

Recommendations of the 2018 RPAC Fundraising Goals & Policies Workgroup

BACKGROUND:

The four areas of scope within the Workgroup's purview had not been reviewed and analyzed for program effectiveness in the last four to five years. The President's Circle Conference and Major Investor program were last reviewed and amended during separate Workgroups in 2013. The Corporate Ally Program was created as the result of a Presidential Advisory Group in 2014 and has not been analyzed deeply since its inception. Finally, a wholesale review and update of the RPAC Fundraising Partnership Grant Program has not been conducted since the creation of the program in 2011. Recent feedback on these issue areas from members to NAR Leadership resulted in the need for this Workgroup to convene and revisit the efficacy of these important RPAC fundraising areas.

PROPOSAL #1

Beginning in 2020, maintain the President's Circle Conference content and programming structure but increase the registration fee to \$695 for the President's Circle member and one guest. Amend the tiered structure for additional conference attendee fees to be determined annually based on actual expenditures.

RATIONALE

The current \$495 conference fee covers roughly one-third of the direct expenses per attendee, leaving much of the cost recoupment to come from RPAC hard dollars rather than revenue. Increasing the conference fee to \$695 would increase revenue and reduce the need to spend as many hard dollars, thereby freeing up more hard dollars to invest politically. Additionally, it may allow the conference to grow at a more curtailed pace. The Workgroup was sensitive to the One-Third Rule and the optics that are sometimes created by luxurious conference locations.

PROPOSAL #2

Leave most Major Investor benefits in place but make access to the RPAC Hospitality Suite at National Meetings exclusive to only Golden R and Platinum R Major Investors. Remove the Quarterly Legislative Webinar with NAR Advocacy Senior Staff, the New York Times subscription, and the Washington, DC Experience Facilitator as benefits.

RATIONALE

Revising access to the RPAC Hospitality Suite at National Meetings would allow this benefit to serve as a more exclusive reception for our highest level Major Investors. It would also create a greater distinction between the Crystal R and Golden R levels, which will hopefully encourage Crystal Rs to move up to Golden R. It would relieve a current overcrowding issue for the Hospitality Suite and return the event to the RPAC leader hotel suite rather than a formal ballroom. Eliminating the Quarterly Legislative Webinar, the New York Times subscription, and the Washington, DC Experience facilitator would remove benefits that few current Major Investors take advantage of, and as a result would "clean up" the Major Investor benefits chart to clearly depict which benefits are available at each Major Investor level. The elimination of the New York Times subscription, in particular, would make room in the budget to find new and more innovative ways to recognize our NAR Major Investors. The Workgroup felt strongly that finding new, creative ways to recognize Major Investors, particularly at the Platinum R level, is critical.

PROPOSAL #3

Consolidate all soft dollar political fundraising under the REALTOR® Party umbrella into one fundraising campaign that counts toward a state's National RPAC Fundraising goals and has a Major Investor recognition system not applicable to Hall of Fame or President's Circle credit.

At the end of 2019, evaluate the effects of this recommendation to ensure adjustments do not negatively affect the hard dollar needs of NAR.

RATIONALE

Since the Corporate Ally Program was founded in 2015, constant confusion surrounded the difference between this new program and the soft dollar Political Advocacy Fund which led to a reluctance to participate. Merging both entities into one program with a unified investment level and benefits structure for all corporate and soft dollar investors that count toward a state's fundraising goal would address a long-time critique of the Corporate Ally Program and could potentially increase investments over time. The two merged programs would retain the name of the Corporate Ally Program.

PROPOSAL #4

Recommend that the Corporate Investor Council approve a new benefits structure for the Corporate Ally Program to propose to the RPAC Fundraising Trustees, with the anticipation that the new benefits structure would take effect in 2019.

RATIONALE

The Corporate Ally Program and the Political Advocacy Fund's Soft Dollar Major Investor program currently have vastly different recognition and benefits structures. The Workgroup did not feel it was in their purview or expertise to decide how to merge the two together and encourages the engagement of an outside consultant to ensure the new recognition structure is sufficient to attract large corporate investors to this new blended entity.

PROPOSAL #5

Continue the RPAC Fundraising Partnership Grant Program grant funding levels but amend current policies to strengthen the program.

- 1) Reimbursements: Associations must submit for reimbursement within 30 days of their event. Failure to do so can result in an association not being reimbursed for an event. Reimbursements for the year must be submitted by the year-end RPAC transmittal deadline (currently the third Wednesday in December). Reimbursement discrepancy issues must be brought to NAR's attention within the same calendar year the association received the reimbursement.
- 2) Associations must provide proof of funds raised as a direct result of fundraising efforts in either the PAC Management System or by submitting an Excel document.
- 3) Associations are required to notify NAR of event date changes and cancellations as soon as possible.
- 4) Applications submitted within 30 days of a fundraising event must include a written explanation for tardiness to be submitted with the application for consideration by the RPAC Trustees approval committee.
- 5) Fundraising efforts cannot exclusively target NAR Major Investors. The audience for events should target the general membership or large segments of the general membership. i.e. YPN, new investors, lapsed investors
- 6) An association can only submit a grant request meant to fund the applicant association event.
- 7) Reimbursement of grant funds that exclusively pay for prizes and entertainment at a fundraising event are dependent on the event raising 3 times the cost of the prizes and entertainment. Failure to raise 3 times the cost of prizes and entertainment will result in the reimbursement equaling one-third of the total funds raised.
- 8) Grant funds cannot be used for transportation or accommodation costs related to a fundraising event.
- 9) Long Term Campaigns (i.e. email campaigns, inter- association competitions): Applications must be submitted 30 days prior to the campaign or competition beginning as opposed to 30 days prior to awarding the competition winner.
- 10) Application and Reimbursement Edits:

- a. Application will include a question on whether the association has consulted with a state association or an in-state attorney on the legality of their proposed fundraising effort.
- b. Application will ask for association NRDS number or association ID number.
- c. Reimbursement will ask for participation rate changes as a result of the fundraising effort.

RATIONALE

Strengthening the existing policies of the RPAC Fundraising Partnership Grant Program would establish more defined parameters and hold associations more accountable for timely grant application and reimbursement submissions. These amended policies have the potential to alleviate the current strain on the existing grants budget and help alleviate potential legal concerns for NAR.