

application must cover the fiscal period ending on or after June 30, 1992.

(3) Provide a completed copy of the organization's IRS Form 990, including signature, with the application regardless of whether or not the IRS requires the organization to file this form. IRS Forms 990EZ, 990PF, and comparable forms are not acceptable substitutes. The IRS Form 990 and audit must cover the same fiscal period and, if revenue and expenses on the two documents differ, these amounts must be reconciled in an accompanying signed statement by the certified public accountant who completed the audit.

(4) Provide a computation of the organization's percentage of total support and revenue spent on administration and fundraising. This percentage shall be computed from information on the IRS Form 990, submitted pursuant to § 950.203(a)(3), by adding the amount spent on "management and general" (line 14) to "fundraising" (line 15) and then dividing the sum by "total revenue" (line 12).

(i) If an organization's administrative and fundraising expenses exceed 25 percent of its total support and revenue, it must certify that its actual expenses for administration and fundraising are reasonable due to special circumstances. It must provide an explanation with its application and also include a formal plan to reduce these expenses below 25 percent.

(i) The Director may reject any application from an organization with fundraising and administrative expenses in excess of 25 percent of total support and revenue, unless the organization demonstrates to the satisfaction of the Director that its actual expenses for those purposes and its plan to reduce them are reasonable under the circumstances. Failure to reduce the expenses to the 25 percent level within one application year will render the organization ineligible for the succeeding campaign.

(5) Certify that the organization is directed by an active and responsible governing body whose members have no material conflict of interest and, a majority of which serve without compensation. A list of the organization's Board of Directors and a description of each Directors' participation in the conduct of the organization's affairs, such as official positions and committee memberships, must be included with the application.

(6) Certify that the organization's fundraising practices protect against unauthorized use of its CFC contributor lists as described in § 950.601(d).

(7) Certify that its publicity and promotional activities are based upon its actual program and operations, are truthful and non-deceptive, and make no exaggerated or misleading claims.

(8) Certify that contributions are effectively used for the announced purposes of the charitable organization.

(9) Certify under which governmental entity the charitable organization is chartered, incorporated or organized (congressionally chartered or the state in which it is registered).

(10) Certify that the organization has received no more than 80 percent of its total support and revenues from government sources as computed by dividing line 1c by line 12 from the IRS Form 990 submitted pursuant to § 950.203(a)(3).

(11) Certify that the organization prepares and makes available to the public upon request an annual report that includes a full description of the organization's activities and supporting services and identifies its directors and chief administrative personnel. A copy of the organization's annual report must be included with the application. The annual report must cover the fiscal year ending not more than 18 months prior to January of the campaign year to which the organization is applying. A more frequently published document, such as a quarterly newsletter, may be used to meet this requirement provided that such document is available to the general public upon request and describes the organization's activities and supporting services and identifies its directors and chief administrative personnel.

(12) Provide a statement that the certifying official is authorized by the organization to certify and affirm all statements required for inclusion on the national list.

(13) Provide a statement in 25 words or less describing the program activities of the charitable organization. The 25-word statement need not include the organization's name. In addition, organizations must provide a telephone number, dedicated solely for the organization's use, through which the donors may receive further information about the organization. Except as provided in § 950.401(k), this information will be included in the campaign brochure listing of agencies along with the organization's administrative and fundraising percentage computed pursuant to § 950.203(a)(3).

(b) The Director shall review these applications for accuracy, completeness, and compliance with these regulations. Failure to supply any of this information may be judged a failure to

comply with the requirements of public accountability, and the charitable organization may be ruled ineligible for inclusion on the national list.

(c) The Director may request such additional information as the Director deems necessary to complete these reviews. An organization that fails to comply with such requests within 10 calendar days from receipt of the request may be judged ineligible.

(d) The required certifications and documentation must have been completed and submitted prior to the application filing deadline. Applications received that are incomplete may not be perfected during the appeal process described in § 950.205.

(e) The Director may waive any of these standards and certifications upon a showing of extenuating circumstances.

§ 950.204 Local list eligibility.

(a) The LFCC shall establish an annual application process consistent with these regulations for organizations that wish to be listed in the local brochure.

(b) The requirements for an organization to be listed in the local brochure shall include the following:

(1) An organization must demonstrate to the satisfaction of the LFCC, that it has a substantial local presence in the geographical area covered by the local campaign, a substantial local presence in the geographical area covered by an adjacent local campaign, or substantial statewide presence.

(i) *Substantial local presence* is defined as a staffed facility, office or portion of a residence dedicated exclusively to that organization, available to members of the public seeking its services or benefits. The facility must be open at least 15 hours a week and have a telephone dedicated exclusively to the organization. The office may be staffed by volunteers. Substantial local presence cannot be met on the basis of services provided solely through an 800 telephone number or the U.S. Mails or a combination thereof.

(ii) *Substantial statewide presence* is defined as providing or conducting real services, benefits, assistance or program activities covering 30 percent of a state's geographic boundaries or providing or conducting real services, benefits, assistance or program activities affecting 30 percent of a state's population. Substantial statewide presence cannot be met on the basis of services provided solely through an 800 telephone number or the U.S. Mails or a combination thereof.