

DRAFT _ For Comment Only FAQ's – LODGE FUNDRAISING

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Lodges May Engage in Fundraising; Halls May Not

Q: May lodges fundraise?

A: Yes, a lodge may hold periodic fundraising events, subject to complying with the California Masonic Code ("CMC") and California laws and regulations.¹ *Appendix A* attached to these FAQs contains applicable excerpts from the CMC.

Q: What are permitted purposes of lodge fundraising?

A: Lodges may engage in fundraising for two purposes:

- *Fraternal Support*: Events that support a lodge's or its hall's general operations; or
- *Charitable Support*: Events that benefit the wider community.

Fraternal support and charitable support events are subject to different rules and restrictions – see FAQs below.

Q: May hall associations fundraise?

A: No. A hall association must be operated **solely** to hold title to property, collect income from hall rentals and turn over all of its income, less expenses, to its owner/lodge.² Both the CMC and the *Internal Revenue Code* prohibit hall associations from holding fundraising events. If hall rentals are insufficient to cover all of the hall association's expenses, the lodge should be asked to provide the funds required, either from its own treasury or from the lodge's fundraising activities.

However, a hall may permit the use of its facility without rental charge for community or public activities, provided the user defrays any separate expense resulting from its use.

¹ See Section 809.220 of the *California Masonic Code* ("CMC").

² See CMC Section 900.010.B; Section 501(c)(2) of the *Internal Revenue Code*.

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Kinds of Lodge Fundraising Events

Q: What kinds of lodge events are permissible?

A: Lodges may hold periodic fundraising events, such as pancake breakfasts or barbeques. Lodges also may participate in local community fairs, celebrations and similar community events by sponsoring and operating booths for selling food or non-alcoholic beverages to event attendees.

These events must only be done periodically. Lodges are not, and should not be perceived as, business establishments that regularly offer goods or services to the general public.³

Raffles/Lotteries/Prizes/Bingo. Lodges may not conduct raffles, lotteries or other forms of gambling for its own benefit or any Masonic Organization. Lodges may conduct raffles to raise funds for charitable purposes that benefit the wider community but complying with California regulations can be onerous and requires filing reports with the California Department of Justice. A raffle regulations and registration checklist published by the Cal. Justice Department can be found at: https://oag.ca.gov/system/files/media/raffle_reg_checklist.pdf

Lodges may sponsor a bingo or bunco game if: (1) attendance at the event is limited to lodge members, their families and friends; (2) there are no signs or other advertising visible to the general public referring to the game; (3) no donation, admission fee, meal purchase or other charge is accepted or required for the opportunity to participate; and (4) prizes are of minimal value.⁴

Financial Support: Paying for the Event

Q: May lodges expend or raise funds to cover fundraising expenses?

A: Yes:

- *Use of General Lodge Funds to Cover Event Expenses.* Lodges may use their own general funds to cover the costs of the event. Keep in mind that a lodge's net expenditure of general funds for all of its social and fraternal activities may be limited in any given year by the CMC.⁵

³ See CMC Section 200.040 – No Business Activities.

⁴ See CMC Sections 811.040 (Gambling) and 811.050 (Bingo & Bunco).

⁵ CMC Section 809.560 caps the amount of net general funds (excluding contributions, gifts and other financial support) lodges may spend on social and fraternal activities to 30% of the lodge's total revenue derived that year from dues, application fees, withdrawals from a Life Membership Fund and net income from other investments.

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- *Contributions from Lodge Members.* Lodges may solicit contributions from members to help pay for the event, *so long as* none of the contributions are used to purchase alcoholic beverages.
- *Ticket Sales.* Lodges may sell admission tickets to the event. (*But see: “Ticket Sales in Particular,”* below, for important limitations.)
- *Contributions (other than ticket sales) from non-Members.* Lodges may *not* solicit contributions from non-lodge members for Fraternal support (non-charitable) events, without the prior approval of the Grand Master. If the event is a charitable event, the lodge may solicit and receive financial support from non-members for the event, so long as the lodge follows the CMC.
 - If a lodge wishes to collect funds for a *non-charitable* event from sources other than ticket sales (for example, selling pins or renting booths to vendors), it must submit a written request to Grand Master and receive his approval before funds may be solicited.
- *No other form of event financial support may be used without the Grand Master's approval.*
- Funds may not be expended on the event without the lodge's prior consent, which must be obtained upon proper motion at a Stated Meeting. Lodge consent is required whether or not the expenditures were included in the approved lodge budget.

Ticket Sales in Particular

Q: Can lodges sell tickets to fundraisers?

A: Yes, but –

- If the event is a fraternal event (***not*** a charitable event):

The Lodge may sell tickets ***only*** to Masons and their families and friends. The Lodge *may not* sell tickets to, or solicit, the general public. When selling tickets, lodges must disclose that profits from the event will be used for the fraternal, rather than charitable, purposes. If such disclosure is not made to ticket buyers, **all** proceeds from the event must be given to a recognized Masonic charity.⁶

⁶ See CMC Section 809.220.

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- If the event *is* a charitable event:

Lodges may sell tickets to Masons, their families and friends, *and* the general public, as long as lodges makes sure that:

- All publicity, tickets, and programs relating to the event clearly identify the charitable purpose and the charities that will receive the funds.
- The net proceeds from the event are actually distributed to the charities that were named.
- Other CMC provisions relating to charitable activities are followed.

- **Whether or not** the event is fraternal or charitable:

Ticket proceeds become lodge funds upon receipt. The Lodge Secretary shall receive ticket proceeds and ensure that receipts are issue and recorded. The Lodge Secretary shall transmit event funds to the Lodge Treasurer.

The Lodge Treasurer shall maintain accurate accounts of event receipts, revenue, disbursements and expenses. He shall not expend lodge funds without proper documentation. Within 45 days after the event, he shall provide his lodge with an accounting of the event and make it available to the Inspector/Grand Lodge when required.

Disclosure Requirements

Q: What do lodges need to disclose when they solicit charitable gifts or donations?

A: Prior to any solicitation for charitable purposes in California, lodges must disclose certain information in writing to the prospective donor or purchaser. This disclosure, which may be in the form of a charity brochure or other printed material, must include:

- the name and address of the organization that the lodge is raising charity for (or, if there is no organization, then the manner in which the money collected will be used for a charitable purpose);
- the charitable purpose for which the solicitation is made; and
- a statement that the organization's financial information is available by contacting the organization at the address provided.

Once a lodge has collected funds or gifts by solicitation, it has a fiduciary duty to spend those funds only for the charitable purpose stated in the

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disclosures!

If the following are known to the lodge they should also be disclosed:

- the nontax-exempt status of the organization, if it does not have tax exemption under both federal and state law;
- If less than 100%, the percentage of the gift or purchase price the donor or purchaser can deduct as a charitable contribution under federal and state law.

Here is sample language that a lodge may use for its written solicitation materials:

We, ___ Lodge No. __, are holding the [XXX] event described above to benefit the organization: [YYY].
[YYY's] charitable purpose is: _____.
[YYY's] address is: _____.
[YYY's] financial information is available by contacting [YYY] at the address above.

[If applicable: note YYY's nontax-exempt status and/or if less than 100% of the gift will be tax deductible.]

If the lodge engages a paid fundraiser to make solicitations, the paid fundraiser may have additional disclosure requirements.

California Attorney General's Registration and Reporting Requirements

Q: If lodges accept donations for charitable/community purposes, do they need to make filings with the government?

A: Yes:

- Lodges that receive property (i.e., cash donations, property donations, other assets) for charitable purposes must register with the California Attorney General's Office and file annual reporting thereafter. For example, a lodge that holds an event open to the public and charges a fee for attendance to raise money for charity is required to register with the California Attorney General's Office.
 - The initial registration must be made within 30 days of the lodge's receipt of the property given for charitable purposes. Instructions and the registration form to file, Form CT-1, can be found at:
<https://oag.ca.gov/system/files/media/ct1-form.pdf>

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- Annual reporting is satisfied by filing Form RRF-1 electronically -- https://oag.ca.gov/system/files/media/rrf1_form.pdf. This filing must include the lodge's Form 990 and be made within four months and fifteen days after the end of the lodge's fiscal year or calendar year.

Alcoholic Beverages at Events

Q: Can lodges serve or sell alcoholic beverages at fundraising events?

A: Yes, but subject to important limitations and restrictions, including, but not limited to:

- *Limits on **Funding/Acquiring** Alcoholic Beverages for the Event*
 - *No Payment of Lodge Funds for Alcoholic Beverages.* Lodges may not use their funds (or hall association funds) to purchase alcoholic beverages or reimburse someone else for purchasing alcoholic beverages.
 - *No Use of Event Ticket Proceeds.* Proceeds from event ticket sales may not be used to purchase alcoholic beverages or reimburse someone else for purchasing alcoholic beverages.
 - *Limitations on Donation.* If alcoholic beverages are to be donated for the event, one person only must donate *all* the alcoholic beverages and the lodge or its members may not reimburse that person. Members and guests may not bring their own alcohol to the event.
- *Limits on **Where** Alcoholic Beverages are Permitted*
 - Alcoholic beverages are not permitted in a room where Masonic ceremonies are normally conducted unless that room is also the regular social hall. Alcoholic beverages may not be served, consumed, or sold during the course of a Masonic meeting.
- *Limits on **Selling** Alcoholic Beverages / Caterers*
 - Alcoholic beverages *may not* be sold at lodge event *unless* both the serving and the selling is performed by a caterer with an ABC license. Lodges may not operate a cash bar, sell drink tickets or tokens, or charge additional meal fees to cover alcoholic beverages.
 - If a licensed caterer will be serving and selling alcoholic beverages at a Lodge

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event, the caterer, *not* the Lodge, must sell the tickets to the event. Lodges may not assume the role of an ABC-license caterer by applying for, or operating under, any ABC license or permit.

- *Limits on **Who** May be Served*
 - The general public *may not* be present when alcoholic beverages are served without a license. The term “general public” does not include members of the lodge or their family or friends.

The above limits address only the policies of Grand Lodge. Alcoholic beverage use also must comply with applicable state laws and rules established by your Hall Association or other landlord.

See FAQs Relating to Alcoholic Beverages, attached as Appendix B to these FAQs.

Tax Issues

Q: Do lodges need to collect sales tax at fundraisers?

A: In general, there is no exemption from California sales tax for sales by nonprofit organizations. Instead, there are specific exemptions to some, but not all, sales by such nonprofits.

Event admission tickets:

- If the charge for the ticket is solely for admission to enter a venue, sales tax does not apply. For example, the sale of a ticket that is solely for admission to a food festival, where food is to be purchased separately, would not be taxable. However, sales tax may apply when the admission price includes a food and beverages. If the ticket does not mention refreshments and the organization serves only an insignificant amount of food at the event, then sales tax does not apply to the sale of the ticket.

If a lodge contracts with a caterer to serve meals at its event, the caterer is responsible for reporting and paying the tax on the price of the meals that the caterer charges the lodge. The lodge, in this case, does not owe tax on its ticket sales. For example, if a lodge holds a fundraising dinner at a hotel, with a ticket price of \$100 that covers a meal, drinks and entertainment, and contracts with the hotel to provide and serve the meals and drinks for \$25 per person, the hotel must pay sales tax based on the \$25 amount the hotel charges the lodge for each meal, since the hotel serves the meals. The lodge does not owe tax on its ticket sales.

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Merchandise:

- Generally, sales tax applies to sales of merchandise. For example, merchandise sold at garage sales and bazaars is subject to sales tax, even if the purchase price is labelled a "donation." Donations of gift cards, gift certificates, checks, cash, or services are generally not subject to sales tax.

Meals not contracted with and served by a caterer:

- The sale of food, and meals for purchase, are generally subject to sales tax. One exemption is available to lodges: lodges are not subject to sales tax on their receipts from furnishing meals if the meals are furnished exclusively to members and are furnished less frequently than once a week. Both these requirements must be met.

If a nonmember attends even one lodge meal and pays for their own meal, *all* food and drinks from *all* lodge dinners held becomes taxable. However, meals paid for by members are considered furnished to the members and are therefore not subject to the sales tax even though consumed by guests who are not members. Thus, meals of nonmember family and friends who attend lodge dinners should be paid for by lodge members. Lodges need not thereafter determine whether the member obtained reimbursement from the guest.

If the Lodge is subject to sales tax, it must register for a California seller's permit. Lodges can register on the California Department of Tax and Fee Administration's website at www.cdtfa.ca.gov under *Register for a Permit*. The Cal Dept. of Tax and Fee Administration publishes on its website a helpful sales tax guide for nonprofits, entitled "Nonprofit Organizations."

Q: Do lodges need to pay *income tax* on fundraising revenue?

A: No. The net profit from lodge fundraising events is not subject to income tax if substantially all the labor required to hold the event was performed for the Lodge without compensation.

Q: Are donations made to lodges tax deductible by the donor?

A: Lodges are generally classified by the IRS as potentially exempt from federal income tax under IRS Code section 501(c)(10), rather than the more traditional 501(c)(3). That said, a gift to a 501(c)(10) lodge can qualify for tax-deductibility (and therefore the donor could take a deduction on their tax return for the gift), *if* the contribution

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is used exclusively by the lodge for charitable purposes. Contributions for fraternal or social purposes are NOT deductible. Whether or not to take a deduction is always the donor's issue (and risk), not the lodge's. If the lodge were to try to facilitate these kinds of deductions, it needs to be prepared to timely provide members with contribution written acknowledgments for gifts over \$250 and keep financial records that show that these gifts were directly used for charitable, rather than lodge/fraternal, purposes.

Large and Complex Events

Q: Are there special considerations for very large or complex events?

A: Yes. Please see *Appendix C* attached to these FAQs for extra steps to follow when holding a large or complex event.

Engaging Vendors for Fundraising Events

Q: Should lodges hire third-party vendors to help with events?

A: Because providing food and beverages at events is complicated, we recommend that lodges engage vendors to provide food and beverages to event attendees.

If alcohol is to be sold at an event, it must be sold and served by a caterer with an ABC license. Lodge may not operate a cash bar, sell drink tickets or tokens, or charge additional meal fees to cover alcohol. (*See Appendix B – Alcoholic Beverages FAQs.*)

If vendors are retained for the event, the lodge must maintain a record of the vendor's business name, owner, address, email, and telephone contact. Further, the lodge must document – by way of a signed vendor agreement – the services to be provided by the vendor; the pricing of the vendor services; any other important agreed upon terms; and that the vendor has all permits and licenses required to operate (e.g. sales tax permit, health permit), a taxpayer identification number and certification (W9), and worker's compensation and general liability insurance.

Lodges May Not Form New Charitable Organizations

Q: May lodges form charitable organizations to facilitate fundraising?

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- A:** No. Lodges may not form corporations other than hall associations. Any money collected for charitable purposes are considered lodge funds.⁷

⁷ See CMC Section 809.110.

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APPENDIX A

Selected Applicable California Masonic Code Provisions

CMC 809.210	<p>Permitted Financial Support</p> <p>A Lodge may solicit and receive the following types of financial support only:</p> <ul style="list-style-type: none">A. Dues from the Masons of the Lodge and application fees;B. Contributions and other financial assistance from its own Masons. . .F. Other types of support as are specifically authorized in this Article. <p>No other forms of financial support are permitted. Permitted financial support received, whether for fraternal, charitable, social or any other purpose, shall be Lodge funds upon receipt.</p>
CMC 809.220	<p>Additional Financial Support</p> <p>A Lodge may solicit and receive financial support for its fraternal operations and charitable activities from the following additional sources:</p> <ul style="list-style-type: none">A. A Lodge may hold periodic activities to which tickets are sold to its Masons and their families and friends. No tickets to such an activity may be sold to the general public nor may there be any other public solicitation of support for such an activity. The sponsor shall disclose that any profits from the activity will be used for the sponsor's fraternal and not charitable purposes, if such is the case. In the event that such disclosure is not given, through inadvertence or otherwise, all proceeds from the activity shall be given to a recognized Masonic charity;B. Advertising may be included in publications which the Lodge uses to communicate with its members, provided that:<ul style="list-style-type: none">1. The advertisements are in good taste and within the bounds of propriety;2. Advertisements for controlled substances, alcohol, or tobacco are not accepted;3. Advertisements for religious or political groups are not accepted;4. Lodge mailing lists or Grand Lodge rosters are not furnished to advertisers;5. No representation is made to Masons that it is their duty to advertise;6. Advertising is accepted only from members and businesses or commercial establishments owned or operated by members of the Lodge. In joint publications to the members of the Lodge and to the members of one or more other Lodges or Masonic Organizations, advertising is accepted only from members and businesses or commercial establishments owned or operated by members of one or more of the participating Lodges and Masonic Organizations;7. Solicitation of advertisements is by a member in good standing of a Lodge or Masonic Organization for whose publication advertising is solicited; and

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	<p>8. Any advertising revenue in excess of the expenses of publishing, printing, and mailing such publication is donated to a recognized Masonic charity;</p> <p>C. A Lodge may participate in local community fairs, celebrations and similar community events by sponsoring, occupying and operating booths for selling food or non-alcoholic beverages to persons attending or participating in such events; and</p> <p>D. A Lodge may participate in any other activity which has been approved by the Grand Master.</p>
CMC 809.230	<p>Additional Financial Support for Charitable Activities</p> <p>In addition to the activities permitted by the other provisions of this Article 2, a Lodge may also solicit and receive financial support for its charitable activities from its members and their families and friends, as well as from the general public, if the sponsor observes the following guidelines:</p> <p>A. Publicity, tickets and programs relating to the event clearly identify the charitable purpose;</p> <p>B. The net proceeds of the event are distributed to the charities named (net proceeds are defined as the proceeds available for distribution after deduction of all expenses, including advances by a co-sponsoring commercial organization);</p> <p>C. The event itself and the associated publicity are within the bounds of propriety;</p> <p>D. <i>California Masonic Code</i> provisions regarding advertising and gambling are followed; and</p> <p>E. If the activity is held in cooperation with one or more commercial sponsors, the following additional requirements are met:</p> <ol style="list-style-type: none"> 1. Any advances by commercial co-sponsors represent less than fifty percent of the total expenses, including these advances; 2. An independent audit of the financial transaction is conducted and reported to the head of the sponsoring Lodge, subject to approval by the Grand Master; and 3. The activity has been approved by the Grand Master.
CMC 809.530	<p>Prohibited Expenditures</p> <p>A Lodge may not:</p> <p>A. Expend Lodge funds for alcoholic beverages. . .</p>
CMC 809.550	<p>Discretionary Expenditures</p> <p>A Lodge may:</p> <p>A. Pay all the ordinary and necessary expenses incurred in connection with the operations of the Lodge, subject to any restrictions contained elsewhere in this Code;</p> <p>B. Provide for the payment of its officers or representatives in attending the Annual or a Special Communication of Grand Lodge;</p> <p>C. Appropriate from its funds any amount for the purchase of a testimonial for its retiring Master;. . .</p>

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	<p>J. Establish a scholarship program for the awarding of financial aid to worthy students; . . .</p> <p>N. Permit use of its facility without rental charge for community or public activities consistent with the provisions of this Code, provided the user defrays any separate expense resulting from such use;</p> <p>O. Allocate funds for community improvement, charitable activity, or sponsorship of programs that will benefit residents of the community in which the Lodge is located;</p> <p>P. Purchase clothing or other needed items for use by a member who is in the Masonic Homes of California; and</p>
CMC 809.560	<p>Social and Fraternal Expenditures</p> <p>A Lodge may expend Lodge funds for the following purposes, subject to the following limitations:</p> <p>A. A Lodge may expend Lodge funds for purposes of its social and fraternal activities, promoting fraternal intercourse, community improvement, its charitable activities and its programs that will benefit residents of the community in which the Lodge is located. Except for expenditures from funds collected for specific social purposes as otherwise provided in this section, the aggregate annual expenditures by the Lodge for the purposes described in this section shall not exceed thirty percent of the Lodge's total revenue derived that year from dues, application fees, withdrawals from a Life Membership Fund and net income from other investments;</p> <p>B. Contributions, gifts, bequests and other financial assistance received, receipts on trust funds, financial support received for the Lodge's fraternal operations or charitable activities and profits realized from the sale of capital assets shall not be included in total revenue for purposes of calculating the thirty percent limitation;</p> <p>C. Expenditures of financial support received for the Lodge's fraternal operations or charitable activities shall not be subject to this thirty percent annual limitation when spent as follows:</p> <ol style="list-style-type: none"> 1. To pay the expenses of the activity through which such support was raised, such as the expenses of staging the event at which the support was received or the expenses of printing and distributing the publication in which the permitted paid advertising appeared; or 2. To pay the expenses of the Lodge's other social and fraternal activities, promoting fraternal intercourse, community improvement, its charitable activities and its programs that will benefit residents of the community in which the Lodge is located; <p>D. Lodge contributions to the Masonic Homes of California, California Masonic Memorial Temple or California Masonic Foundation shall not be subject to this thirty percent annual limitation; and</p> <p>E. In the discretion of the Lodge, any portion of the annual thirty percent limitation not expended in one year may be carried forward to future years until spent.</p>

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CMC 811.010	<p>Alcoholic Beverages Alcoholic beverages may be sold, served, and consumed on property owned by or leased to a Lodge and at Masonic activities held elsewhere only if the following requirements are observed:</p> <ul style="list-style-type: none"> A. Alcoholic beverages may not be sold, served, or consumed in a Lodge room or in a room in which Masonic ceremonies are normally conducted except when such room serves a dual purpose as a ceremonial room and social room; B. A Lodge may not maintain, on a regular or permanent basis, a bar stocked with alcoholic beverages; C. The funds of a Lodge may not be used to purchase alcoholic beverages; D. Alcoholic beverages may not be served, consumed, or sold during the course of a meeting of a Lodge; E. A Lodge may not directly or indirectly apply for, assume title to, or operate under any government license or permit for the purpose of consuming, serving or selling alcoholic beverages, whether in, on, or away from premises owned, leased, or rented by it; F. A Lodge may not rent or lease property in which it has an ownership interest to business establishments wherein alcoholic beverages are served, consumed or sold unless such service, consumption, and sale are incident to and not the primary purpose of the business; and G. Any sale, service, or consumption of alcoholic beverages pursuant to this section must comply with all applicable laws of the State of California.
CMC 811.020	<p>Financial Aid Solicitation No Mason shall circulate, on Lodge premises, a petition asking financial aid for any non-Masonic matter or thing whatever, however worthy it may be, except for statewide public-school purposes, and then only as a duly appointed member of an authorized Lodge committee.</p>
CMC 811.040	<p>Gambling Neither a Lodge nor a Mason shall, directly or indirectly, give or attempt to give the aid or countenance of Masonry to, or participate in, the conduct or preparation of any raffle, lottery or other form of gambling, conducted in the name of, or directly or indirectly for the monetary benefit of, any Lodge or of any Masonic Organization. A Lodge shall not accept any of the proceeds or profits of any raffle, lottery or other gambling enterprise. Prizes may be awarded if not purchased from monies collected as admission fees and if no separate charge is made for the chance to win.</p>
CMC 811.050	<p>Bingo/Bunco A Lodge may sponsor a bingo or bunco game, if the Lodge observes the following rules:</p> <ul style="list-style-type: none"> A. Attendance at the event is limited to the Masons of the Lodge, their families and friends; B. There are no signs or other advertising visible to the general public referring to the game;

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	<p>C. No donation, admission fee, meal purchase or other charge is accepted or required for the opportunity to participate; and</p> <p>D. Prizes of minimal value may be awarded if purchased by the sponsor or donated.</p>
CMC 900.020	<p>Hall Operations</p> <p>All Masonic Hall Associations shall operate as follows: . . .</p> <p>B. A Masonic Hall Association may not hold or administer funds for any purpose not specifically set forth in this Code . . .</p> <p>D. No Masonic Hall Association shall use any of its funds and property to subsidize, directly or indirectly, any organization using or occupying its property, except a Constituent Lodge or Masonic Organization which is a member or shareholder of the Masonic Hall Association or a Masonic Youth Order;</p> <p>E. A Masonic Hall Association may permit use of its facility without rental charge for community or public activities consistent with the provisions of this Code, provided the user defrays any separate expense resulting from such use . . .</p>
Grand Master's Decision – Alcoholic Beverages	<p>Expands upon limitations and rules in the CMC.</p>

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APPENDIX B

ALCOHOLIC BEVERAGES FAQ's

Q: May alcohol be sold at a Lodge/Hall event by someone other than an ABC-licensed caterer?

A: No.

- If alcohol is to be sold at an event, it must be sold and served by a caterer with an ABC license.
- Lodge may not operate a cash bar, sell drink tickets or tokens, or charge additional meal fees to cover alcohol
- Lodge/hall may not directly/indirectly apply for ABC permit
- If tickets are sold to the event, the licensed caterer who will be serving and selling alcohol at event, not the lodge, must sell the tickets

Q: When may alcohol be served at a Lodge/Hall event that is open to the general public?

A: Alcohol may be served at an event open to the general public only by ABC-licensed caterers.

- Under no circumstances may general public be present when alcohol is served without a license.
- Lodge may not advertise to the general public an event at which alcohol will be served on Masonic property.
- Invited guests and family members attending event are not considered the general public.

Q: When may alcohol be served (but not sold) at a Lodge/Hall event that is not open to the general public?

A: When the general public is not present, alcohol may be served only under the following conditions only:

- Alcohol is not present or consumed during a lodge/hall meeting
- Alcohol is not in the room where the lodge meets, unless the room is also its

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regular social hall

- Attendees are only members, invited guests and family members
- Lodge/Hall funds were not used to buy the alcohol or reimburse alcohol purchases
 - Alcohol must have been donated for the event by only one person (who was not reimbursed)
 - Members and guests may not bring their own alcohol to the event.
 - Lodge may charge for a meal at which alcohol is served as long as the alcohol has been donated by one person and everyone pays the same price, regardless of whether they will be served alcohol

Q: May the Lodge/Hall maintain a bar?

A: A bar may be maintained so long as alcohol is not regularly stored there (or elsewhere at hall)

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APPENDIX C

GUIDELINES FOR LARGE AND COMPLEX EVENTS

NOTE TO AGLS:

California Lodges routinely sponsor events for their members, family, and friends. These are important events to the culture of our fraternity. Certain guidelines outlined in the California Masonic Code govern these events. From time to time, a lodge may sponsor an unusually large or complex event that involves a great number of attendees, significant ticket sales, alcoholic beverage use, and other operations that are more complex than the routine event. An example includes a large weekend event with an MGM degree team conferral.

Because of the size and scope of these events, it is important that the Inspector make extra efforts to be sure the Lodge understands the applicable guidelines and has a solid plan to adhere to them.

Therefore, Inspectors are to use the attached guidelines with Lodges that wish to sponsor an unusually large event, like an MGM degree conferral weekend. The Inspector should review the guidelines with the Lodge sponsor well in advance of the event. To avoid any confusion, the Lodge Master, Secretary, and Treasurer shall sign the Lodge Acknowledgement on the cover page indicating that they have reviewed the guidelines. The Inspector should work closely with the Lodge in planning the event to be sure the guidelines are followed.

You should direct the Inspector be present at such an event and if he cannot be present, you should see that another Inspector is present. The Inspector shall complete an audit of the financial accounting of any such event and report his findings to you not less than 60 days following the event.

This procedure is not intended for routine lodge events, but rather for unusually large or complex events. Use your good judgment to determine for which events the Inspector shall make these extra efforts.

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- These ***Guidelines*** apply to ***any*** large or complex event sponsored by, or associated with, your Masonic Lodge. The *Guidelines* will help your Lodge plan a successful event that also complies with the California Masonic Code.
- At the ***earliest*** stage of event planning, you and your fellow Lodge officers should review the *Guidelines* with your Inspector. After that review, you should complete and sign this Form and return it to your Inspector.

EVENT DETAILS

Date: _____ Lodge Name and Number: _____

Lodge-Sponsored Event Name:

Event Date(s):

Event Description:

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LODGE ACKNOWLEDGEMENT

- We understand that it is our Lodge's responsibility to sponsor and exercise adequate control and oversight over this Event.
- We have read, and reviewed with our Inspector, the attached *Guidelines* and sections of the California Masonic Code ("CMC") applicable to this Event.
- We will work with our Inspector to plan and conduct this Event in accordance with the *Guidelines*, the CMC, and all applicable rules and laws.

Master: _____ Date: _____

Treasurer: _____ Date: _____

Secretary: _____ Date: _____

DRAFT For Comment Only FAQ's – LODGE FUNDRAISING

A. About These Guidelines

- These Guidelines apply to ***all large*** or *complex* events that are associated with your Lodge.
 - A large event is an event where attendance is likely to be significantly higher than the number of active members in your Lodge.
 - A complex event is an event that involves higher than usual operational, safety or financial complexity. Complex events may include, for example, events where admission tickets will be sold, events where alcoholic beverages are to be offered, events of unusual duration, or events where security or operational issues may be presented.
 - Consult with your Inspector if you are not sure whether your event is governed by these Guidelines.
 - These Guidelines apply to **all** events that are associated, formally or informally, with your Lodge. Do not separate or qualify events to avoid these Guidelines. If multiple events are planned for a weekend, for example, these Guidelines apply to all of them.
- These Guidelines will help ensure that your event is successful **and** conducted in accordance with the California Masonic Code (CMC) and sound organizing and financial practices. The Guidelines summarize provisions of the CMC relating to, among other things, event financial support, ticket sales, and alcoholic beverages at events. The Guidelines are not, however, a substitute for the CMC. Review with your Inspector both these Guidelines and the CMC when you are planning your event.
- ***Remember***, Lodge officers have a duty to ensure that *any* Lodge event, but *especially* a large or complex event, is properly conducted. Thus, you and your fellow officers must exercise oversight over the planning and execution of the event (including its financial aspects) to ensure the event's success and compliance with the CMC.

B. Financial Support: Paying for the Event

See LODGE FUNDRAISING FAQs

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C. Ticket Sales in Particular

See LODGE FUNDRAISING FAQs

D. Alcoholic Beverages at Your Lodge Event

See LODGE FUNDRAISING FAQs and
FAQs RELATING TO ALCHOLIC BEVERAGES

E. Ritual at Your Lodge Event

If Ritual is performed at your Lodge event:

- All degrees must be conferred in strict accordance with the Ritual. Please review with the Inspector, at least two weeks prior to the event, the names and lodge membership of all Masons who will confer the Ritual and be sure the Inspector is satisfied with their preparation and qualification. Discuss with your Inspector how Masons conferring the Ritual will be prompted.
- Your Inspector must approve the room in which the Ritual will be informed.
- The meeting must be properly tiled. The Tiler must see that every Mason present is entitled to be so. It is especially important that the Tiler verify the proper status of visiting Masons. All Masons present must sign the Tiler's register. As there are many details involved in tiling certain rooms, especially for large events, please give the Inspector at least two weeks' notice of the plan to tile a room. The plan can include the number of assistants to the Tiler, especially if there is a large attendance or multiple entrances/exits to and from the room.

F. Other Guidelines for Best Practice

- Maximum room occupancy must be observed for the event. Manage event ticket sales so as not to exceed maximum room occupancy.
- Because of the risks and complications associated with third party vendors, concessionaires, and other unrelated parties (collectively, "vendors"), it is not recommended that the Lodge engage vendors, other than the ABC caterer described above, to provide food, beverages, goods, or services to event attendees.
- If vendors are retained for the event, your Lodge must maintain a record of the vendor's business name, owner, address, email, and telephone contact. Further, the Lodge must document that the vendor has all permits and licenses required to operate (e.g. sales tax permit, health permit), a taxpayer identification number and certification (W9), and worker's compensation and general liability insurance.

DRAFT For Comment Only FAQ's – LODGE FUNDRAISING

- All Masons should be reminded to conduct themselves with due order and propriety while attending a lodge event or any event associated with a Lodge or Freemasonry in general.

G. The Inspector's Role

The Grand Master has directed Inspectors to:

- Supervise large or complex events to be sure Lodges properly sponsor and adhere to these Guidelines.
- Audit the financial accounting of the event prepared by the Lodge Treasurer, within 60 days after the event.