

ATTACHMENT A

Local Eligibility Criteria

For a summary of the requirements, refer to the instructions on Page 2, Item 1 before completing this attachment.

IMPORTANT:

Include a detailed description of the actual programs, services, benefits, etc., provided by the organization in calendar year 2011 and explain how those programs, services, benefits, etc. affect human health and welfare. **NOTE:** Giving us your mission statement will not fulfill this requirement; please describe actual accomplishments in calendar year 2011.

ATTACHMENT B

IRS Tax-Exempt Letter

For a summary of the requirements, refer to the instructions on Page 3, Item 2 before completing this attachment.

IMPORTANT:

In addition to screening each application, the Heart of Alabama CFC must send the name and EIN of each locally qualified agency to OPM after the screening process. OPM will then verify each applicant's 501(c)(3) status with the IRS. **Applicants whose current 501(c)(3) status cannot be confirmed by the IRS will be denied participation.** We strongly urge federations and agencies to update and, if needed, request current letters from the IRS confirming the group's tax-exempt status. This request can be made by contacting the IRS at (877) 829-5500.

ATTACHMENT C

Audit

For a summary of the requirements, refer to the instructions on Page 4, Item 5 before completing this attachment.

IMPORTANT:

- If revenue is \$100,000 or greater, the audited financial statements and IRS Form 990 must be prepared using the accrual method of accounting and cover the same fiscal period that ended not more than 18 months prior to January 2012 (i.e. ending on or after June 30, 2010).
- Submit your audit in your package only if you revenue is \$250,000 or greater.

ATTACHMENT D

IRS Form 990

For a summary of the requirements, refer to the instructions on Page 5, Item 6 before completing this attachment.

IMPORTANT:

- If revenue is \$100,000 or greater, the audited financial statements and IRS Form 990 must be prepared using the accrual method of accounting and cover the same fiscal period ended not earlier than June 30, 2010.
- The IRS Form 990 must be signed by an “Officer” of the organization. The Preparer’s Signature alone is not sufficient.

ATTACHMENT E

25-Word Statement

For a summary of the requirements, refer to the instructions on Page 6, Item 13 before completing this attachment.

PLEASE PREPARE YOUR 25-WORD STATEMENT EXACTLY AS SHOWN BELOW:

Example 1: This is an example of a statement with exactly 25 words for an agency not using a “doing business as” (dba) name. Prepare your statement like this and place behind Attachment E.

89531 Child Educare Center (205-555-1234) www.xxxxxxx.org
EIN#123456789 The description must contain no more than 25 words.
It should be written clearly and succinctly so the donor understands the
program and services provided. 4.2% B,V,O

Example 2: This is an example of a statement with exactly 25 words for an agency using a dba name. Prepare your statement like this and place behind Attachment E.

40864 Brantwood Children’s Home (Children’s Protective
Association) (334) 555-1234 www.xxxxxxx.org EIN#123456789 The
description must contain no more than 25 words. It should be written
clearly and succinctly so the donor understands the program and services
provided. 4.2% B,V,O

IMPORTANT:

- Special design text used to draw attention to an organization title, such as special fonts, capitalization, quotations, and underlining, are not accepted. **Any statement that uses special features, or exceeds 25 words will be edited by the CFC’s board of directors.**
- Once an agency has received notification that it has been approved, a Microsoft Word version will be requested to be sent via email to the CFC office for use in preparation of the Charity List.

SUMMARY OF COMMON PROBLEMS

Missing documents

Solution: Provide the documents before the deadline passes. Prevents disqualification due to omission of a material requirement

501(c)(3) Letters

Current name different

Solution: Provide a new tax-exempt ltr with current name. If the agency wishes to keep its current name but operate under a different name, it must provide documentation from a government source such as the IRS or a state government source confirming its “Doing Business As” (DBA) authorization; board meeting minutes authorizing the DBA is not sufficient. If documentation is not provided, and the agency is otherwise qualified, the agency must be listed by its legal IRS-recognized name as the it appears on the tax-exempt letter submitted with the application.

Local agency using parent agency’s exemption ltr under a “Group Exemption” ruling by the IRS

Solution: “Group Exemption” ltr must include the agency in the list of subordinates covered by the exemption. Absent that, the agency must provide a certification signed by either the CEO or CEO equivalent of the parent organization stating that the local organization operates as a bona-fide chapter or affiliate in good standing and is covered by the parent’s Group Exemption.

Bona-fide local chapter or affiliate of a National Organization that claims coverage under the national organization’s tax-exemption

Solution: Agencies in this situation that do not have an IRS determination ltr of its own must provide a certification signed by either the CEO or CEO equivalent of the national organization stating that The local charitable organization operates as a bona-fide chapter or affiliate in good standing of the national organization and it is covered by the national organization’s 501(c)(3) tax-exempt ltr. A copy of the national organization’s 501(c)(3) letter must accompany the CEO’s certification.

IRS Form 990 and Audit

Incomplete Fm 990 (missing pgs)

Solution: Submit all pages of the Form 990; and all pages of all attachments of the Form 990; also include Schedule A and all pages if those pages are required to be submitted to the IRS.

IRS Form 990 not signed

Solution: The IRS Form 990 must be signed in the block marked “Signature of officer.” **The preparer’s signature alone is not sufficient.**

Agency uses Form 990EZ only

Solution: The Form 990EZ is acceptable, but agency must also submit a **pro forma** Form 990: Part I (Summary); Part II (Signature Block), Part VII (Compensation Sections A and B); Part VIII (Statement of Revenue); Part IX (Statement of Functional Expenses); and Part XII (Financial Statements and Reporting).

Bona-fide local chapter or affiliate of a National Organization that acts as a single corporation.

Solution: Acceptable, but the local affiliate must provide a **pro forma** IRS Form 990: Part I (Summary); Part II (Signature Block), Part VII (Compensation Sections A and B); Part VIII (Statement of Revenue); Part IX (Statement of Functional Expenses); and Part XII (Financial Statements and Reporting).

Marketing tactics in the 25-Word statement

Solution: Do not use tactics such as capitalization, quotations, and underlining to draw attention to the agency.