

Executive Summary

The objectives of the Combined Federal Campaign (CFC) Audit Guide (Guide) are to improve management and oversight of the CFC and the accountability of Principal Combined Fund Organizations (PCFOs). PCFOs are non-profit organizations that serve as fiscal agents for campaigns locally. Their work is overseen by volunteer Local Federal Coordinating Committees (LFCCs) which serve as a “board of directors” for each CFC. The Guide provides authoritative guidance to ensure that:

- PCFOs provide copies of their financial statements to verify fiscal integrity of their organization. The levels of financial receipts within a campaign will determine the type of financial statements required. All campaigns with receipts over \$150,000 must submit audited financial statements. Campaigns that raise less than \$150,000 may submit financial statements reviewed by a certified independent public accounting firm (IPA).
- PCFOs engage an IPA to perform specified agreed-upon procedures (AUP) on CFC activity and the control environment. If any deficiencies are noted, the PCFO will be required to prepare a corrective action plan. For campaigns over \$1 million, CFC-only audited financial statements are also required.
- LFCCs perform a compliance assessment of the local campaign.

The Guide was designed to generate better and more financial information on all aspects of the PCFO by providing:

- OPM assurance that LFCCs and PCFOs are complying with the CFC regulations and that all campaign organizations have adequate internal controls over their CFC related operations; and
- CFC donors and other stakeholders assurance that all local campaigns meet their high expectations of accountability.

Related reports are due to the LFCC by August 1, 2008, with copies to OPM by September 15, 2008.

Significant changes from the prior year’s Guide are:

1. Ch. II - LFCC PROCEDURES FOR MONITORING PCFO COMPLIANCE – Campaign Brochure review steps. The Office of Combined Federal Campaign Operations performed a review of all local charity lists from the 2007 campaign. These steps were removed from the Guide since it would be a duplication of work.
2. Ch. III - IPA AGREED UPON PROCEDURES – Two new required schedules were

added to the schedules that must be attached to the Agreed Upon Procedures Report –
a) Schedule of Budget vs. Actual Expenses and b) Outstanding Check List.

3. Ch. III – IPA AGREED UPON PROCEDURES – Receipt and Disbursement of Funds, Step 9 – Added to verify that campaigns have implemented procedures for follow-up on un-cashed checks as required by CFC Memorandum 2006-5.