

RECOMMENDATIONS OF THE 2016 RPAC STATE FUNDRAISING PARTNERSHIP GOAL PRESIDENTIAL ADVISORY GROUP

PAG Purpose

Examine how we can improve upon our current RPAC recognition system that rewards state associations (and local associations) for achieving their NAR “needs based” National fundraising goal. Discuss the concept of using individual RPAC state and territorial annual fundraising goals set for the upcoming year in order to create a total annual NAR RPAC State Fundraising Partnership Goal, and use this concept to identify new NAR annual RPAC fundraising recognition program components for our state and local associations.

Background:

In 2014, the RPAC Fundraising Policy Goal Presidential Advisory Group made several recommendations that were approved by the NAR Board of Directors, including the creation of one National RPAC Fundraising Goal based on NAR’s upcoming federal election cycle need. This decision eliminated the multiple RPAC annual goals NAR was regularly employing – (e.g. “National RPAC Fair Share” and “National RPAC Fundraising Goal” --- often arbitrarily set).

With the adoption of our PAC Management System by all of our state and territorial associations, NAR now has the ability to track all RPAC funds raised. The PAC Management System can also track the percentage of RPAC funds NAR receives from our states and territories for our “needs based” National RPAC Fundraising Goal. With this tracking capability, along with the myriad of NAR RPAC fundraising grants provided to our state and local associations to help them achieve their own RPAC goals, NAR will be able to effectively implement the promotion and recognition enhancements that would support a new RPAC fundraising goal in partnership with state associations. This would allow for improved clarity between the “needs based” goal and overall state fundraising goals annually.

RECOMMENDATION # 1

States/territories shall be encouraged to annually submit a state/territory RPAC fundraising goal that reflects a Voluntary Hard & Soft Dollar RPAC Goal for the upcoming year. State/Territory RPAC Chairs declare their goal during the REALTOR® Party Training Conference each year. States/territories who set their Voluntary Hard & Soft Dollar RPAC goal higher than what they raised the previous year will be eligible for RPAC recognition resulting from this goal.

Rationale: Current RPAC recognition pivots off NAR’s national “Needs-Based” fundraising goal. This recommendation would redirect fundraising focus to states. Unless the current system is amended, 31 state/territories would be recognized for sending NAR less money than they sent in 2015. These 31 states represent 23% of the total funds required to meet the recently approved 2017-2018 NAR RPAC “Needs-Based” fundraising goal, effectively awarding and rewarding these 31 states for achieving less than the previous year’s actual results.

RECOMMENDATION #2

Name the National goal that will be compiled from the total new RPAC state fundraising goals in Recommendation #1 the “National RPAC Fundraising Goal.”

Rationale: A name for this potential new goal should reflect the partnership between the states, RPAC and NAR to work together and showcase the fundraising power of REALTORS® at the local, state and national levels. It also must be clearly distinctive from the name of the NAR RPAC needs-based allocation.

RECOMMENDATION #3

Rename NAR’s current “Needs-Based” National RPAC Fundraising Goal the “Federal RPAC Disbursements Allocation.”

Rationale: A revised name for the current national “Needs-Based” fundraising goal will help distinguish the current national goal from the new state goal and avoid confusion. Based on the work done and implemented from the PAG in 2014, the needs-based formula is effectively not actually a goal anymore, but reflects what we need to receive at the federal level to remain effective.

RECOMMENDATION #4

Beginning in 2017, remove all established State and Local RPAC Awards categories with the exception of the Triple Crown and President's Cup awards. Triple Crown and President's Cup award recognition will be established for both state and local associations to achieve – each with their own set of criteria.

Rationale: **1)** Replaces a cumbersome and confusing RPAC recognition system that currently has eight different award categories with several different formulas to qualify for each award. **2)** Places a distinction between the awards that recognize states for what they raise overall and what local associations raise and achieve. **3)** If awards recognize all voluntary hard and soft dollars counted together (excluding Corporate Ally Program dollars), it would show a bigger picture of the political involvement the REALTORS® have at the local, state and national levels. **4)** Gives state and local associations recognition for monies raised as a whole, while simultaneously ensuring national RPAC receives what it needs to remain effective.

NOTE: The creation of criteria for the state and local association Triple Crown and President's Cup awards falls under the purview of the RPAC Fundraising Trustees Committee responsibilities, and if approved by the Leadership Team would be debated and ratified during the upcoming REALTORS® Annual Convention & Trade Expo.

FOLLOW UP AND NEXT STEPS FOR PAG RECOMMENDATIONS

If the final Recommendations of the PAG are approved by the Board of Directors in November, State RPAC Chairs will be asked to bring their State RPAC Fundraising Goal for 2017 with them to the REALTOR® Party Training Conference in San Francisco. At the beginning of this Conference each year, the State RPAC Chairs will share their respective State RPAC goals with incoming REALTOR® Party leadership. These state goals will then be compiled into the new National RPAC Fundraising Goal. This goal will be affirmed by the RPAC Fundraising Trustees in early January along with the national fundraising goals for Major Investors, President's Circle members and RPAC participation.

Proposed Recommendation #1 of the PAG stipulates that states who set their Voluntary Hard & Soft Dollar RPAC goal higher than what they raised the previous year will be eligible for RPAC recognition resulting from this goal. State RPAC Chairs attending the REALTOR® Party Training Conference held in late November will not know their year-end fundraising total for the current fundraising year, or that a State RPAC Chair may be unable to attend the Conference. Therefore, states will be able to submit or revise their State RPAC Fundraising Goal until early January of the fundraising year for which the goal applies and will still qualify for the new RPAC recognition resulting from this goal.

The new recognition for the new state partnership goal will apply to the 2017 fundraising year and will first be awarded during the May 2018 REALTOR® Legislative Meetings and Trade Expo.

Timeline

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| 1. | November 4-7, 2016 NAR Annual Convention | Approval of PAG Recommendations and Triple Crown/President's Cup proposed award criteria by RPAC Fundraising Trustees, Executive Committee and Board of Directors during Annual Convention in Orlando |
| 2.* | November 28-30, 2016 2017 REALTOR® Party Training Conference | State RPAC Chairs "declare" their respective State 2017 RPAC Fundraising Goals during the REALTOR® Party Training Conference in San Francisco |
| 3.* | January 9, 2017 | Deadline for States to Submit/Revise 2017 State RPAC Fundraising Goal for inclusion in overall 2017 State Partnership Goal and subsequent recognition |

***Steps 2 & 3 will only occur if PAG Recommendations are approved in Step 1.**