



CFC MEMORANDUM 2018-04

February 22, 2018

TO: LOCAL FEDERAL COORDINATING COMMITTEES (LFCCs),
FORMER PRINCIPAL COMBINED FUND ORGANIZATIONS
(PCFOs), FEDERAL PAYROLL PROVIDERS, AND THE
CENTRAL CAMPAIGN ADMINISTRATOR (CCA)

FROM: KEITH WILLINGHAM *Keith Willingham*
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CAMPAIGN

SUBJECT: 2018 CFC PAYROLL DEDUCTIONS

The recent change in regulations regarding payroll deductions has raised some questions from former PCFOs. This memorandum is meant to clarify to both PCFOs and payroll providers to which campaign periods funds are to be attributed and to which entities funds should be sent. This guidance pertains only to agencies whose employees are paid on a biweekly basis.

More specifically, the regulations changed the first CFC deduction to start “with the first pay period beginning in January and ending with the last pay period that begins in December” (5 CFR §950.901(d) eff. through Dec. 31, 2016) to the first CFC deduction to start “with the first pay period after January 15 and ending with the last pay period that includes January 15 of the following year” (5 CFR §950.701(d) eff. Jan. 1, 2017).

This change causes there to be a pay period for which no CFC deductions are authorized.

For example, the pay period starting January 7 would have been “the first pay period beginning in January” under the old regulations; but, under the new regulations, this pay period is not “the first pay period after January 15” and, therefore, no CFC deduction should be taken.

PCFOs receiving funds from payroll providers in 2018 should treat those funds as follows:

- CFC pledges deducted from a pay period that started in 2017 are to be allocated to the 2016 CFC. These funds should be disbursed to charities by March 31, 2018.
- CFC pledges deducted from a pay period that started January 1 through January 15 should be returned to the payroll provider for return to the employee. No CFC deductions are authorized during this period.

- CFC pledges deducted from a pay period that started after January 15 are to be allocated to the 2017 CFC. These funds should have been sent to the CCA. These funds should be returned to the payroll provider who should then forward the funds to the CCA.

Any funds being returned to the payroll provider should be coordinated through the Office of Combined Federal Campaign so as to ensure proper processing. To coordinate return of funds or if you have any questions, please contact Marcus Glasgow at marcus.glasgow@opm.gov.