

**OVERSIGHT RULES**  
**for**  
**OPERATION**  
**of the**  
**INDUSTRY DEFENSE FUND**

# **BOMA INTERNATIONAL**

## **OVERSIGHT RULES for OPERATION of the INDUSTRY DEFENSE FUND**

### **I. Preamble**

Out of respect for the confidence shown by the BOMA membership in the Officers and Staff of BOMA International (hereinafter referred to as BOMA) in creating and funding an Industry Defense Fund (hereinafter referred to as the Fund), the BOMA Officers and Staff pledge no funds shall be disbursed from the Fund unless in full compliance with these Rules.

### **II. Purpose of the Industry Defense Fund**

The purpose of the Fund is to ensure adequate funds are available for unbudgeted advocacy challenges at the U. S. Federal, State and Local level for issues of wide-ranging advocacy interests to the BOMA membership, and that may impact a substantial percentage of BOMA members. Fund resources are to be used in strict compliance with these Rules and exclusively for the support of unbudgeted legislative, regulatory and/or codes and standards advocacy efforts which impact the interests of a substantial percentage of the BOMA membership. The Fund is subject to Generally Accepted Accounting Policies (GAAP) governing restricted and unrestricted funds and is also subject to BOMA's Investment Policy.

### **III. Industry Defense Fund Oversight Committee**

1. Oversight of the Fund and compliance with these rules shall be vested in an IDF Oversight Committee of BOMA Officers, Chairs and Vice Chairs of specific BOMA committees, and members to be appointed by the Chairman of BOMA (hereinafter referred to as the Committee).
2. The Committee shall be comprised of the:
  - Chair and Vice Chair, appointed by the BOMA Chairman;
  - BOMA Chairman;
  - BOMA Chairman-Elect
  - BOMA Vice Chairman;
  - BOMA Secretary/Treasurer;
  - Chair and Vice Chair of the Government Affairs Committee;
  - Chair of the State Government Affairs Committee; and
  - Two representatives from BOMA's Finance Committee appointed by the BOMA Chairman.
3. The Chair of the Committee shall be appointed for a term of two years.

4. BOMA's Vice President of Advocacy will serve as staff liaison to the Committee and Secretary to the Fund.

#### **IV. Quorum and Voting**

1. A quorum of the members of the Committee must be present to conduct business. A quorum for purposes of these rules shall be 60% of the Committee members.
2. Unless otherwise noted, approval of all actions by the Committee shall be by a simple majority of those members present and voting.
3. Members voting by proxy will be considered present both for purposes of constituting a quorum and achieving a majority vote.
4. In order to avoid even the appearance of favoritism, no member of the Committee is eligible to vote on an application submitted by a BOMA local federated association or BOMA state coalition of which he or she is affiliated. Committee members recused pursuant to the above shall be counted toward achieving a meeting quorum, but their votes shall not be counted in the number required to constitute a majority of those present and voting.

#### **V. Application Process**

1. Application for resources from the Fund can only be made by BOMA International, BOMA local federated association, or BOMA state coalition. Applicant must be current on IDF dues for prior calendar year. If the applicant is a state coalition, all of the local associations that are members of the coalition must be current on IDF dues for the prior calendar year. Upon application, funds may be made available from the Fund at the sole discretion of the Committee.
2. In no case will any funds be made available from the Fund without a demonstration, to the satisfaction of the Committee that the resources are to be used to support both:
  - I) a legislative, regulatory, judicial and/or codes and standards advocacy effort; and
  - II) the effort impacts the interests of a substantial percentage of the BOMA membership.
3. The leveraging of additional contributions and development of coalitions to defend the industry's interests are goals of the IDF. The preferred method of achieving these goals is documentation of matching funds to be used specifically and solely for the effort outlined in the application. Matching funds can be made by the applicant through its operating budget or fundraising activities, and/or through contributions made by coalition partners. However, if all matching funds are not available, the Committee may, at its discretion, give credit to BOMA member and staff contributions of time and effort if, in the opinion of the Committee, the subject of the application is of sufficient urgency and scope to warrant an exception.

4. All applications for IDF funding must be made in a manner that is substantially similar to the official application form, a copy of which is attached as Appendix I and made a part of these Rules.
5. In order for an application to be considered during the IDF Oversight Committee meeting at either the Winter Business Meeting or the annual conference, the application must be received by the IDF Secretary at least one week in advance of the meeting.
6. Upon notice to all Committee members, and a reasonable period of time (not to exceed two weeks) having elapsed since receipt of an application, the Chair of the Committee shall convene a meeting of the Committee.
7. A teleconference, on-line conference, and/or email discussion will be deemed a meeting of the Committee.
8. After consideration of each application, the Committee shall take one of the following actions as indicated on the official Committee ballot, a copy of which is attached as Appendix II and made a part of these Rules:
  - Approve the application in whole or in part; or
  - Deny the application; or
  - Return the application with a request for additional information.
9. The staff liaison to the Committee shall inform the applicant of the Committee decision by fax or e-mail within twenty-four (24) hours of the rendering of such decision. The staff liaison will also provide information on how and when the funds will be disbursed.

## **VI. Authorization**

1. Upon approval of an application by the Committee approved funds requested in the application shall be deemed to be authorized.
2. Because not all authorized funds will be immediately disbursed, unless otherwise stated by the Committee in its decision, the right to disburse authorized funds shall be vested in the Chair of the Committee and governed by the Disbursement of Funds process outlined below.
3. Conditions which might require the retaining of authorized funds include, but are not limited to:
  - Matching funds or documentation of BOMA member and staff contributions having not been provided as required; or
  - Contractor or vendor for the underlying project having not been chosen; or
  - Installment payments for work performed or to be performed not due and payable.
4. Notwithstanding any other provision of these Rules, the Committee must receive BOMA Executive Committee approval for any authorization of \$50,000 or more.

## **VII. Disbursement of Funds**

1. All disbursements will be governed by the process outlined below.
2. Authorized funds not immediately disbursed are available for disbursement for no more than one year following the authorization of such disbursements. If funds are not used in one year, the recipient may apply for an extension of up to one year.
3. The Committee Chair is empowered to direct disbursements upon certification by the Committee Secretary, with verification by BOMA's President/COO, that the requested disbursement:
  - Is under the cap amount requiring authorization by the BOMA Executive Committee; and
  - Is being made following receipt of a completed and approved Project Financial Update and Statement, including the required documentation, by the applicant. A Project Financial Update and Statement form is attached as Appendix III and made a part of these Rules; and
  - Is being made following verification that matching funds or BOMA member and staff contributions are fully documented; and
  - Will be used for the intended purpose authorized by the Committee as shown through documentation provided by the applicant; and
  - Has been approved by completion of a Disbursement of Funds request, including all required signatures. A Disbursement of Funds request form is attached as Appendix IV and made a part of these Rules.
4. If matching funds is a condition of approval, funds will be disbursed according to the match as invoices are received up to the approved cap (for example, if a 1:1 match, IDF Secretary will pay applicant half of each invoice up to the approved cap). If applicant can show documentation that they have already paid their match obligations, the IDF will disburse funds upon receipt of documentation and with proper receipts and/or invoices.
6. Executed copies of the Disbursement of Funds Request forms will be distributed to all members of the Committee.
6. The Committee, at its discretion, may create a "de minimus" fund not to exceed \$3,000.00 (three thousand dollars). Expenditures of less than \$500.00 (five hundred dollars) may be made from this fund only if the requirements of paragraph 6 below have been met.
  - 6.a. The Committee Secretary shall provide an accounting of the "de minimus" fund to all IDF Committee members as part of any application for funds from the "de minimus" fund. The accounting shall also include the current IDF balance in terms of both actual, i.e. revenues less expense and available funds, and revenues less authorizations.
7. The Committee Chair is empowered to direct disbursements of authorized funds of less than \$500.00 (five hundred dollars) from the "de minimus" fund upon certification by the Committee Secretary, with verification by BOMA's President/COO, that the requested disbursement:

- Is being made following verification that matching funds are fully documented; and
- Will be used for the intended purpose authorized by the Committee as shown through documentation provided by the applicant; and
- Is not being made in any manner that would circumvent the Disbursement of Funds process outlined above.

**VIII. Reporting Requirements**

1. The Secretary must provide to the Committee quarterly reports on the balance of the Fund, amounts which have been authorized for that calendar year and disbursements to date.
2. The report shall be substantially consistent with the Quarterly Financial Report form attached as Appendix V and made a part of these Rules.

**APPENDIX I**

**INDUSTRY DEFENSE FUND  
APPLICATION FOR FUNDS**

**TO:** BOMA IDF Oversight Committee

**FROM:** \_\_\_\_\_  
(Applicant)

**RE:** \_\_\_\_\_ IDF Request  
(Name of Project)

**AMOUNT of REQUEST:** \$ \_\_\_\_\_

**DATE:** \_\_\_\_\_

**I. PURPOSE:**

In completing this section, please pay special attention to the Purpose of the Industry Defense Fund and the Application Process sections of the IDF Rules. In the space provided, please indicate the purpose for which these IDF funds will be used. Please supplement your request by attaching reference materials if appropriate.

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**II. MEMBER IMPACT:**

In completing this section, please pay special attention to the Purpose of the Industry Defense Fund and the Application Process sections of the IDF Rules.

A. Please indicate the number of BOMA members that will be impacted by the proposed action. For example, "All BOMA members in the City of Los Angeles or LA County, or all BOMA members in the State of Texas".

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B. Please also indicate any regional or nationwide impact to BOMA members.

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**III. BOMA MEMBERS' INTERESTS IMPACTED:**

In the space provided, please indicate which specific member interests will be impacted through this project. Examples might include private property rights, need to maximize return on investment, secure fair tax treatment, etc. Please reference all applicable BOMA policy statements, and list all interests that would be impacted using additional sheets if needed and attach supplemental materials if appropriate.

1. \_\_\_\_\_

2. \_\_\_\_\_

3. \_\_\_\_\_

**IV. PRECEDENT VALUE:**

Has this issue been litigated, legislated, or the subject of regulation in another local or state jurisdiction, or at the federal level?

\_\_\_\_\_ NO

\_\_\_\_\_ YES.

If Yes, where and what was the result?: \_\_\_\_\_

\_\_\_\_\_

**V. MATCHING FUNDS:**

In completing this section, please refer to the Application Process and Disbursement of Funds sections of the IDF Rules. The leveraging of additional funds to defend the industry's interests is a key goal of the IDF. Please indicate the amounts and specific source(s) of funds you are dedicating to this issue, and/or the nature of staff and other in-kind resources.

\_\_\_\_\_  
**Amount of Matching Funds**

\_\_\_\_\_  
**Source of Matching Funds (Please use additional sheets if necessary)**

**VI. ACCOUNTABILITY:**

A. Please provide the following information on the individual who will serve as lead on this project and will verify all relevant payment requests.

Name \_\_\_\_\_

Address: \_\_\_\_\_

Phone: ( ) \_\_\_\_\_ FAX: ( ) \_\_\_\_\_

e-mail: \_\_\_\_\_

B. How will project costs be tracked, and how will the required updates, financial statements, and related documentation outlined in the Disbursement of Funds process (Section VII of the IDF Rules) be provided to the IDF Oversight Committee?

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**VII. DURATION OF FUNDING:**

IDF funds are available for 12 months following the authorization of disbursements. Please indicate the time table for resolution of this issue, including when disbursement of funds will be expected.

\_\_\_\_\_  
\_\_\_\_\_

**VIII. OUTLOOK:**

A. Please indicate the likelihood of success of the planned action and your reasons for making such an assessment.

POOR \_\_\_\_\_ FAIR \_\_\_\_\_ GOOD \_\_\_\_\_ EXCELLENT \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

B. Please indicate the likelihood of success of planned action without IDF funding and your reasons for making such an assessment.

POOR \_\_\_\_\_ FAIR \_\_\_\_\_ GOOD \_\_\_\_\_ EXCELLENT \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

**IX. SELF HELP:**

A. Please list actions already undertaken toward achievement of the stated project goal:

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B. Do you have a Government Relations Committee or similar entity to assist and/or provide oversight in pursuing this issue?

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**X. WORK PRODUCT:**

A. Will this application result in a work product that may be used by other BOMA members, local associations, or state coalitions?

YES \_\_\_\_\_ NO \_\_\_\_\_

Please list expected products: \_\_\_\_\_

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**APPENDIX II**  
**INDUSTRY DEFENSE FUND**  
**BALLOT**

APPLICANT: \_\_\_\_\_

PROJECT: \_\_\_\_\_

DATE OF  
REQUEST: \_\_\_\_\_

AMOUNT OF  
REQUEST: \$ \_\_\_\_\_

DATE OF IDF  
COMMITTEE MEETING: \_\_\_\_\_

AMOUNT OF MATCHING  
FUNDS/SERVICES, IF APPLICABLE: \_\_\_\_\_

We the members of the IDF Oversight Committee have met, and a quorum being present, have taken the following action on the above-captioned request:

\_\_\_\_\_ Approved

\_\_\_\_\_ Approved in part: Explain

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_ Disapproved

\_\_\_\_\_ Returned to Applicant for Additional Information

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
IDF CHAIR  
Cary Fronstin

\_\_\_\_\_  
IDF COMMITTEE SECRETARY  
Karen W. Penafiel

**APPENDIX III**  
**INDUSTRY DEFENSE FUND**  
**PROJECT FINANCIAL UPDATE AND STATEMENT**

To Be Completed

**APPENDIX IV**  
**INDUSTRY DEFENSE FUND**  
**DISBURSEMENT OF FUNDS REQUEST**

TO: Brian Green, BOMA-CFO

FROM: IDF Oversight Committee

RE: Disbursement of Funds

DATE:

\_\_\_\_\_  
If all the necessary signatures are found below, you are directed to make the following disbursement:

Project Name: \_\_\_\_\_

Amount: \$ \_\_\_\_\_

Payee: \_\_\_\_\_

Address: \_\_\_\_\_

We verify the above expenditure to be:

- In accordance with the IDF Oversight Rules for Operation;
- Within the authorized cap established by the IDF Oversight Rules for Operation;
- In furtherance of achieving the goals established by the IDF Oversight Committee; and
- In accordance with a completed Project Financial Update and Statement form.

\_\_\_\_\_  
Karen W. Penafiel, IDF Secretary

\_\_\_\_\_  
Henry H. Chamberlain, President/COO

I accept the representation of the BOMA staff and direct the funds be released.

\_\_\_\_\_  
Cary Fronstin, Chair, IDF Committee

APPENDIX V  
INDUSTRY DEFENSE FUND  
IDF QUARTERLY FINANCIAL REPORT

To Be Completed