

(d) In the event the PCFO receives a pledge card that has designations that add up to less than the total amount pledged, the PCFO must honor the total amount pledged and treat the excess amount as undesignated funds. In the event that a PCFO received a pledge card that has a total amount pledged that is less than the sum of the individual designations, the PCFO must honor the designations by assigning a proportionate share of the total gift to each organization designated. For example, if an employee indicates a total gift of \$100 in the upper portion of the pledge card, but designates \$25 each to five organizations in the lower part of the pledge card, the PCFO must adjust each organization's designation to \$20.

#### **§ 950.403 Penalties.**

A PCFO's failure to comply with subpart D of these regulations may result in either disqualification from future service as PCFO, disqualification as a participating federation, or both penalties. These penalties may only be imposed after a hearing on the record and communication of the Director's decision in writing.

### **Subpart E—Distribution of Undesignated Funds**

#### **§ 950.501 Applicability.**

The distribution of undesignated funds described in § 950.401(g)(2)(vii) and § 950.502 applies to all domestic area campaigns. It does not apply to the DOD Overseas Campaign.

#### **§ 950.502 Distribution of undesignated funds.**

The PCFO shall collect from undesignated funds a 15 percent administration fee for performing the services of PCFO as set forth in § 950.106(d). All remaining undesignated funds shall be distributed to all of the organizations in the CFC Brochure in the same proportion that they received designations in the campaign.

#### **§ 950.503 Review by the Director.**

The Director may alter an LFCC's distribution of undesignated funds:

(a) To reverse any allocation to ineligible organizations;

or

(b) To enforce the distribution method described in §§ 950.401(g)(2)(vii) and 950.502.

### **Subpart F—Miscellaneous Provisions**

#### **§ 950.601 Release of contributor names.**

(a) The pledge card, designed pursuant to § 950.402, must allow an employee to indicate if the employer

does not wish his or her name and home address forwarded to the charitable organization or organizations designated. A PCFO's failure to honor an employee's wish may result in the decertification of the PCFO.

(b) The pledge card will direct an employee to provide his or her complete home address on the pledge card should he or she wish his or her name and home address released to organizations receiving their donations.

(c) It is the responsibility of the PCFO to forward the names and addresses of employees who have indicated that they wish their names be forwarded, to the recipient organization directly, if the organization is unaffiliated, and to the organization's federation if the organization is a member of a federation. The PCFO may not make any other use of these employees' names and addresses.

(d) Recipient organizations that receive the names and addresses of employees must segregate this information from all other lists of contributors. This segregated list may not be sold or in any way released to anyone outside of the recipient organization. Federations may not use a member organization's list for its own purposes or share its member's lists among federation members. Failure to protect the integrity of this information may result in penalties up to and including permanent expulsion from the CFC.

(e) Organizations must cooperate fully with OPM investigations into the care and appropriate use of these lists. Should an organization ignore or fail to respond to OPM's requests for cooperation or hamper an investigation, the Director may propose that the organization be suspended or expelled from the CFC. The Director will consider any response in issuing a decision.

#### **§ 950.602 Solicitation methods.**

(a) Employee solicitations shall be conducted during duty hours using methods that permit true voluntary giving and shall reserve to the individual the option of disclosing any gift or keeping it confidential. Campaign kick-offs, victory events, awards, and other non-solicitation events to build support for the CFC are encouraged.

(b) Special CFC fundraising events, such as, raffles, lotteries, auctions, bake sales, carnivals, athletic events, or other activities not specifically provided for in these regulations are prohibited unless approved by the appropriate agency head or government official consistent with agency ethics regulations.

(c) In all approved special fundraising events the donor must have the option of designating to a specific participating organization or federation or be advised that the donation will be counted as an undesignated contribution and distributed according to these regulations.

#### **§ 950.603 Sanctions.**

(a) Sanctions not specifically provided for elsewhere in these regulations, may be imposed on an organization, federation or PCFO for violating any provisions of these regulations, other applicable provisions of law, or any directive or instruction from the Director. The Director will determine the appropriate sanction, up to and including permanent expulsion from the CFC, based on a progressive schedule which is related to the severity of the violation. In determining the appropriate sanction, the Director will consider all elements such as previous violations, harm to Federal employee confidence in the CFC, and any other relevant factors. The Director shall provide written notification to the organization, federation or PCFO regarding the alleged violation and of the intent to impose a sanction. Prior to implementation of sanctions under this section, the organization, federation or PCFO shall be provided an opportunity to address in writing why the sanctions should not be imposed. This submission must be received within 10 calendar days from the date of receipt of the Director's notification letter.

(b) At the Director's discretion, PCFO's and Federations may be directed to suspend distribution of current and future CFC donations from Federal employees to recipient organizations. Federations and PCFO's shall immediately place suspended contributions in an interest bearing account until directed to do otherwise.

#### **§ 950.604 Records retention.**

Federations, PCFO's and other participants in the CFC shall retain documents pertinent to the campaign for at least three (3) campaign years. Documents requested by OPM must be made available within 10 business days of the request.

### **Subpart G—DoD Overseas Area**

#### **§ 950.701 DoD overseas campaign.**

(a) A Combined Federal Campaign is authorized for all Department of Defense (DoD) activities in the overseas areas during a 6 week period in the fall. Organizations that may participate in the Overseas Campaign will consist of