

P.E.O. FUNDRAISING POLICY

The purpose of this policy is to allow members to support P.E.O. through various fundraising activities that reflect devotion to our principles, protection of members from legal liability, and adherence to all applicable laws and regulations.

I. RAFFLES, SILENT AUCTIONS AND OTHER FUNDRAISERS INVOLVING AN ELEMENT OF CHANCE

A. Prizes

1. Services—MUST be individually valued at \$500 or less

a. Performed by a commercial business

Services offered to a chapter as part of a fundraiser may be offered by a commercial business. A gift certificate or other documentation spelling out the exact nature and retail price of the services should be provided to the recipient.

The business donating services must be informed that the chapter is NOT a qualified charitable organization, but merely non-profit, meaning no tax deduction is available to the donor. (*See Required Notice below.*)

b. Performed by a member for another individual

Fundraising events may include sales of services by members or individuals. Examples include meal preparation, lawn care, pet-sitting, etc.

Exception: No fundraising event shall include an offering of chauffeur or delivery services, unless done by a professional, commercial business.

2. Goods—MUST be individually valued at \$500 or less

The individual or commercial business donating goods must be informed that the chapter is NOT a qualified, charitable organization, but merely non-profit, meaning no charitable tax deduction is available to the donor. (*See Required Notice below.*)

B. Permits

1. Local chapters—Provide documentation to state chapter

The chapter bears full responsibility to research and follow all applicable local and state gambling and tax laws and provide proof of such to the state chapter *prior* to the date of the event.

2. State chapters—Maintain documentation in state chapter records

State chapters holding these events must also comply with all applicable local and state gambling and tax laws and be able to provide proof of such to the auditor or auditing committee.

II. DIRECT SALE OF GOODS AND OTHER FUNDRAISING EVENTS NOT INVOLVING AN ELEMENT OF CHANCE

- A. No limit on value of items.
- B. All sales are to be conducted using volunteer labor.
- C. All items for resale must be purchased outright—no chapter sales on commission.
- D. Before any sale of goods, determine possible sales tax liability. Contact the state department of revenue and inquire as to sales tax liability for an *upcoming* fundraiser held by a 501(c)(4) organization. Describe your proposed fundraiser only. Do not offer any information concerning past fundraisers or other chapters.

III. SCRIP PROGRAMS

A. Participation requirements determined by sponsoring company

May be asked to provide proof of IRS status—501(c)(3), meaning charitable, or 501(c)(4), meaning non-profit. Local and state chapters are all 501(c)(4). If the sponsoring company requires proof of charitable or 501(c)(3) status, P.E.O. chapters cannot participate.

Other requirements for participation may determine chapter's ability to enroll.

B. Requires approval from Executive Office

Due to complexity and variety of these programs, please contact the Executive Office to request approval for participation

IV. USE OF TIME SHARES AND PRIVATE PROPERTY

A. Individuals may offer time shares, vacation homes and other property for use in chapter fundraising.

The property owner accepts all liability. P.E.O. bears no responsibility for property damage or bodily injury to users. Owner's insurance policy provides primary coverage.

V. CASINO/BINGO EVENTS

- A. All events must be conducted using a professional party company properly licensed to operate casino nights, bingo events, poker games, etc.
- B. Only non-cash prizes can be offered at individual values under \$500.

- C. The chapter bears responsibility to research and follow all applicable local and state gambling and tax laws and provide proof of such to the state chapter *prior* to the date of the event.

REQUIRED NOTICE: In any fundraising event sponsored by a chapter or by a member, it is imperative that the following statement be provided on all event advertisements or communications and distributed to all donors:

“P.E.O. chapters support the educational and charitable funds of the P.E.O. Sisterhood, but are not classified as charitable by the IRS. Therefore, donations to individual chapters do not meet the IRS requirements for a charitable income tax deduction. P.E.O. shall not be liable in any way for any goods and services supplied by third-party vendors or public establishments.”

Further, individual members must be made aware that they are potentially liable for any accident occurring on property owned by them or in any automobile or other motorized vehicle used or provided by them for any activity associated with P.E.O.