



BOMAPAC Fundraising Do's and Don'ts

Guidelines for Collecting Contributions

- BOMAPAC can only accept donations from **BOMA members** and their immediate family (over 18). For FEC purposes, the “BOMA member” is a person, not a building or company.
- Cash, personal checks, and personal credit cards may be accepted. Must be VOLUNTARY!
- Checks payable to BOMAPAC and credit card payments can be forwarded directly to BOMA International by the local association. Please be sure to include the contributors’ name, company, home address, and phone number for all contributors. For credit card payments, also include the security code and billing address.
- Cash contributions can be deposited into the account of the local association. A cash contribution of up to \$100 by a member is permissible, as well as anonymous cash contributions up to \$50. A check to BOMAPAC can then be written and sent with a list of all contributors and the amount of each donation. In this case, the local office is acting as a “collecting agent”.
- Local BOMA associations are not required to submit any filings to the FEC – only BOMA International is required to submit FEC reports. However, you are required to keep a copy of any information provided to BOMA International in your records for three years.

Rules for All Prizes and “Bonus Items”

- Your association may accept donations of money, goods or services from your members to use as raffle, door, or lottery prizes. Your local association may also purchase prize items. These are considered “in-kind” contributions and subject to the same record keeping requirements as cash contributions. **Some states have restrictions on raffles, lotteries and gambling. Be sure to check on your state's policies.**

However, if the prize is donated by an entity otherwise ineligible to donate to BOMAPAC (such as a member company), the PAC must reimburse the company if the donated items are disproportionately valuable in comparison with the amount raised by the event. You must raise at least three times the fair market value of the item to avoid having to reimburse for a portion of the value. This is known as the “One-Third Rule”.

The One-Third Rule

According to the FEC, the one-third rule requires that a PAC reimburse a donor if the cost of prizes donated for an auction, raffle or bonus item exceeds one third of the amount raised in contributions at the event. The difference (the value of the item minus one third of the amount raised) must be refunded by the PAC to the donor. For example:

Company X donates a TV valued at \$300 for raffle at an event to raise money for BOMAPAC. Sales of raffle tickets total \$600. In this case, Company X is owed \$100 from BOMAPAC since one third of the amount raised (\$200) is *less* than the cost of the prize by \$100.

However, if the sale of raffle tickets totals \$900 or more, the PAC owes nothing, as one-third of the amount raised is equal to or exceeds the cost of the prize.

Fundraising Ideas: How to Meet Your ½% Fundraising Goal

1. **Direct cash contributions.** The most effective method is to make members aware of what the PAC does and ask them to make a contribution. You may want to set fundraising targets for your leaders – they can then meet this goal through their own personal contribution or by raising funds from other members (i.e. bundling).
2. Though PACs cannot accept corporate donations, BOMA International does maintain an administrative account to help offset the cost of PAC fundraising (for example, we use this account to cover the cost of purchasing golf shirts that are given to members who donate over \$100). Any corporate donations can be deposited into the administrative account, as long as the donor understands how the money will be used and that it will NOT be used to support any political or campaign activities.
3. **Networking lunch with top local leaders.** Recruit 10 Board members (or other industry top leaders) to attend a lunch and solicit 10 associate/allied members willing to make substantial personal, not company, contributions to the PAC for the privilege of this special networking lunch. The cost of lunch can be covered out of the association's general budget, paid for out of the PAC receipts, or paid for by the Board member attendees.
4. **BOMAPAC raffle.** A member or the local association can donate the prize and it will be considered an "in kind" donation. If the prize is donated by an otherwise ineligible donor, such as a member company, ticket sales must yield at least three times the cost of the prize (see 1/3 Rule above) . Remember to check with your state to see if there are any restriction on this type of event.
5. **Already Doing a Stand-Alone Charitable Event?** Consider changing the beneficiary to BOMAPAC.
6. **Ski day.** Organize a ski day. Cost to attend the event must be at least three times the cost of the lift tickets (per FEC's 1/3 rule). The cost of bus, food and beverage do not count against the 1/3 rule and may be paid for by the local association or offset by member contributions.
7. **"Texas Holdem" tournament.** Ask members to volunteer to be dealers. Make player's first and additional buy-ins go directly to the BOMAPAC. Members that don't know how to play can "sponsor" a player representative or sit in for them – can even have a couple of "coaches allowed" tables. Food, beverage, and other event costs can be paid by the association or through member donations. Prizes subject to 1/3 rule. **Remember to check with your state to see if there are any restrictions on this type of event.**
8. **Golf Tournament Events.** During any golf tournament there are several fundraisers that can be held. Closest to the pin, longest drive, mulligan sales, and bonus tees are examples of activities that are easy to staff and fun for participants.
9. **Day at the ballpark, tailgating party and BBQ.** Get a member/sponsor to buy a large section of tickets in the cheap seats. Members can provide food "pot luck" or F& B costs can be covered by the local association. Example: 70 tickets at \$14 each = \$980 If cost to attend is \$45 each, \$2,940 will be raised for BOMAPAC. (If the ticket is donated, the 1/3 Rule applies.)
10. **Add-on to local/state PAC event.** If already holding a local or state PAC event – add an International PAC component. Keep in mind that FEC rules must be followed for BOMAPAC fundraising, even if they differ from your state/local PAC fundraising rules.
11. **Conduct an auction.** This works best if items are donated by a BOMA member. If the item is donated by an ineligible donor, the 1/3 Rule applies.
12. **Assign a "Table Captain":** At luncheons, make the pitch and have a member of the Board or Government Affairs Committee sitting at each table ready to collect.