

P.E.O. FUNDRAISING (Including sales of goods and services, raffles, auctions, etc.)	
<p>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. All chapter fundraising activities must follow local health guidelines.</p>	
General Fundraising Policies	
<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 U.S. 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.E.O. Finances & Service Policy
<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>	Required Notice
<ul style="list-style-type: none"> P.E.O. chapters are classified as nonprofit entities but are not considered charitable by the IRS under Section 501(c)(3). 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 are not to be made payable to any P.E.O. project or the P.E.O. Foundation in connection with a fundraiser involving exchange of goods or services. 	Payments for Chapter Fundraisers
<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. 	Use of Personal Vehicle
<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
<ul style="list-style-type: none"> Chapters may advertise items for sale in the Fundraising Marketplace section of the P.E.O. International 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. International Website Advertisements

<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>(Exception: Casino/Bingo Events must use a professional party company. Refer to Policies section of IOLC Casino/Bingo Events.)</p>	<p>Volunteer Labor</p>
<ul style="list-style-type: none"> Joint fundraisers are only allowed with other chapters or reciprocities. No joint fundraisers with non-P.E.O. entities are permitted. Income and expenses shall be allocated as follows: <ul style="list-style-type: none"> Expenses can be paid directly by each chapter and income received and deposited by each chapter. (Each chapter would pay vendors for their share of expenses and receive income directly for the items 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. (If one chapter is responsible for 60% of expenses, they receive 60% of the revenue.) The exact allocation is determined by the chapters participating in the joint fundraiser. 	<p>Joint Chapter Fundraisers</p>
<p>Promotion of fundraisers on social media shall adhere to the following guidelines:</p> <p>The details of a chapter fundraiser may be posted on social media accounts of a member, chapter, reciprocity or P.E.O. Group. These postings shall include only:</p> <ol style="list-style-type: none"> The item(s) for sale or the name of the fundraising event Applicable date(s) Price Location P.E.O. chapter contact information A picture or graphic <p>All fundraising posts on social media other than on a member, chapter, reciprocity or P.E.O. Group account are limited to:</p> <ol style="list-style-type: none"> The item(s) for sale or the name of the fundraising event A picture or graphic Requests for information must be handled through private messaging. <ul style="list-style-type: none"> A sample post is “P.E.O. Chapter ABC makes a wonderful dry pancake mix! If you are interested in knowing more about it, please send me a personal message and I can share more details.” 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 Social Media</p>
<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>Sales Tax</p>

<p>Net income from P.E.O. fundraising activities (excluding P.E.O. Bed & Breakfast) must be used for the following:</p> <ul style="list-style-type: none"> • P.E.O. projects • Other qualified educational and/or charitable purposes • Chapter operating expenses/retained in chapter funds • Other activities as approved by the chapter 	<p>Fundraising Net Income</p>
<p>When sales of goods or services occur, details shall be reported annually on Form IRS-LC, Annual Summary of Treasurer of Local Chapter, including an itemized account of how the profit was allocated.</p>	<p>Reporting of Fundraising Activity on IRS-LC</p>
<p>The U.S. Internal Revenue Service discourages private inurement within nonprofit organizations. Private inurement is defined as individuals receiving financial benefit from their association with a nonprofit organization. In order to prevent the appearance of private inurement, P.E.O. members should avoid personal profit from any fundraising activity.</p>	<p>Private Inurement</p>
<p>Notifying other chapters of items for sale:</p> <ul style="list-style-type: none"> • The rules of circularization apply as described in Standing Rule #2 of the Constitution, Bylaws and Standing Rules of the P.E.O. Sisterhood. • Refer to Policies section of the IOLC – Circularization for definition and examples. 	<p>Circularization</p>
<p style="text-align: center;">Fundraising Activities</p>	
<p>Sales of purchased or donated items by local or s/p/d chapters, reciprocities or P.E.O. Groups</p> <p>When chapters, reciprocities or P.E.O. Groups purchase or receive items up front for the purpose of reselling at a profit, the following requirements shall apply:</p> <p>** Before beginning any fundraising activity, review the General Fundraising Policies **</p> <ul style="list-style-type: none"> • Sales must be to individuals only and NOT FOR RESALE. • There is no limit on the value of items. • All work in carrying on such sales must be done by the members or others for the organization WITHOUT COMPENSATION. (For example, fundraising items cannot be sold in a commercial setting where the business receives a portion of the sales.) • Chapters may sell items using a local or s/p/d chapter website (with permission of the executive board of s/p/d chapter). Sales through a third-party platform such as Amazon or Etsy are not allowed. • Two separate entities, each exempt from paying income tax, may not each make a profit on the sale of the same item. 	<p>Direct Sale of Goods (with advance purchase of goods)</p>

<p>Sale of items through a third-party vendor</p> <p>Local or s/p/d chapters, reciprocities and P.E.O. Groups may sell items through a vendor website, pre-sale arrangement or shared commission arrangement according to the following guidelines:</p> <p>**Before beginning any fundraising activity, review the General Fundraising Policies**</p> <ul style="list-style-type: none"> • Sales must be to individuals only and NOT FOR RESALE. • There is no limit on the value of items. • The cost of items shall not vary based on the quantity sold. • The maximum duration of each fundraiser is 30 consecutive days and may not be repeated during the local chapter year (March through February). • The vendor shall not promote the event on behalf of the chapter or provide website access to P.E.O. fundraising items other than through secure access. (For example, a private code may be provided to access the section of a website where P.E.O. fundraising items are available.) • Delivery of items to the final buyer can be handled by the vendor OR sent to the chapter for final delivery. • Chapters shall not link to any non-P.E.O. website on social media. • 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. • Two separate entities, each exempt from paying income tax, may not each make a profit on the sale of the same item. <p>When hosting home sales parties (jewelry, kitchen supplies, etc.), the party consultant should not be a P.E.O. member to avoid the appearance of private inurement. (See Private Inurement above.)</p>	<p>Indirect Sale of Goods (without advance purchase of goods)</p>
<p>Local or s/p/d chapters, reciprocities and P.E.O. Groups may sell services.</p> <p>**Before beginning any fundraising activity, review the General Fundraising Policies**</p> <ul style="list-style-type: none"> • Sales must be to individuals only and NOT FOR RESALE. • No limit on value of services. • All work in carrying on such sales must be done by the members or others for the organization WITHOUT COMPENSATION. • No member's personal vehicle may be used for hire as a fundraising activity. (Refer to Use of a Personal Vehicle). • No sales of services are allowed via websites. 	<p>Sales of Services</p>

****Before beginning any fundraising activity, review the [General Fundraising Policies](#)****

- Permits
 - Local Chapters (Provide documentation to s/p/d chapter)
 - The chapter bears responsibility to research and follow all applicable gambling and tax laws and provide proof of such to the s/p/d chapter **prior** to the announcement of the event.
 - S/P/D Chapters (Maintain documentation in s/p/d chapter records)
 - S/P/D chapters holding these events must comply with all applicable gambling and tax laws and be able to provide proof of such to the auditor or Audit Committee.
- Prizes
 - Services **MUST** be individually valued at \$500 or less.
 - Performed by a commercial business:
 - A gift certificate or other documentation spelling out the exact nature 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. Refer to Policies section of IOLC [Required Notice.](#))
 - Performed by a member for another individual:
 - Examples include meal preparation, lawn care, pet-sitting, etc.
 - **EXCEPTION:** No fundraising event shall include an offering of chauffer or delivery services, unless done by a professional commercial business.
 - 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 501(c)(3), charitable organization, but merely nonprofit, meaning no charitable tax deduction is available to the donor. Refer to Policies section of IOLC
 - 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.
- Online raffles are not permitted.

**Raffles and Other
Fundraisers
Involving an
Element of Chance**

<p>**Before beginning any fundraising activity, review the <u>General Fundraising Policies</u>**</p> <ul style="list-style-type: none"> • Sales must be to individuals only and NOT FOR RESALE. • No limit on value of services. • All work in carrying on such sales must be done by the members or others for the organization WITHOUT COMPENSATION. • 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. • Online auctions must adhere to the preceding guidelines in addition to the following: <ul style="list-style-type: none"> ○ Maximum duration of each auction is 30 consecutive days and may not be repeated during the local chapter year (March through February). ○ Access to online platform must be provided through a private link. 	<p>Auctions (Live and Silent)</p>
<p>**Before beginning any fundraising activity, review the <u>General Fundraising Policies</u>**</p> <ul style="list-style-type: none"> • Due to complexity and variety of these programs, please contact the P.E.O. Executive Office to request approval for participation. • Participation requirements are determined by the sponsoring travel company: <ul style="list-style-type: none"> ○ The chapter may be asked to provide proof of IRS status. Local and s/p/d chapters are classified as Section 501(c)4. If the sponsoring travel company requires proof of charitable or 501(c)(3) status, chapters cannot participate. ○ Other requirements for participation may determine the chapter’s ability to qualify. • Limited to one trip per local chapter year (March through February) 	<p>Travel Programs</p>
<p>**Before beginning any fundraising activity, review the <u>General Fundraising Policies</u>**</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 professional party company. The professional party company is not to promote the event on behalf of the chapter. • Only non-cash prizes can be offered at individual values under \$500. <p>The chapter bears responsibility to research and follow all applicable gambling and tax law and provide proof of such to the s/p/d chapter <i>prior</i> to the announcement of the event.</p>	<p>Casino/Bingo Events</p>
<p>**Before beginning any fundraising activity, review the <u>General Fundraising Policies</u>**</p> <ul style="list-style-type: none"> • Due to complexity and variety of these programs, please contact the P.E.O. Executive Office to request approval for participation. • Participation requirements determined by the sponsoring company <ul style="list-style-type: none"> ○ May be asked to provide proof of IRS status. Local and s/p/d chapters are classified as Section 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 the chapter’s ability to enroll. • Requires approval from the P.E.O. Executive Office 	<p>Scrip Programs</p>

S/P/D CONVENTION INFORMATION

Sections below applying to in-person (“IP”) or virtual (“V”) conventions are indicated with an “IP” or “V,” respectively.

- The purpose of convention is to conduct the business of the P.E.O. Sisterhood. Because of this, sales at convention shall only be by hostess chapters and/or the s/p/d chapter and shall be limited to items sold to help defray convention costs. Laws relating to retail sales vary greatly in states, provinces, districts and communities and are to be observed. (IP, V)
- Within the limitations mentioned above, auctions may be held during in-person conventions, each individual item with a value not to exceed \$500. Bids for silent auctions must be posted at the convention site and the winner announced prior to the close of convention. (IP)
- In addition to items sold to defray the cost of convention, a s/p/d chapter may sell P.E.O. related items such as s/p/d history, s/p/d chapter directory or commemorative item(s) for a significant anniversary of the s/p/d chapter. (IP, V)
- With the approval of the s/p/d executive board, local chapters may advertise their fundraising items with descriptive sheets available in the following manner:
 - Placed in convention kits (IP, V)
 - Included with the convention mailing (IP, V)
 - Sent with the s/p/d newsletter (IP, V)
 - Placed on the s/p/d website (IP, V)

**Sale of Items at
Convention**

Note: Samples of fundraising items may be displayed with order forms available; however, no sales are permitted at convention. (IP, V) Preordered and prepaid items may be delivered at convention. (IP)

- The hostess s/p/d chapter(s) for Convention of International Chapter may sell International Convention commemorative items at s/p/d convention the year of and the year after that Convention of International Chapter. (IP, V)
- Raffles held in conjunction with state and district conventions are not permitted due to liability concerns. Many state and district jurisdictions have restrictions with any “gambling” activity, particularly those that are held in hotels where alcohol is available. There are other legal restrictions about raffles being held in educational institutions and on college campuses. These restrictions regarding raffles have been adopted to avoid the potential liability for state and district chapters. (IP, V)
- Raffles at in-person provincial conventions may be permitted only with the approval of the provincial board and with the assurance that all local regulations are followed and any necessary permits are obtained. Though Canadian regulations allow more flexibility for these events at conventions, it is the responsibility of the provincial board to review and approve such fundraisers. (IP)

<ul style="list-style-type: none"> • Local and s/p/d chapters may solicit sponsors to underwrite fundraising activities and events and programs related to convention. Sponsorship may be made in the form of, but not limited to, cash contributions, prizes, advertising, invitations, gift certificates, meals, supplies or other related items. (IP, V) • Selection of sponsors should be in keeping with the image of P.E.O. and should be tasteful and appropriate. Sponsors may receive recognition in programs, kits and news releases at the event or at convention. Sponsor recognition shall be limited to company name and/or logo. No endorsement or advertising of company services or products is allowed. (IP, V) • Sponsors should be notified that while donations may be used to support the philanthropic projects of the P.E.O. Sisterhood, local and s/p/d chapters are not allowed to issue tax receipts. In other words, donations from sponsors do not qualify for a charitable deduction. (IP, V) • Questions regarding these guidelines should be directed to the director of finance/treasurer of International Chapter. (IP, V) 	<p>Sponsorship of Local & S/P/D Chapter Events & Convention Hostess Chapters</p>
<ul style="list-style-type: none"> • Hostess chapter groups must use the IRS number of their state or district chapter for all bank accounts. Adequate records should be maintained so that the amount held for the group is easily distinguished from the funds of the “holding” chapter. (IP, V) • Because the IRS will consider these funds assets of the state or district chapter, an annual accounting must be submitted in order to combine them with other state/district funds. At annual report time, the income, expenses and account balances must be reported to the treasurer of each state or district chapter using Form IRS-HC. The report should clearly identify the hostess group, including contact information for those responsible. (IP, V) • Although hostess group funds are held by a group of local chapters, the federal identification number determines ownership. By using the state’s tax identification number, the state or district officers assume responsibility for oversight and reporting. Annual reports (Form IRS-HC) from each hostess group should be submitted annually with the Annual Summary of Treasurer of State Chapter (Form IRS-SC) to the International Chapter treasurer’s office. (IP, V) 	<p>Hostess Groups for State or District Conventions</p>

LOCAL CHAPTERS IN NON-CHARTERED TERRITORY

<ul style="list-style-type: none"> • If bylaws and standing rules have not been amended during the year, the recording secretary of a chapter in non-chartered territory shall send an email or postcard in March to the organizer of International Chapter indicating “no change.” • If bylaws and standing rules have been amended during the year, the recording secretary of a chapter in non-chartered territory shall send a complete set of bylaws and standing rules to the organizer of International Chapter in March highlighting the changes made. <p>Note: Any formal action by convention which requires a change to local chapter bylaws and standing rules shall be made without a chapter vote (e.g., dues increase). The mandated change will require that bylaws and standing rules be sent to the organizer of International Chapter.</p>	<p>Bylaws & Standing Rules</p>
<ul style="list-style-type: none"> • Delegate <ul style="list-style-type: none"> ○ One delegate from every three local chapters or major fraction thereof in each non-chartered geographical area (e.g., state, province, territory) shall be elected. Designation of chapters entitled to elect a delegate shall be made by the organizer. Representation shall be on a rotating basis determined by the organizer. The president or a past president of the chapter shall be elected delegate when feasible. • Expenses <ul style="list-style-type: none"> ○ International Chapter will reimburse for one meal and pay expenses for housing for one extra night in advance of convention for delegates representing chapters in non-chartered territory. ○ Transportation is paid by the chapter(s) the delegate(s) represent. • Celebration of Life <ul style="list-style-type: none"> ○ Members of chapters in non-chartered territory entering chapter eternal during the two local chapter P.E.O. years (March 1 through February 28/29) prior to Convention of International Chapter will be recognized during convention as long as the member’s death was reported no later than the annual report in the year of Convention of International Chapter. 	<p>Convention of International Chapter</p>
<ul style="list-style-type: none"> • Chapters in non-chartered territory shall send two copies of their yearbook to the organizer of International Chapter annually. • Reciprocity groups and P.E.O. Groups in non-chartered territory shall send one copy of their yearbook or schedule of meetings to the organizer of International Chapter annually. 	<p>Yearbooks</p>
<ul style="list-style-type: none"> • Each local chapter in Hawaii will be required by state law to pay an excise tax on all fundraising revenue. The P.E.O. Executive Office will prepare and file all necessary tax forms. Do not file any forms on behalf of your chapter or contact the Hawaii State Department of Revenue. Direct any questions to the Director of Finance/Treasurer of International Chapter, P.E.O. Executive Office. • The excise tax spreadsheets, sent to chapter presidents by email from the P.E.O. Executive Office, must be completed between March 1-15 and September 1-15 each year and returned by email to the executive office by the deadline. 	<p>Excise Tax – Only for Chapters in Hawaii</p>

INDEX

to the

POLICIES PERTAINING TO LOCAL CHAPTERS

Affiliations	1	Casino/Bingo Events.....	21
Alcohol Policy.....	5	Circularization	18
Archival Storage for Minutes and/or Historic Memorabilia	4	Cover of P.E.O. Record	16
Bed & Breakfast	13	Direct Sale of Goods	18
Guidelines	13	Fundraising Activities.....	18, 19, 20, 21
Canceled Meetings	3	Fundraising Net Income.....	18
Car/Vehicle Rental	5	General Fundraising Policies	16, 17, 18
Change in Chapter's City Designation	3	Indirect Sale of Goods.....	19
Circularization	10, 11, 18	Joint Chapter Fundraisers	17
Authorization Required by International Executive Board.....	10	Payments for Chapter Fundraisers	16
Authorization Required by S/P/D Executive Board	10	Permits	20, 22
Definition/Examples	10	Private Inurement	18
Fundraising	18	Prizes.....	20, 21, 23
Privacy Policy	11	Promotion of Fundraisers on Social Media.....	17
Sales of Goods and Services.....	11	Raffles and Other Fundraisers Involving an Element of Chance.....	20, 22
Social Media	9	Reporting of Fundraising Activity on IRS-LC.....	18
Website	7	Required Notice	16
Constitution, Bylaws & Standing Rules	1, 2	Sales of Services.....	19
Cover of P.E.O. Record.....	16	Sales Tax.....	17
Disaster Relief Funds	4	Scrip Programs.....	21
Facebook	8, 9, 17	Sponsorship.....	23
Promotion of Fundraisers on Social Media	17	Travel Programs	21
Social Media Policy	8, 9	Use of Personal Vehicle.....	16
Founders' Day.....	4	Volunteer Labor.....	17
Hostess Groups for State or District Conventions	23	P.E.O. Informational Materials	6
Inactive Member	12	P.E.O. Quotations.....	6
Incorporation or Formation of Other Legal Entities	3	P.E.O. Reciprocities & Groups.....	12
Initiation Photos	6	Checking/Savings Accounts.....	12
Initiatory Emblem	6	Dues	12
Introduction of a Woman Who Is Not a P.E.O.	12	Tax Exemption.....	12
IRS Identification Numbers & Classification	2	Website	7
Key Guidelines.....	1, 2, 3	P.E.O. Record Advertisements.....	16
Legal Entities	3	Project Displays at S/P/D Conventions	14
Local Chapter Publicity Pertaining to Project Recipients.....	6	Proposed Amendments to the Constitution	2
Local Chapters in Non-chartered Territory	24	Publicity Policy	5
Bylaws & Standing Rules	24	Pyramid of Giving	15
Convention of International Chapter	24	Reaffirmation of Vows.....	12
Excise Tax – Only for Chapters in Hawaii.....	24	Real Property.....	3
Yearbooks.....	24	S/P/D Convention Information.....	22, 23
Losses Due to Natural Disaster	4	Sale of Items at Convention	22
Lost Charter.....	2	Social Media Policy.....	8, 9
Meetings		Sponsorship of Local & S/P/D Chapter Events & Convention Hostess Chapters	23
Initiation Photos	6	Statement of Policy.....	1
Membership Lists	11	Supply/Resource/Technology Payment.....	3
Minutes		Transfer Introduction	11
Storage	4	Use of P.E.O. Insignia.....	6
Website	7	Social Media	9
Parliamentary Authority	1	Website	7
P.E.O. Finances & Service Policy	16	Use of Personal Vehicle	16
P.E.O. Fundraising.....	16, 17, 18, 19, 20, 21	Website Guidelines.....	7
Auctions.....	21	Yearbooks	3, 24