rules of this Chapter."*

Please retype the rule accordingly and resubmit it to our office at 1711 New Hope Church Road, Raleigh, North Carolina 27609.

Amber May  
Commission Counsel  
Date submitted to agency: December 27, 2019

01 NCAC 35B .0102 is adopted as published in 34:6 NCR 468-69 as follows:

**01 NCAC 35B .0102**      **PURPOSE AND ORGANIZATION**

(a)      The purpose of the State Employee Combined Campaign (“SECC”) is to provide a single charitable campaign for all state employees to voluntarily contribute to approved Independent Organizations or Federations in accordance with the Rules of this Chapter.

(b)      The SECC shall be comprised as follows:

(1)      a Statewide Campaign Chair;

(2)      an Advisory Committee;

(3)      a Statewide Campaign Organization; and

(4)      a Campaign Solicitation Organization.

*History Note:*      *Authority G.S. 143-340(26)*

*Eff. April 1, 2020*

01 NCAC 35B .0103 is adopted as published in 34:6 NCR 469 as follows:

**01 NCAC 35B .0103**      **STATEWIDE CAMPAIGN CHAIR**

(a) The Statewide Campaign Chair shall be appointed each year by the Governor from one of the Executive Cabinet, Council of State, System of Community Colleges, or University Administration agencies.

(b) The Statewide Campaign Chair shall:

(1) serve as director of the campaign;

(2) enlist the support and cooperation of the head of each State department and university to promote the SECC's purpose;

(3) set the dates of and approve the published materials for the SECC in accordance with Rule .0108 of this Chapter;

(4) contract for the designation of the Statewide Campaign Organization;

(5) appoint members the Advisory Committee; and

(6) serve as Chair over Advisory Committee meetings.

History Note: Authority G.S. 143-340(26)

Eff. April 1, 2020

## **REQUEST FOR TECHNICAL CHANGE**

AGENCY: Department of Administration

RULE CITATION: 01 NCAC 35B .0104

**DEADLINE FOR RECEIPT: Friday, January 10, 2020**

**PLEASE NOTE: This request may extend to several pages. Please be sure you have reached the end of the document.**

The Rules Review Commission staff has completed its review of this Rule prior to the Commission's next meeting. The Commission has not yet reviewed this Rule and therefore there has not been a determination as to whether the Rule will be approved. You may call our office to inquire concerning the staff recommendation.

In reviewing this Rule, the staff recommends the following technical changes be made:

*In (c), how is the SECC Advisory Committee to determine whether to accept the recommendation of the Campaign Organization? I assume it's based upon the same approval standards of the Campaign Organization? If so, can you provide a cross-reference to those standards? Is it .0202 and .0203?*

*How is it determined what constitutes a "conflict of interest"? I assume that there is some definition somewhere (maybe in the Ethics Act) that you can use?*

Please retype the rule accordingly and resubmit it to our office at 1711 New Hope Church Road, Raleigh, North Carolina 27609.

Amber May  
Commission Counsel  
Date submitted to agency: December 27, 2019



01 NCAC 35B .0104 is adopted as published in 34:6 NCR 469 as follows:

**01 NCAC 35B .0104**      **SECC ADVISORY COMMITTEE**

(a) The SECC Advisory Committee members shall serve four-year staggered terms and shall serve no more than two consecutive terms. In the event of a vacancy, the Statewide Campaign Chair shall appoint a replacement to fill an unexpired term.

(b) The SECC Advisory Committee shall meet at the discretion of the Statewide Campaign Chair and no fewer than four meetings per year shall be held. The Advisory Committee shall conduct business only when a quorum of one-third of the Committee membership, including the Statewide Campaign Chair, is present.

(c) The SECC Advisory Committee shall review the recommendations made by the Statewide Campaign Organization and shall accept or reject its recommendations.

(d) The SECC Advisory Committee shall review the Statewide Campaign Organization's annual work plan and a budget to cover all of the costs related to the SECC.

(e) An SECC Advisory Committee member shall not participate in any decision where that Committee member may have a conflict of interest or the appearance of a conflict of interest, either of a personal nature or with regard to the agency in which members is employed.

*History Note: Authority G.S. 143-340(26)*

*Eff. April 1, 2020*

## **REQUEST FOR TECHNICAL CHANGE**

AGENCY: Department of Administration

RULE CITATION: 01 NCAC 35B .0105

**DEADLINE FOR RECEIPT: Friday, January 10, 2020**

***PLEASE NOTE: This request may extend to several pages. Please be sure you have reached the end of the document.***

The Rules Review Commission staff has completed its review of this Rule prior to the Commission's next meeting. The Commission has not yet reviewed this Rule and therefore there has not been a determination as to whether the Rule will be approved. You may call our office to inquire concerning the staff recommendation.

In reviewing this Rule, the staff recommends the following technical changes be made:

*What is the overall intent of (a)? Would this not be covered by an RFP?*

*In (a)(1), how is this to be shown?*

*In (a)(2), what is meant by "financial accountability"?*

*In (a)(4), I read this Paragraph to say in order to be considered to be a Statewide Campaign Organization, you have to show us you're capable of these things. So, how is a "potential" organization to know how much they're going to need?*

*What is the intent of (b)? I'm really not sure.*

*In (c)(2), what are "central management functions"? Can you include some "such as" language here?*

*In (c)(3), did you mean to cross reference .0201 and .0301? .0201 and .0202? Please review and provide the correct cross-reference.*

*In (c)(5)(A), by "accepted" do you mean "approved in accordance with these Rules"?*

Please retype the rule accordingly and resubmit it to our office at 1711 New Hope Church Road, Raleigh, North Carolina 27609.

Amber May  
Commission Counsel  
Date submitted to agency: December 27, 2019

01 NCAC 35B .0105 is adopted as published in 34:6 NCR 469-70 as follows:

**01 NCAC 35B .0105**      **STATEWIDE CAMPAIGN ORGANIZATION**

(a) To be eligible for consideration as a potential Statewide Campaign Organization, the applicant shall:

- (1) have the ability to manage a state-wide fund-raising campaign;
- (2) have an Audit to demonstrate financial accountability;
- (3) be a tax-exempt organization under the Internal Revenue Code;
- (4) verify a bond or have proof of insurance in an amount that covers the total amount of funds to be allocated to each of the respective Charitable Organizations; and
- (5) agree to comply with the terms of the Statewide Campaign Organization contract.

(b) The Statewide Campaign Organization shall conduct its own organization operations separately from their duties performed as the Statewide Campaign Organization for the SECC.

(c) The Statewide Campaign Organization shall:

- (1) serve as the financial administrator of the SECC;
- (2) provide staff to administer, maintain records, and provide central management functions for the SECC in consultation with the SECC Advisory Committee;
- (3) review Independent Organization and Federation applications for compliance with Rules .0201 and .0201 of this Chapter;
- (4) provide a centralized pledge processing service in order to process all pledge forms of state employees;
- (5) compile reports for the SECC Advisory Committee including:
  - (A) a list of all accepted Independent Organizations and Federations;
  - (B) a budget of anticipated Fund-raising, Administrative, and Program Services expenses; and
  - (C) an annual work plan of goals and objectives.
- (6) print and distribute pledge forms, campaign report forms and collection envelopes to each Campaign Solicitation Organization;
- (7) collect pledge reports and envelopes from each Campaign Solicitation Organization;
- (8) notify the Independent Organization and Federation of contributions they are to receive no later than March 1 following the Campaign Solicitation Period;
- (9) transmit quarterly to the Independent Organization and Federation its portion of the charitable contributions;
- (10) maintain an accounting of all Campaign Contributions and submit an audited end of campaign report of the following:
  - (A) amounts contributed and pledged;
  - (B) number of contributions; and
  - (C) amounts distributed to the participating Independent Organization or Federation.

- 1        (11)    coordinate annual statewide or regional training sessions for all Campaign Solicitation
- 2        Organizations;
- 3        (12)    serve as liaison to all participating Independent Organizations and Federations;
- 4        (13)    educate state employees in the services provided through their support;
- 5        (14)    deduct, before disbursements are made, direct costs of operating the SECC from the gross
- 6        contributions and charge each Independent Organization or Federation its proportionate share of the
- 7        operational costs as determined in Rule .0107 of this Chapter; and
- 8        (15)    document the total actual costs of the SECC, which shall not exceed 20% of gross contributions.
- 9

10    History Note:    Authority G.S. 143-340(26)

11        Eff. April 1, 2020

## **REQUEST FOR TECHNICAL CHANGE**

AGENCY: Department of Administration

RULE CITATION: 01 NCAC 35B .0106

**DEADLINE FOR RECEIPT: Friday, January 10, 2020**

***PLEASE NOTE: This request may extend to several pages. Please be sure you have reached the end of the document.***

The Rules Review Commission staff has completed its review of this Rule prior to the Commission's next meeting. The Commission has not yet reviewed this Rule and therefore there has not been a determination as to whether the Rule will be approved. You may call our office to inquire concerning the staff recommendation.

In reviewing this Rule, the staff recommends the following technical changes be made:

*In (a), line 4, delete "and" in between "university" and "shall have"*

*In (b), change "insure" to "ensure"*

*In (b), line 14, add a comma after "email communication"*

*In (b), delete "using methods that promote true voluntary giving." This language is ambiguous as written and appears to be unnecessary given the rest of the Paragraph.*

Please retype the rule accordingly and resubmit it to our office at 1711 New Hope Church Road, Raleigh, North Carolina 27609.

Amber May  
Commission Counsel  
Date submitted to agency: December 27, 2019

01 NCAC 35B .0106 is adopted as published in 34:6 NCR 470 as follows:

**01 NCAC 35B .0106**      **CAMPAIGN SOLICITATION ORGANIZATION**

(a) Each State department or university and shall have a Campaign Solicitation Organization within their agency. The Campaign Solicitation Organization shall ensure that solicitation activities are organized and conducted in accordance with Rule .0302 of this Chapter and shall:

- (1) assist in planning solicitation activities for their department or university;
- (2) act as liaison between state employees and the Statewide Campaign Organization by soliciting employees in their assigned area;
- (3) report all pledges and contributions to their campaign coordinators or department leaders; and
- (4) distribute and collect pledge forms.

(b) The Campaign Solicitation Organization shall insure that all donations are made on a voluntary basis, allow free choice, and prevent an impression of required giving. The Campaign Solicitation Organization may solicit contributions at employee meetings, events, through written or email communication and individual contact. Solicitation Activities may be conducted during working hours using methods that promote true voluntary giving.

History Note: Authority G.S. 143-340(26)

Eff. April 1, 2020

## **REQUEST FOR TECHNICAL CHANGE**

AGENCY: Department of Administration

RULE CITATION: 01 NCAC 35B .0107

**DEADLINE FOR RECEIPT: Friday, January 10, 2020**

**PLEASE NOTE: This request may extend to several pages. Please be sure you have reached the end of the document.**

The Rules Review Commission staff has completed its review of this Rule prior to the Commission's next meeting. The Commission has not yet reviewed this Rule and therefore there has not been a determination as to whether the Rule will be approved. You may call our office to inquire concerning the staff recommendation.

In reviewing this Rule, the staff recommends the following technical changes be made:

*Overall, since this is relating to a contract and does not have "general applicability", is this Rule necessary? Please note that I understand the need for lines 9-12 of this Rule, because that will have "general applicability" to all charitable organizations and federations.*

*If this Rule is necessary, please provide what factors the Chair is to use in approving the contract.*

Please retype the rule accordingly and resubmit it to our office at 1711 New Hope Church Road, Raleigh, North Carolina 27609.

Amber May  
Commission Counsel  
Date submitted to agency: December 27, 2019

01 NCAC 35B .0107 is adopted as published in 34:6 NCR 470 as follows:

**01 NCAC 35B .0107**      **CONTRACT**

(a) The SECC and Statewide Campaign Organization shall execute a three-year contract for services. The contract shall allow a charge for fund-raising, administrative, and program services expenses for the Statewide Campaign Organization. The contract shall be subject to approval by the Statewide Campaign Chair.

(b) The Statewide Campaign Organization shall recover from gross receipts of the SECC its expenses that shall reflect the actual costs of administering the campaign. Total actual costs of the campaign to be recovered pursuant to the contract shall be documented and shall not exceed 20% of budgeted gross receipts. The campaign expenses shall be shared proportionately by all the recipient organizations reflecting their percentage share of gross campaign receipts. No costs associated with the campaign shall be borne by the State. All costs shall be borne by the proceeds from the campaign.

History Note: Authority G.S. 143-340(26)

Eff. April 1, 2020



## **REQUEST FOR TECHNICAL CHANGE**

AGENCY: Department of Administration

RULE CITATION: 01 NCAC 35B .0108

**DEADLINE FOR RECEIPT: Friday, January 10, 2020**

***PLEASE NOTE: This request may extend to several pages. Please be sure you have reached the end of the document.***

The Rules Review Commission staff has completed its review of this Rule prior to the Commission's next meeting. The Commission has not yet reviewed this Rule and therefore there has not been a determination as to whether the Rule will be approved. You may call our office to inquire concerning the staff recommendation.

In reviewing this Rule, the staff recommends the following technical changes be made:

*Who exactly is to distribute this publicity? The Statewide Solicitation Organization?  
If so, does it have general applicability such that it meets the definition of a Rule?*

*If this does have general applicability and does meet the definition of a Rule, how  
is the Chair to determine whether to approve the "publicity"? Is this set forth in (b)?*

Please retype the rule accordingly and resubmit it to our office at 1711 New Hope Church Road, Raleigh, North Carolina 27609.

Amber May  
Commission Counsel  
Date submitted to agency: December 27, 2019

01 NCAC 35B .0108 is adopted as published in 34:6 NCR 470 as follows:

**01 NCAC 35B .0108**      **CAMPAIGN LITERATURE**

(a) The SECC shall provide a campaign resource guide designed by the SECC Advisory Committee and all publicity shall be subject to approval by the Statewide Campaign Chair. Publicity shall not favor one Independent Organization or Federation over another.

(b) The Statewide Campaign Chair shall approve, prior to distribution, the content of any campaign pledge or distribution card to ensure compliance with the State Controller's requirements for format and substance.

(c) The Independent Organization or Federation approved for inclusion in the SECC shall be listed in the campaign literature no more than one time unless:

(1) it is in the Independent Organization or Federation's interest to more specifically direct their gifts to separate geographic locations; and

(2) the Independent Organization or Federation maintains records that determine that contributions are designated to that geographic area accrue only to the benefit and purposes of the designated area.

History Note: Authority G.S. 143-340(26)

Eff. April 1, 2020

## **REQUEST FOR TECHNICAL CHANGE**

AGENCY: Department of Administration

RULE CITATION: 01 NCAC 35B .0201

**DEADLINE FOR RECEIPT: Friday, January 10, 2020**

***PLEASE NOTE: This request may extend to several pages. Please be sure you have reached the end of the document.***

The Rules Review Commission staff has completed its review of this Rule prior to the Commission's next meeting. The Commission has not yet reviewed this Rule and therefore there has not been a determination as to whether the Rule will be approved. You may call our office to inquire concerning the staff recommendation.

In reviewing this Rule, the staff recommends the following technical changes be made:

*What are the substantive requirements of the application? Those in .0202?*

*On lines 9 and 10-11, what is meant by "postmarked or received"? While I don't think it's the intent, this could be read as being contradictory to each other. Do you mean "postmarked or hand-delivered"?*

Please retype the rule accordingly and resubmit it to our office at 1711 New Hope Church Road, Raleigh, North Carolina 27609.

01 NCAC 35B.0201 is adopted as published in 34:6 NCR 470 as follows:

**SECTION .0200 APPLICATION PROCESS AND SCHEDULE**

**01 NCAC 35B.0201      APPLICATIONS**

The Independent Organization or Federation shall apply annually to the Statewide Campaign Organization. Applications may be obtained via the SECC website at www.ncsecc.org. A Federation may submit an application on behalf of a Member Charitable Organization. Applications for inclusion into the SECC current Campaign Solicitation Period shall be received or postmarked by the Statewide Campaign Organization no later than March 1st to be included in the following fall campaign. If March 1st falls on a Sunday or federal holiday, the application shall be postmarked or received by the Statewide Campaign Organization by the end of the next day not a Sunday or federal holiday.

History Note:      Authority G.S. 143-340(26)

Eff. April 1, 2020

## **REQUEST FOR TECHNICAL CHANGE**

AGENCY: Department of Administration

RULE CITATION: 01 NCAC 35B .0202

**DEADLINE FOR RECEIPT: Friday, January 10, 2020**

***PLEASE NOTE: This request may extend to several pages. Please be sure you have reached the end of the document.***

The Rules Review Commission staff has completed its review of this Rule prior to the Commission's next meeting. The Commission has not yet reviewed this Rule and therefore there has not been a determination as to whether the Rule will be approved. You may call our office to inquire concerning the staff recommendation.

In reviewing this Rule, the staff recommends the following technical changes be made:

*Add "and" at the end of (b)(5)*

Please retype the rule accordingly and resubmit it to our office at 1711 New Hope Church Road, Raleigh, North Carolina 27609.

Amber May  
Commission Counsel  
Date submitted to agency: December 27, 2019

01 NCAC 35B .0202 is adopted with changes as published in 34:6 NCR 470-71 as follows:

**01 NCAC 35B .0202**      **CONTENT OF APPLICATION**

(a) The Independent Organization or Federation seeking inclusion in the SECC shall submit an application to the Statewide Campaign Organization. The application shall include:

- (1) the name of the Independent Organization or Federation;
- (2) name and title of a contact person;
- (3) contact person's telephone number and email address;
- (4) calculation of fund-raising and administrative costs; and
- (5) a signed certification of compliance ~~certifying compliance~~ with the eligibility standards listed in Paragraph .0203 of this Rule.

(b) The Independent Organization or Federation seeking inclusion in the SECC shall submit with the application the attached documentation:

- (1) a letter from the Independent Organization or Federation signed by a voting member of the Board of Directors requesting inclusion in the SECC;
- (2) a certification of compliance from the Independent Organization or Federation signed by Board of Director or agent authorized to sign documents on behalf of the organization. A Federation shall submit certifications for each of a Member Charitable Organization;
- (2) a description of services provided and service area of the organization;
- (3) documentation showing the percentage of the organization's total support and revenue that is allocated to administration and fund-raising, to include:
  - (A) copies of the organization's annual report;
  - (B) newsletters;
  - (C) brochures; or
  - (D) fact sheets.
- (4) a signed copy of the Independent Organization or Federation's IRS 990 form. If the Independent Organization or Federation is not required to file the form with the IRS, they shall submit pages 1 and 2 of the completed form with an annotation on the document that it is for SECC purposes only. The IRS 990 form shall cover the same fiscal year and, if revenue and expenses on the two documents differ, these amounts shall be reconciled on an accompanying statement by the CPA who completed the financial audit or review. The SECC shall reject any application from the Independent Organization or Federation with fund-raising and administrative expenses in excess of 25 percent of the total revenue, unless the organization demonstrates to the SECC Advisory Committee that its actual expenses for those purposes are reasonable under all the circumstances of the case and specifies steps the organization shall take to accomplish a reduction within the next fiscal year. The percentage shall be computed from the information on the IRS 990 form by adding

1           the amount spent on management and general expenses to the amount spent on fund-raising and  
2           dividing the resulting total by total revenue;

3           (5)   a current copy of the Independent Organization or Federation's Charitable License issued by the NC  
4           Secretary of State;

5           (6)   a current copy of the certificate of existence, for domestic corporations, or certificate of  
6           authorization, for foreign corporations, issued by the NC Secretary of State;

7  
8    History Note:   Authority G.S. 143-340(26)

9           Eff. April 1, 2020  
10

## **REQUEST FOR TECHNICAL CHANGE**

AGENCY: Department of Administration

RULE CITATION: 01 NCAC 35B .0203

**DEADLINE FOR RECEIPT: Friday, January 10, 2020**

***PLEASE NOTE: This request may extend to several pages. Please be sure you have reached the end of the document.***

The Rules Review Commission staff has completed its review of this Rule prior to the Commission's next meeting. The Commission has not yet reviewed this Rule and therefore there has not been a determination as to whether the Rule will be approved. You may call our office to inquire concerning the staff recommendation.

In reviewing this Rule, the staff recommends the following technical changes be made:

*On line 4, by "may", do you mean "shall"? If you mean "may", what factors will be used in making this determination? Here, do you mean something like "In order to be approved for inclusion in the SECC, an Independent Organization or Federation shall:"*

*In Item (1), add a comma after "funds"*

*In Item (1), what is meant by "if required"? If required by what? I recognize that you all may not be able to address this as it may fall under the realm of the Secretary of State.*

*In Item (2), what is meant by "maintain the confidentiality of the contributor list"? Are there any specific requirements? Do they need something special for electronic lists? Can they be in a locked room?*

Please retype the rule accordingly and resubmit it to our office at 1711 New Hope Church Road, Raleigh, North Carolina 27609.

Amber May  
Commission Counsel  
Date submitted to agency: December 27, 2019



01 NCAC 35B .0203 is adopted as published in 34:6 NCR 471 as follows:

**01 NCAC 35B .0203**      **CRITERIA FOR APPLICANTS**

The SECC Advisory Committee may approve an Independent Organization or Federation for inclusion if the following criteria is met:

- (1) be licensed through the North Carolina Secretary of State to solicit funds if required;
- (2) be able to maintain the confidentiality of the contributor list;
- (3) not permit payments of commissions, kickbacks, finders fees, percentages, bonuses, or overrides for fund-raising, and permit no paid solicitation by a fund-raising consultant or solicitor in the SECC;
- (4) have a written board policy that assures compliance with all State and Federal laws. Nothing herein denies eligibility to any organization that is otherwise eligible because it is organized by, on behalf of, or to serve persons of a particular race, color, religion, sex, age, national origin or physical or mental disability;
- (5) have contact information available to respond to inquiries from state employees, via email, telephone, or messaging;
- (6) not use SECC contributions for lobbying activities; and
- (7) have a board of directors that contains no less than three persons who meet at least three times a year. The board of directors shall maintain records of all decisions made and make those decisions available to the SECC for inspections if requested.

*History Note:* Authority G.S. 143-340(26)

Eff. April 1, 2020

## **REQUEST FOR TECHNICAL CHANGE**

AGENCY: Department of Administration

RULE CITATION: 01 NCAC 35B .0204

**DEADLINE FOR RECEIPT: Friday, January 10, 2020**

**PLEASE NOTE: This request may extend to several pages. Please be sure you have reached the end of the document.**

The Rules Review Commission staff has completed its review of this Rule prior to the Commission's next meeting. The Commission has not yet reviewed this Rule and therefore there has not been a determination as to whether the Rule will be approved. You may call our office to inquire concerning the staff recommendation.

In reviewing this Rule, the staff recommends the following technical changes be made:

*It seems as though there is a missing link between the Statewide Campaign Organization and the Advisory Committee. Just to make sure I understand, the application goes to the Organization. They look at it and make a recommendation to the Advisory Committee. Then, the advisory committee looks at it and if it complies with .0202 and .0203, they're approved? Perhaps it would be helpful to add "The SECC Advisory Committee shall review the recommendation of the Statewide Campaign Organization and shall either approve or reject the recommendation based upon compliance with Rules .0202 and .0203 of this Section."*

*(b) and (c) seem to go together. Would it make sense to combine them?*

*In (e), practically speaking, is it an appeal request that will include an opportunity to be heard, etc, or is it a "request for reconsideration" as reference in (f)?*

Please retype the rule accordingly and resubmit it to our office at 1711 New Hope Church Road, Raleigh, North Carolina 27609.

Amber May  
Commission Counsel  
Date submitted to agency: December 27, 2019

01 NCAC 35B .0204 is adopted with changes as published in 34:6 NCR 471-72 as follows:

**01 NCAC 35B .0204      APPLICATION REVIEW PROCESS**

(a) The Statewide Campaign Organization shall review the application materials for compliance with Rule .0202 of this Chapter and report to the SECC Advisory Committee the status of this review within four weeks of the submission deadline provided in Rule .0201 of this Chapter.

(b) The SECC Advisory Committee shall reject an application for failing to comply with Rule .0202 of this Chapter. Chapter or The SECC Advisory Committee may request additional information if necessary to make an eligibility determination under Rule .0203 of this Chapter.

(c) The Independent Organization or Federation shall submit the requested additional information within 10 days of the notification date. Failure to do so may result in the denial of eligibility.

(d) The Statewide Campaign Organization shall notify all Independent Organizations and Federations of the SECC Advisory Committee's decision within 60 days of the submission deadline.

(e) The Independent Organization or Federation may submit a written appeal to the Statewide Campaign Organization within 10 business days of receipt of notification of rejection by the SECC Advisory Committee.

(f) If after reconsideration, the SECC Advisory Committee upholds its rejection, the Independent Organization or Federation may commence a contested case by filing a petition under G.S. 150B-23.

*History Note: Authority G.S. 143-340(26)*

*Eff. April 1, 2020*

## **REQUEST FOR TECHNICAL CHANGE**

AGENCY: Department of Administration

RULE CITATION: 01 NCAC 35B .0301

**DEADLINE FOR RECEIPT: Friday, January 10, 2020**

***PLEASE NOTE: This request may extend to several pages. Please be sure you have reached the end of the document.***

The Rules Review Commission staff has completed its review of this Rule prior to the Commission's next meeting. The Commission has not yet reviewed this Rule and therefore there has not been a determination as to whether the Rule will be approved. You may call our office to inquire concerning the staff recommendation.

In reviewing this Rule, the staff recommends the following technical changes be made:

*In (c), delete "be responsible for disbursing" on line 11 and "and shall disburse quarterly to Member Charitable Organizations." Instead say "The Federation shall disburse quarterly contributions to their member organizations on the basis of actual funds received, rather than amounts pledged." (or "quarterly disburse" or "disburse contributions quarterly")*

*In (d), line 18, change "with 10 day" to "within 10 days"*

*In (f), how will the determination be made whether an independent organization, federation, or member organization (lines 19 and 22) will be declared ineligible? What factors will be used?*

Please retype the rule accordingly and resubmit it to our office at 1711 New Hope Church Road, Raleigh, North Carolina 27609.

Amber May  
Commission Counsel  
Date submitted to agency: December 27, 2019

01 NCAC 35B .0301 is adopted as published in 34:6 NCR 472 as follows:

### **SECTION .0300 GENERAL PROVISIONS**

#### **01 NCAC 35B .0301      OPERATING REQUIREMENTS**

(a) The Independent Organization or Federation that receives the names and addresses of state employees shall segregate this information from all other lists of contributors and use the lists only for acknowledgement purposes.

This segregated list shall not be sold or released to anyone outside of the recipient organization.

(b) The Independent Organization or Federation shall disburse contribution amounts on the basis of actual funds received rather than the amount pledged.

(c) The Federation shall be responsible for disbursing contributions to their Member Charitable Organizations on the basis of actual funds received rather than amounts pledged and shall disburse quarterly to Member Charitable Organizations.

(d) In the event the Independent Organization or Federation or any of its directors, officers, or employees are the subject of any investigation or legal proceeding by any federal, state or local law enforcement authority based upon its charitable solicitation activities, delivery program services, or use of funds, the organization shall inform the SECC within 10 days of its learning or being notified of the investigation or proceeding. The Independent Organization or Federation shall also inform the SECC of any investigation or proceeding with 10 day of the outcome.

(f) Any Independent Organization or Federation that fails to comply with this Rule or Rule .0203 of this Chapter may be declared ineligible by the SECC Advisory Committee and the remainder of the contributions shall be classified as Undesignated Funds and distributed pursuant to Rule .0305 of this Chapter. Any Member Charitable Organization that fails to comply with this Rule or Rule .0203 of this Chapter may be declared ineligible by the SECC Advisory Committee and the remainder of the contributions shall be redistributed in accordance with the Federation's policies.

*History Note: Authority G.S. 143-340(26)*

*Eff. April 1, 2020*

## **REQUEST FOR TECHNICAL CHANGE**

AGENCY: Department of Administration

RULE CITATION: 01 NCAC 35B .0302

**DEADLINE FOR RECEIPT: Friday, January 10, 2020**

***PLEASE NOTE: This request may extend to several pages. Please be sure you have reached the end of the document.***

The Rules Review Commission staff has completed its review of this Rule prior to the Commission's next meeting. The Commission has not yet reviewed this Rule and therefore there has not been a determination as to whether the Rule will be approved. You may call our office to inquire concerning the staff recommendation.

In reviewing this Rule, the staff recommends the following technical changes be made:

*Delete "then" on line 11*

*In (b), delete "engage in the following" and add a colon after "shall"*

*Change the period to a semi-colon at the end of (b)(1).*

Please retype the rule accordingly and resubmit it to our office at 1711 New Hope Church Road, Raleigh, North Carolina 27609.

Amber May  
Commission Counsel  
Date submitted to agency: December 27, 2019

01 NCAC 35B .0302 is adopted with changes as published in 34:6 NCR 472 as follows:

**01 NCAC 35B .0302**      **AUTHORIZED SOLICITATION METHODS**

(a) All activities of the campaign shall be conducted in a manner that promotes a unified solicitation on behalf of all participants. While it is permissible to individually identify, describe or explain the Independent Organization or Federation in the campaign for informational purposes, no person affiliated with the campaign shall engage in any campaign activity that is construed to either advocate or criticize specific Charitable Organizations. The Independent Organization or Federation shall not engage in any solicitation activities at any state employee work site. Bloodmobiles or employee member associations shall be excluded from this restriction.

(b) No Campaign Solicitation Organization representative shall engage in the following:

- (1) provide ~~nor or~~ use contributor lists for purposes other than then collection, forwarding, and acknowledgment of contributions.
- (2) set mandatory employee participation goals;
- (3) establish personal dollar goals or quotas; and
- (4) develop nor use lists of non-contributors.

History Note: Authority G.S. 143-340(26)

Eff. April 1, 2020

## **REQUEST FOR TECHNICAL CHANGE**

AGENCY: Department of Administration

RULE CITATION: 01 NCAC 35B .0303

**DEADLINE FOR RECEIPT: Friday, January 10, 2020**

***PLEASE NOTE: This request may extend to several pages. Please be sure you have reached the end of the document.***

The Rules Review Commission staff has completed its review of this Rule prior to the Commission's next meeting. The Commission has not yet reviewed this Rule and therefore there has not been a determination as to whether the Rule will be approved. You may call our office to inquire concerning the staff recommendation.

In reviewing this Rule, the staff recommends the following technical changes be made:

*Please consider breaking this Rule into Paragraphs.*

*On line 4, how will it be determined whether the Individual Organization or Federation will lose its eligibility? Please provide the factors that will be used in making this determination.*

Please retype the rule accordingly and resubmit it to our office at 1711 New Hope Church Road, Raleigh, North Carolina 27609.

Amber May  
Commission Counsel  
Date submitted to agency: December 27, 2019



01 NCAC 35B .0303 is adopted as published in 34:6 NCR 472 as follows:

**01 NCAC 35B .0303**      **REVOCATION OF ELIGIBILITY**

Violations of Rules .0301 and .0302 of this Chapter by the Individual Organization or Federation may result in the revocation of eligibility of the organization. The Independent Organization or Federation shall be given notice of the violation and an opportunity to respond prior to any action being taken by the SECC Advisory Committee. The Independent Organization or Federation that is dissatisfied with the revocation of its eligibility may file an appeal to the SECC Advisory Committee within 10 days of the notification postmark date. The Independent Organization or Federation that is dissatisfied with the appeal determination of the SECC Advisory Committee may commence a contested case by filing a petition under G.S. 150B-23.

*History Note: Authority G.S. 143-340(26)*

*Eff. April 1, 2020*

## **REQUEST FOR TECHNICAL CHANGE**

AGENCY: Department of Administration

RULE CITATION: 01 NCAC 35B .0304

**DEADLINE FOR RECEIPT: Friday, January 10, 2020**

***PLEASE NOTE: This request may extend to several pages. Please be sure you have reached the end of the document.***

The Rules Review Commission staff has completed its review of this Rule prior to the Commission's next meeting. The Commission has not yet reviewed this Rule and therefore there has not been a determination as to whether the Rule will be approved. You may call our office to inquire concerning the staff recommendation.

In reviewing this Rule, the staff recommends the following technical changes be made:

*In (b), add a comma after "credit card"*

*Just to make sure that I understand, (b) says that payroll deductions and credit card payments have to be a minimum of \$5.00. Only payroll deductions have to take place for one year. So, if I'm paying by credit card, I read this to allow me to make one \$5.00 contribution. (c) says "all contributions shall be a minimum of ten dollars annually. So, if I'm paying by credit card, I would need to allow for 2 payments of \$5.00? Would (c) only apply to checks?*

*In (e), how will it be determined whether the contribution will be paid in a lump sum? Here, should it be "shall"?*

*Why is "undesignated funds shall be disbursed in accordance with Rule .0305 of this Chapter" on line 23? This seems to be addressed elsewhere in this Rule and it is unclear to me how it fits here.*

Please retype the rule accordingly and resubmit it to our office at 1711 New Hope Church Road, Raleigh, North Carolina 27609.

Amber May  
Commission Counsel  
Date submitted to agency: December 27, 2019

01 NCAC 35B .0304 is adopted as published in 34:6 NCR 472-73 as follows:

**01 NCAC 35B .0304        TERMS OF CONTRIBUTIONS/DESIGNATED CAMPAIGN**

(a) If an employee chooses to contribute to an Independent Organization or Federation through the SECC, he or she shall designate an Independent Organization or Federation to receive the contribution that has been approved in accordance with Rule .0204 of this Chapter. A list of approved Charitable Organizations shall be provided to each employee by the SECC. Any funds designated to an organization that has not been approved shall be treated as Undesignated Funds and be distributed in accordance with Rule .0305 of this Chapter.

(b) Campaign Contributions may be made by payroll deduction, personal check or credit card. If an employee chooses to use the payroll deduction method of contribution, he or she shall agree to have the deduction continued for one year with equal amounts deducted from each pay period. If the employee authorized payroll deduction or credit card, the minimum amount of the deduction is five dollars per month. Payroll deductions shall be processed pursuant to G.S. 143B-426.40A.

(c) All contributions shall be a minimum of ten dollars annually per Independent Organization or Federation. If a designation does not comply with the minimum contribution it shall be treated as Undesignated Funds and be distributed in accordance with Rule .0305 of this Chapter.

(d) An employee shall not change the Independent Organization or Federation designated contribution outside of the Campaign Solicitation Period.

(e) When the total contribution for the Independent Organization or Federation is two hundred fifty dollars or less, the SECC Advisory Committee may direct the contribution be made in a lump sum the first quarter to the recipient Independent Organization or Federation. Interest earnings shall be disbursed to the Independent Organization or Federation based on its proportionate share of the total gross contributions if an interest-bearing account is established. Undesignated Funds shall be distributed in accordance with Rule .0305 of this Chapter.

History Note:    Authority G.S. 143-340(26)

Eff. April 1, 2020

## **REQUEST FOR TECHNICAL CHANGE**

AGENCY: Department of Administration

RULE CITATION: 01 NCAC 35B .0305

**DEADLINE FOR RECEIPT: Friday, January 10, 2020**

***PLEASE NOTE: This request may extend to several pages. Please be sure you have reached the end of the document.***

The Rules Review Commission staff has completed its review of this Rule prior to the Commission's next meeting. The Commission has not yet reviewed this Rule and therefore there has not been a determination as to whether the Rule will be approved. You may call our office to inquire concerning the staff recommendation.

In reviewing this Rule, the staff recommends the following technical changes be made:

*On line 7, what is meant by "pursuant to Rule .0105 of this Chapter"? I don't understand the cross-reference.*

Please retype the rule accordingly and resubmit it to our office at 1711 New Hope Church Road, Raleigh, North Carolina 27609.

Amber May  
Commission Counsel  
Date submitted to agency: December 27, 2019

01 NCAC 35B .0305 is adopted as published in 34:6 NCR 473 as follows:

**01 NCAC 35B .0305**      **DISTRIBUTION OF UNDESIGNATED FUNDS**

Any monies not designated to an Independent Organization or Federation that has been approved to received contributions through the SECC shall be deemed Undesignated Funds. Undesignated Funds shall be distributed to an Independent Organization or Federation based on its percentage of total designated funds during the current Campaign Solicitation Period after total actual costs of the campaign are recovered pursuant to Rule .0105 of this Chapter.

*History Note: Authority G.S. 143-340(26)*

*Eff. April 1, 2020*