

Decision Brief to the BOD: Membership and Bylaws

July 19, 2021

BOD Agenda

1. President's Opening Remarks - 10 min
2. Administration and Reference (XD) - 5 min
3. Membership Structure Changes (Mike Huffstetler/Jill Murphy) - 20 min
4. Dues Adjustments (Mike Huffstetler/Jill Murphy) - 30 min
5. Bylaws Changes (Rad Delaney/Kathy Off) - 5 Min
6. Summary of Decisions and Next Steps (XD) - 10 min
7. President's Summary and Guidance - 15 min

BOD Meeting Reminders

1. Robert's Rules of Order are followed.
2. BOD Members have a legal obligation to place the interests of SAME (standard of care, obedience, and loyalty) above themselves and their company.
3. Detailed analysis will not be presented; ask questions during discussion of each recommendation. The appropriate individual will respond. The President will control timing allotted to discussion.
4. Since the current membership structure is in the bylaws, it will take a majority vote to amend the structure and dues decisions.
5. A 2/3 majority is required to change the bylaws

Compelling Outcomes of Affirmative BOD Decisions

1. Better serve and manage our members at Post and National levels.
2. Simplify our overly complicated membership and dues structure.
3. Improve SAME's financial stability by aligning dues with the value we provide, aligning dues revenue to industry standards, and substantially covering the cost to serve our members.
4. Amend our bylaws to provide a more responsive and relevant approach to member management and financial adjustments over time.

Members must be our top priority. Our Strategic Plan is accomplished by our members!

Decision Sequence

1. Membership Structure Changes
2. Dues Adjustments
3. Bylaws Changes

Decision 1: Membership Structure Changes

Current Individual Member Structural Challenges

Read-ahead materials provided details on challenges, solutions and corresponding impacts

Key Challenge 1: Membership numbers are falsely inflated for categories in which dues are not collected annually and because discounts were built into multi-year pricing, we are not covering the costs of multi-year memberships.

Solution: Renew annually for all membership types / eliminate all multi-year memberships.

Impact: Accurate counts in all member categories; costs are better covered.

Current Individual Member Structural Challenges

Key Challenge 2: Data gets outdated quickly when members aren't required to renew on a yearly basis and member retention suffers.

Solution: Renew annually for all membership types / eliminate all multi-year memberships. Grandfather all current Uniformed & Life Members.

Impact: Individuals required to review and update their information annually; more accurate data; better counts.

Current Individual Member Structural Challenges

Key Challenge 3: Government employees pay different rates based on civilian or uniformed status.

Solution: Create one dues category for all government employees (i.e. uniformed and civilian pay same rate). Grandfather all current Uniformed members.

Impact: Equity within category.

Current Individual Member Structural Challenges

Key Challenge 4: Individual membership includes up to three posts. Individuals cannot join more than three posts.

Solution: Individual membership includes one post; individuals may join as many additional posts as desired for a fee.

Impact: Allows individual more flexibility (not limited to only three). Active selection is better indication of likeliness for engagement. More incentive to review and update post memberships regularly. Post membership numbers more accurate.

Individual Member Structural Change Proposals For Decision

1. Eliminate option to purchase multi-year individual memberships.
2. Eliminate option to purchase a new life membership.
3. One rate category for all government employees.
4. Membership includes one post; individuals may join additional posts (as many as desired) for an additional fee per post.

Recommend: Approve the individual member structural changes.

Current Company/Agency/Organization Membership Structure Challenges

Key Challenge 1: If a “Rep” wants to be a member of a post in which the company does not hold membership, the entire company must join the post in order for this to happen, or the individual must join with a separate individual membership.

Solution: Decouple purchase of posts with purchase of people. Purchase of posts no longer includes “slots” for individuals.

Impact: All persons are able to engage anywhere desired with ease. Consistency between all membership types.

Current Company/Agency/Organization Membership Structure Challenges

Key Challenge 2: No congruity between the way individuals are handled across the Society. If a person is a “representative”, they can only be members of the posts that the company belongs AND where they are assigned a representative slot. An individual member of SAME can join multiple posts of their choice. This creates extreme confusion.

Solution: Purchase of posts no longer includes “slots” for individuals - decouple purchase of posts with purchase of people.

Impact: Allows more flexibility for the individual; individuals are all handled in the same way across SAME; more engaged members.

Current Company/Agency/Organization Membership Structure Challenges

Key Challenge 3: Extreme confusion about membership types and status. Many people think because their company holds a sustaining membership, it means they are also a member.

Solution: Eliminate purchase of “representatives” – every person is considered an individual member.

Impact: Every individual knows their status. One data record per individual. Accurate count of unique individual members.

Current Company/Agency/Organization Membership Structure Challenges

Key Challenge 4: If a company wants more employees to be representatives, they purchase additional posts to obtain more “slots” or purchase additional representative “slots” in the desired posts.

Solution: Once included individual memberships have been used, if others from a company wish to be a member, individual memberships can be purchased at a corporate rate (benefit of corporate membership).

Impact: Allows more flexibility for the individual; individuals are all handled in the same way across SAME.

Current Company/Agency/Organization Membership Structure Challenges

Key Challenge 5: Companies regularly change representatives in and out of slots during the year, most frequently prior to a conference in order to get the member rate for individual registrations.

Solution: Changes to individuals are made on an annual basis only.

Impact: Operations are streamlined. Individuals who are truly members get the member registration rate. More accurate and up-to-date data on individuals.

Current Company/Agency/Organization Membership Structure Challenges

Key Challenge 6: Management of sustaining memberships is extremely time consuming both for SAME and the sustaining member's national point of contact.

Solution: Decouple purchase of posts with purchase of people. Eliminate purchase of "representative slots" – every person is considered an individual member.

Impact: Ease of management for SAME and company; less time spent managing membership operations.

Current Company/Agency/Organization Membership Structure Challenges

Key Challenge 7: Public agency memberships include 10 representative slots. Private industry membership include 6 representative slots. The smallest companies do not need 6 representatives and do not use this many; fewer included memberships allows these companies a more reasonable fee.

Solution: Company and organization memberships include 6 individual memberships except for those w/10 or fewer employees, which would include 3.

Impact: Streamlines what is included to eliminate confusion; more reasonable fee for smallest companies.

Company/Agency/Organization Member Structural Changes Proposals for Decision

1. Membership for Companies that employ more than 10 employees includes one post and 6 individual memberships. Membership for Companies that employ less than 10 employees includes one post and 3 individual memberships.
2. Membership for Public Agencies and Organizations includes one post and 6 individual memberships.
3. Companies, Public Agencies, and Organizations may join additional Posts. Purchase of Posts does not include individual memberships.
4. All individual memberships that are included with or are paid for by a company/org remain with the individual for the entire membership term regardless of employment status with the company. All individual member rules, policies, and procedures apply to such individual memberships.

Recommend: Approve the Company/ Agency / Organization structure changes.

Decision 2: Dues Adjustments

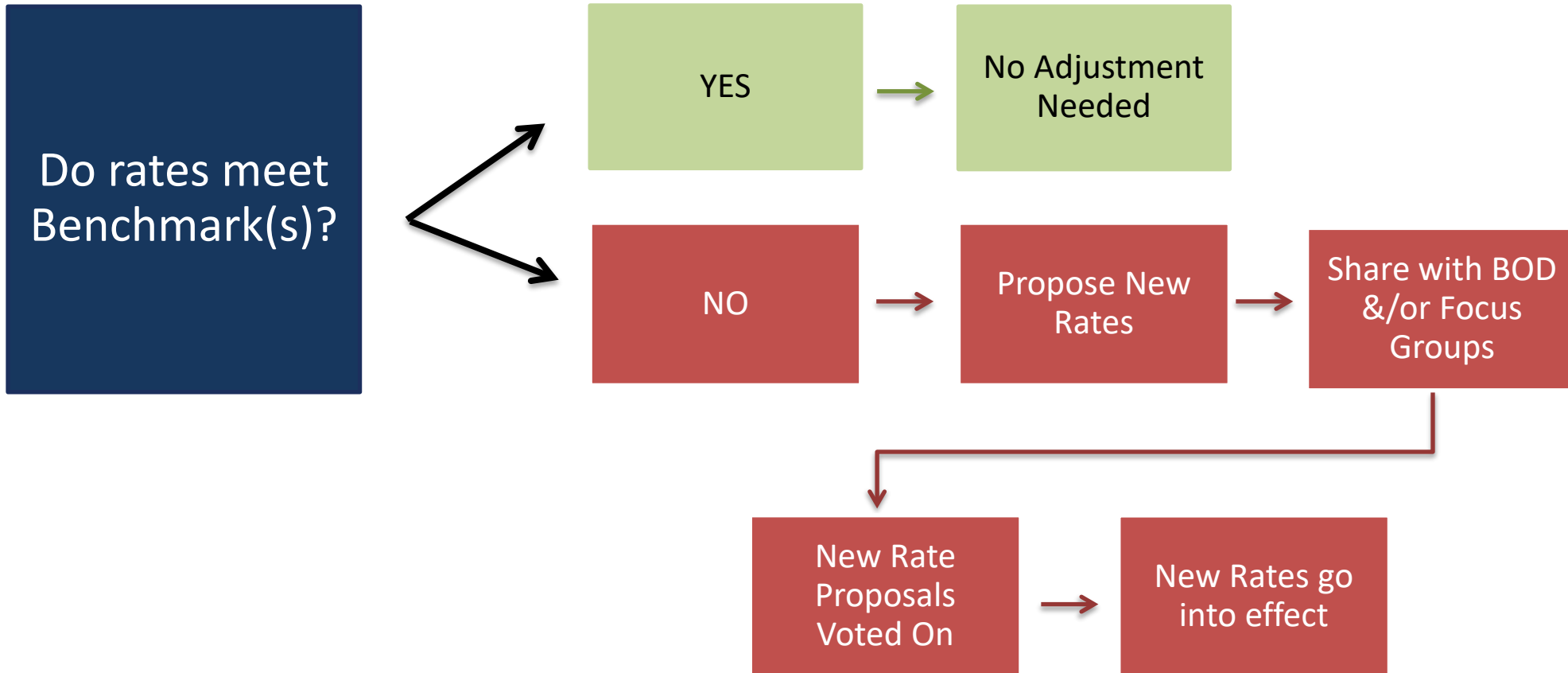
How do we determine if a dues increase is needed?

Determine average dues per individual needed to:

- A. Generate 33% of revenue from membership per industry standard (**Benchmark A**)
 - A. SAME's average operating revenue in a typical year: \$7,400,000
 - B. Target revenue from membership: \$2,466,000
 - C. Using current # of paying individuals (25,000), calculate average rate per individual/year: \$98

- B. Cover direct expenses (**Benchmark B**)
 - A. Costs related to providing services to each member in a typical year: \$1,352,000
 - B. Using current # paying individuals (25,000), calculate average rate per individual/year: \$54
 - C. Benchmark B allows us the option to offer a limited segment of membership a more competitive rate

How do we determine if a dues increase is needed?



Analysis of Current Individual Member Rates vs. Benchmark Rates

Member Type	Current SAME Dues	Annualized	Meets Benchmark A (\$98)?	Meets Benchmark B (\$55)?
Industry Regular	\$100	\$100	Y	Y
Industry Young Professional	\$40	\$40	N	N
Gov't Civilian	3 years for \$45	\$15	N	N
Uniformed	Career in Uniform for \$60	\$6	N	N
Academia / Non-Profit	3 years for \$45	\$15	N	N
Student	\$0	\$0	N	N
Retired	\$40	\$40	N	N
Life – Industry	\$850	\$34	N	N
Life – Civilian	\$550	\$22	N	N

Only ONE category currently meets either benchmark.
Recommend dues rate adjustment.

Individual Member Dues Adjustment Proposal for Decision

The following dues rates are recommended in order to better cover the costs to serve members

Member Type	Proposed Rate	Proposed Meets Benchmark B (\$55)
Private Industry Regular	\$125	Yes
Private Industry Young Professional*	\$75	Yes
Government Regular	\$55	Yes
Government Young Professional*	\$40	No
Academia or Non-Profit	\$55	Yes
Academia or Non-Profit Young Prof.*	\$40	No
Retired	\$55	Yes
Student	\$0	No
Additional Post Fee, Per Post	\$10	N/A

*young professional is an individual aged 39 and younger

Recommend: Approve the individual dues rates changes.

Agency/Organization Dues Adjustment Proposal for Decision

The following dues adjustments are recommended in order to cover the costs to serve members.

RECOMMENDED DUES				Current Dues		
Type	National	Per Post	Additional rep	Nat'l	Per Post	Add'l Rep
Government Agency	\$325/3 years	\$80	\$55	\$225/3 yrs	NA	\$15
Academic Inst.	\$325/year	\$80	\$55	\$250	NA	\$40
Non-Profit Org.	\$325/year	\$80	\$55	\$250	NA	\$40

Recommend: Approve the Public Agency and Organization dues changes.

Sustaining Member Company Dues Adjustment Proposal for Decision

The following dues adjustments are recommended in order to meet revenue targets and cover the costs to serve members. Corporate individual and Young Professional rates all meet Benchmark B (\$55)

PROPOSED PRIVATE COMPANY DUES ESTABLISH CORPORATE FEES for INDIVIDUAL MEMBERSHIPS					Current Dues		
employees	National	Per Post	Corporate Individual	Corporate Young Prof	National	Per Post	Add'l Rep
1-10	\$325	\$80	\$95	\$60	\$275	\$120	\$60
11-50	\$650	\$150	\$95	\$60	\$550	\$275	\$60
51-100	\$800	\$180	\$95	\$60	\$660	\$285	\$60
101-500	\$950	\$225	\$95	\$60	\$770	\$300	\$60
501-1,000	\$1,200	\$300	\$95	\$60	\$880	\$310	\$60
1,001-5,000	\$1,450	\$350	\$95	\$60	\$990-1,100	\$320-\$330	\$60
5,001 +	\$1,700	\$350	\$95	\$60	\$1,100-\$1,200	\$330-340	\$60

Recommend: Approve the Sustaining Member Company Membership dues changes.

Decision 3: Bylaws Modifications

Bylaws – Membership Review Implementing Procedures

Current: The current bylaws include membership business rules (structure and dues) which require BOD approval to change, hence they are not responsive to the needs of the Society. Furthermore, the rules are too prescriptive and historically have not been routinely addressed as part of SAME business operations for which the XC has oversight authority. Lastly, since bylaws are legally binding (subject to state non-profit laws), including overly prescriptive membership rules in bylaws increases the likelihood of noncompliance.

Proposed: Delete membership rules that prescribe business operations by limiting bylaws to essential membership governance aspects. Sustain BOD final authority for dues changes, but fully integrate dues reviews and adjustment recommendations and analyses into XC oversight of SAME business operations.

Impact: Enables a more responsive and relevant focus on business operations while sustaining the appropriate level of governance in SAME bylaws. Empowers the XC and appropriate members to keep procedures relevant and responsive to current Society needs within established accountability procedures.

Recommend: Approve changes to Bylaws per the draft changes.

Summary of BOD Decisions and Next Steps

Decisions:

1. Individual Membership Structure Changes	Approved ___	Disapproved ___	Modified ___
2. Company/Public Agency/Org Member Structure Changes	Approved ___	Disapproved ___	Modified ___
3. Individual Dues Adjustments	Approved ___	Disapproved ___	Modified ___
4. Company/Public Agency/Org Member Dues Adjustments	Approved ___	Disapproved ___	Modified ___
5. Bylaws Changes	Approved ___	Disapproved ___	Modified ___

Next Steps:

1. Finalize and execute Implementation Plan in conjunction with the Enterprise Management System development plan
2. National Office to communicate with members in a phased approach based on renewal date.
3. Refine business operations by incorporating dues adjustment review into annual National Office Budget Brief to XC (December for next FY).
4. Develop Membership Review Procedures Guide to codify key governance objectives of the Membership Review.

President's Summary and Guidance

What did we achieve today?

1. Better serve and manage our members at Post and National levels.
2. Simplify our overly complicated membership and dues structure.
3. Improve SAME's financial stability by: aligning dues with the value we provide, aligning dues reviews to industry standards, and substantially covering the cost to serve our members.
4. Amend our bylaws to provide a more responsive and relevant approach to member management and financial adjustments over time.

Members must be our top priority. Our Strategic Plan is accomplished by our members!