

P.E.O. FUNDRAISING
(Raffles, Silent Auctions, etc.)

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.

<ul style="list-style-type: none"> • In keeping with the mission of P.E.O., the focus of chapter funds and fundraising activities shall be International Chapter projects, followed by state/provincial/district projects. To protect International Chapter's tax exemption with the United States Internal Revenue Service, chapters must demonstrate the mission of P.E.O. through financial support. Therefore, P.E.O. dollars, offered and earned by members in the name of P.E.O., should be considered primarily for approved P.E.O. projects and/or the P.E.O. Foundation with minimal chapter funds used for outside philanthropic or local educational activities. • To strengthen P.E.O.'s visible influence in the community, chapters and chapter members are encouraged to offer their talents and skills, time and service for local philanthropic and educational endeavors. 	<p>P.E.O. Finances & Service Policy</p>
<ul style="list-style-type: none"> • 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: <i>"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."</i> <p>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.</p> <ul style="list-style-type: none"> • P.E.O. chapters are classified as nonprofit entities, but are not considered charitable by the IRS. All donations to and payments for a chapter fundraiser must be issued directly to the chapter and are not eligible for a charitable deduction. Chapter members are not to make checks payable to any P.E.O. project or P.E.O. Foundation in connection with a fundraiser involving the exchange of goods or services. 	<p>Required Notice</p>
<ul style="list-style-type: none"> • All donations to and payments for a chapter fundraiser must be issued directly to the chapter and are not eligible for a charitable contribution deduction. Payments relating to chapter fundraisers are not to be made payable to any P.E.O. project or P.E.O. Foundation. P.E.O. chapters are classified as nonprofit entities, but are not considered charitable by the IRS under Section 501(c)(3). 	<p>Payments for Chapter Fundraisers</p>

<ul style="list-style-type: none"> • All chapter fundraisers must be conducted and promoted using only volunteer labor. No form of compensation can be offered to any individual, organization or vendor (including professional fundraisers) to conduct, promote or sell items for a P.E.O. fundraiser. <p><i>(Exception: Casino/Bingo Events must use a professional party company. See "Casino/Bingo Events" below)</i></p>	<p>Volunteer Labor</p>
<ul style="list-style-type: none"> • Prizes <ul style="list-style-type: none"> o Services (MUST be individually valued at \$500 or less) <ul style="list-style-type: none"> ▪ Performed by a commercial business: <ul style="list-style-type: none"> - 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 501(c)(3) charitable organization, meaning no charitable contribution tax deduction is available to the donor. <i>(See Required Notice section)</i> ▪ Performed by a member for another individual: <ul style="list-style-type: none"> - 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. o Goods (MUST be individually valued at \$500 or less) <ul style="list-style-type: none"> ▪ The individual or commercial business donating goods must be informed that the chapter is NOT a 501 (c)(3), charitable organization, but merely nonprofit, meaning no charitable tax deduction is available to the donor. <i>(See Required Notice section)</i> • Online raffles are not permitted. • Permits <ul style="list-style-type: none"> o Local Chapters (Provide documentation to s/p/d chapter) <ul style="list-style-type: none"> ▪ The chapter bears responsibility to research and follow all applicable local and s/p/d gambling and tax laws and provide proof of such to the s/p/d chapter <i>prior</i> to the announcement of the event. o S/P/D Chapters (Maintain documentation in s/p/d chapter records) <p>S/P/D chapters holding these events must also comply with all applicable local and s/p/d gambling and tax laws and be able to provide proof of such to the auditor or auditing committee.</p> 	<p>Raffles, Silent Auctions & Other Fundraisers Involving an Element of Chance</p>

<ul style="list-style-type: none"> No limit on value of items. All sales are to be conducted using volunteer labor. All items for resale must be purchased outright – no sales on commission. All sales must be to the final buyer. No two chapters can profit from selling the same item. (For example, goods cannot be sold at a profit to another chapter for resale purposes.) <p>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 <i>upcoming</i> fundraiser held by a 501(c)(4) organization. Describe your proposed fundraiser only. Do not offer any information concerning past fundraisers or other chapters.</p>	<p>Direct Sale of Goods & Other Fundraising Events Not Involving an Element of Chance</p>
<ul style="list-style-type: none"> Allocation of income and expenses: <ul style="list-style-type: none"> Expenses can be paid directly by each chapter and income received and deposited by each chapter. For example, each would pay vendors for their share of expenses and receive income directly for the tickets they sell.) OR One chapter maintains records and handles all income and expenses for the event. At the conclusion of the event, expenses and revenue are allocated in the same, though not necessarily equal, proportion. (For instance, if one chapter is responsible for 60% of the expenses, they receive 60% of the revenue.) The exact allocation is determined by the chapters participating in the joint fundraiser. Joint fundraisers only allowed with other chapters or reciprocities. No joint fundraisers with non-P.E.O. entities permitted. 	<p>Joint Chapter Fundraisers</p>
<ul style="list-style-type: none"> Participation Requirements Determined by Sponsoring Company <ul style="list-style-type: none"> May be asked to provide proof of IRS status – Section 501(c)(3), meaning charitable, or Section 501(c)(4), meaning nonprofit (but not charitable). Local and s/p/d 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. Requires Approval from the P.E.O. Executive Office <p>Due to complexity and variety of these programs, please contact the P.E.O. Executive Office to request approval for participation.</p>	<p>Scrip Programs</p>
<ul style="list-style-type: none"> Individuals may offer time shares, vacation homes and other property for use in chapter fundraising. (<i>If offered through a raffle, refer to Raffles section.</i>) <p>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.</p>	<p>Use of Time Shares & Private Property</p>
<ul style="list-style-type: none"> All events such as casino nights, bingo events, poker games, etc. must be conducted using a properly licensed <u>professional party company</u>. The professional party company is not to promote the event on behalf of the chapter. (<i>See Volunteer Labor section.</i>) Only <u>non-cash</u> prizes can be offered at individual values under \$500. The chapter bears responsibility to research and follow all applicable local and s/p/d gambling and tax laws and provide proof of such to the s/p/d chapter <i>prior</i> to the announcement of the event. 	<p>Casino/Bingo Events</p>

<ul style="list-style-type: none"> • No member's personal vehicle may be used for hire as a fundraising activity. • P.E.O., as an organization, does not have automobile insurance that applies to any damage to the vehicle or liability to third-parties, including passengers in the vehicle that arises from travel associated with P.E.O. functions of any type. 	<p>Use of Personal Vehicle</p>
<ul style="list-style-type: none"> • P.E.O. chapters are allowed to sell items using a website, providing the following requirements are satisfied: <ul style="list-style-type: none"> ○ No sales of services are permitted, only goods may be sold. ○ No sales on commission are allowed. The chapter must purchase the items outright and bear the risk of profit or loss. ○ All sales must be conducted using volunteer labor – no one can be compensated for participating in the fundraiser. • Types of Websites for Online Sales <ul style="list-style-type: none"> ○ Chapters may sell items using a local or s/p/d chapter website (with permission of the executive board of s/p/d chapter) or a commercial website such as eBay. • Items for Sale <ul style="list-style-type: none"> ○ Chapters do not have to limit sales to P.E.O. related items, such as star towels, marguerite notepads, etc., or market only to P.E.O. members. • Sales Tax <ul style="list-style-type: none"> ○ If the buyer is also located in your state, you may need to collect and remit state sales tax. The chapter is responsible for investigating this issue. Check your state department of revenue website or call their office for clarification. • Notifying Other Chapters of Items for Sale <ul style="list-style-type: none"> ○ The rules of circularization still apply as described in Standing Rule 2 of the Constitution, Bylaws and Standing Rules of the P.E.O. Sisterhood . • Dollar Limit for Individual Items <ul style="list-style-type: none"> ○ There is no dollar limit for the sale of individual items; however, chapters must be sure to report all financial activity on the chapter's annual IRS-LC form. 	<p>Internet Fundraising</p>
<ul style="list-style-type: none"> • The details of a chapter fundraiser may be posted on Facebook and other social media sites provided the information is limited to the basic facts. The posting shall include only: <ol style="list-style-type: none"> 1. the item(s) for sale or the name of the fundraising event 2. applicable date(s) 3. price 4. location 5. P.E.O. chapter contact information • Postings shall not include links to commercial websites or any non-P.E.O. contact information. No endorsements or advertisements are allowed. Only the basic facts listed above may be posted. 	<p>Promotion of Fundraisers on Facebook</p>

<ul style="list-style-type: none">• Advertisements in The P.E.O. Record<ul style="list-style-type: none">○ Chapters may advertise items for sale in the classified section of The P.E.O. Record and/or the P.E.O. website. Thumbnail pictures of the sale item(s) may be included on the website posting in accordance with the established fee structure.	P.E.O. Record Advertisements
<ul style="list-style-type: none">• The cover of The P.E.O. Record may not be copied or used for commercial or fundraising purposes, except by the original artist.	Cover of P.E.O. Record