

NATIONAL FFA HEADQUARTERS OPERATIONS
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MEMORANDUM

DATE: March 1, 2018

TO: All FFA Associations (Advisors and Executive Secretaries)

FROM: Steve A. Brown, National FFA Advisor
Sherene Donaldson, National FFA Executive Secretary

RE: Dues and Program Affiliation Fee Recommended for consideration by the Delegates at the 91st NATIONAL FFA CONVENTION & EXPO IN INDIANAPOLIS, INDIANA, OCTOBER 2018

2019-2020 National FFA Dues and Program Affiliation Fee Recommendation

Annually, National FFA dues and program affiliation fees are established by a vote of the delegates at the national FFA convention and expo. The National FFA Board of Directors (Board) are to submit a recommendation regarding dues and program affiliation fees at least 45 days prior to the National FFA Convention per National FFA Constitution, Article XV. Dues, Section A. (See Below)

The Board has asked that the 2019-2020 National FFA dues and program affiliation fee recommendation be sent out at this time so that states have sufficient notice and time to consider the recommendation.

Article XV. Dues

Section A

Annual membership dues and program affiliation fees of the National FFA Organization shall be established by a majority vote of the delegates at the national convention. In the event the annual national convention is not held and/or the official delegates fail to set dues and program affiliation fees, the annual membership dues and program affiliation fees of the national organization will remain the same as the previous year. The National FFA Board of Directors shall submit its recommendation concerning dues and program affiliation fees to each state association at least 45 days prior to the National FFA Convention.

ENCLOSURES/ATTACHMENTS:

- **National FFA Board Dues and Program Affiliation Fee Recommendation**
- **2019-2020 Program Affiliation Fee Chart**
- **Frequently Asked Questions Regarding Dues and Program Affiliation Fee Increase**

Questions regarding the constitutional amendments may be directed to sbrown@ffa.org

National FFA Dues and Program Affiliation Fee Recommendation

For consideration by the delegates at the 91st National FFA Convention & Expo

Submitted by: National FFA Board of Directors and 2017-18 National FFA Officers

Subject: National FFA Membership Dues and Program Affiliation Fee

Motion: Move to submit to the delegates at the 91st National FFA Convention a recommendation to set individual student dues for the 2019-2020 membership year at \$9 and increase the program affiliation fee by \$0.50 times the maximum quantity for each tier. (See 2019-2020 Program Affiliation Fee Chart, attached.) The eleven states who were early program affiliation adopters (AK, AZ, CA, CO, MA, MI, MT, NV, NJ, OK and PA) will be provided one additional year (until 2020-2021 school year) to implement the tier fee increase, providing time for the early program affiliation fee adopters, who are dependent on existing external funding, to seek and implement the tier increase.

Rationale: Dues have not increased in nearly a decade, even though the cost of services have increased and offered services have continued to improve to include items such as Ag Explorer and My Journey. In 2017, the National FFA Delegates directed the organization to work on its digital profile—both the website and a mobile application. The 2017 delegates recommended to the National FFA Organization to evaluate its programs to be reflective of innovations in agriculture and 21st-century technology.

To achieve this, the organization will need to increase its funding, resulting in an increase in membership dues and program affiliation fees. While increasing membership dues will help achieve this purpose, this is also an opportunity to encourage states to move to the affiliation model. This model would allow the organization to reach the goal of having all agricultural education students be a part of FFA and to experience the benefits of the three-component educational model.

The National FFA Board of Directors recently declared a goal of program affiliation be the only type of membership offered by 2021 and the organization seek 100 percent participation in program affiliation. Program affiliation would allow FFA to reach and engage more young people in FFA, benefitting both students, teachers and the wider industry of agriculture.

Effect: Provides necessary revenue to maintain and sustain National FFA Organization operations. Increases cost for individual student dues and program affiliation fees.

| <u>National FFA Officers</u> | <u>National FFA Board of Directors</u> |
|---------------------------------|--|
| Moved by: <u>Ian Bennet</u> | Sustained by: <u>Gerald Barlow</u> |
| Second by: <u>Piper Merritt</u> | Second by: <u>Matthew Eddy</u> |
| Passed: <u>X</u> | Passed: <u>X</u> |
| Failed: _____ | Failed: _____ |

Proposed 2019-2020 Program Affiliation Fee Chart

The program affiliation fee is assessed based on the total number of students/members within the agricultural education program and the tier range in which they fall. For example, a program with 80 students would fall in the 76-100 tier range and be charged \$590 under the new proposal. (100 maximum tier quantity x \$0.50 = \$50 + \$540 = \$590.00)

| | | Current Plan | Proposed |
|---------|---------|--------------|------------|
| Min Qty | Max Qty | Fee Amount | Fee Amount |
| | 25 | \$150.00 | \$162.50 |
| 26 | 35 | \$210.00 | \$227.50 |
| 36 | 50 | \$285.00 | \$310.00 |
| 51 | 75 | \$405.00 | \$442.50 |
| 76 | 100 | \$540.00 | \$590.00 |
| 101 | 125 | \$675.00 | \$737.50 |
| 126 | 150 | \$805.00 | \$880.00 |
| 151 | 175 | \$935.00 | \$1,022.50 |
| 176 | 200 | \$1,065.00 | \$1,165.00 |
| 201 | 225 | \$1,200.00 | \$1,312.50 |
| 226 | 250 | \$1,325.00 | \$1,450.00 |
| 251 | 275 | \$1,450.00 | \$1,587.50 |
| 276 | 300 | \$1,575.00 | \$1,725.00 |
| 301 | 325 | \$1,700.00 | \$1,862.50 |
| 326 | 350 | \$1,830.00 | \$2,005.00 |
| 351 | 375 | \$1,950.00 | \$2,137.50 |
| 376 | 400 | \$2,080.00 | \$2,280.00 |
| 401 | 425 | \$2,200.00 | \$2,412.50 |
| 426 | 450 | \$2,330.00 | \$2,555.00 |
| 451 | 475 | \$2,450.00 | \$2,687.50 |
| 476 | 500 | \$2,580.00 | \$2,830.00 |
| 501 | 525 | \$2,710.00 | \$2,972.50 |
| 526 | 550 | \$2,830.00 | \$3,105.00 |
| 551 | 575 | \$2,960.00 | \$3,247.50 |
| 576 | 600 | \$3,090.00 | \$3,390.00 |
| 601 | 625 | \$3,210.00 | \$3,522.50 |
| 626 | 650 | \$3,340.00 | \$3,665.00 |
| 651 | 675 | \$3,460.00 | \$3,797.50 |
| 676 | 700 | \$3,590.00 | \$3,940.00 |
| 701 | 725 | \$3,720.00 | \$4,082.50 |
| 726 | 750 | \$3,840.00 | \$4,215.00 |
| 751 | 775 | \$3,960.00 | \$4,347.50 |
| 776 | 800 | \$4,090.00 | \$4,490.00 |
| 801 | 825 | \$4,210.00 | \$4,622.50 |
| 826 | 850 | \$4,330.00 | \$4,755.00 |
| 851 | 875 | \$4,450.00 | \$4,887.50 |
| 876 | 900 | \$4,580.00 | \$5,030.00 |
| 901 | 925 | \$4,700.00 | \$5,162.50 |
| 926 | 950 | \$4,820.00 | \$5,295.00 |
| 951 | 975 | \$4,940.00 | \$5,427.50 |
| 976 | 1000 | \$5,050.00 | \$5,550.00 |

Noted Example Above

Noted Example Below

Frequently Asked Question for the Proposed Dues and Program Affiliation Fee Increase in 2019-2020

WHAT ARE CURRENT MEMBERSHIP DUES?

Currently, membership dues are \$7 per student member.

WHAT IS THE PROPOSED DUES INCREASE?

The proposed dues increase is \$2, raising the dues per student to a total of \$9.

WHEN WOULD THE INCREASE TAKE EFFECT?

The proposed increase in dues would occur for the 2019-2020 school year if passed by delegates at the 2018 National FFA Convention and Expo.

WILL PROGRAM AFFILIATION FEES INCREASE AS WELL AS MEMBERSHIP DUES?

Yes, there will be a proposed program affiliation fee increase of 50 cents per maximum tier quantity across all tiers. For example, in the 126-150 student/member tier the current fee is \$805.00; the new program affiliation fee will be \$880.00 -- $(150 \times .50) + \$805.00 = \880.00 .

WHEN WILL THE PROGRAM AFFILIATION AND DUES INCREASE TAKE EFFECT?

For program affiliation chapters in states that are now partially affiliated, the increase would occur in 2019-2020 if passed by delegates at the 2018 National FFA Convention and Expo. For the 11 early adopter states (AK, AZ, CA, CO, MA, MI, MT, NV, NJ, OK and PA) that are presently 100 percent program affiliated, the fee increase will take effect for the 2020-21 school year.

WHY WILL THE FULLY PROGRAM AFFILIATED STATES HAVE A ONE YEAR DELAY IN THE INCREASE?

FFA is aware that some of the fully program affiliated states depend on state or legislative funding to pay their program affiliation fees. The organization wants to provide the early adopter states ample time to determine how to address the fee increase.

IS THE INCREASE IN DUES ALSO AN INCENTIVE FOR STATES TO BECOME AFFILIATED?

In essence, yes. Through program affiliation, FFA will be able to reach every student in agricultural education, truly reflecting the three-component agriculture education model. The proposed change in dues and program affiliation fees will also increase the organization's revenue stream in order to address ongoing demands for improvements such as electronic communication, website delivery, mobile applications, and continued improvements in our IT delivery to stakeholders. Delegates at the 2017 National FFA Convention and Expo directed the organization to make improvements in these areas to more effectively reach and serve student members.

WHY THE PUSH FOR PROGRAM AFFILIATION?

By moving away from individual membership to a program affiliation program, FFA can reach every student who is in agricultural education. This would then allow us to engage more students in FFA and elevate all students to be part of the three-component model of agricultural education.

WHAT IS THE HISTORY OF THE AFFILIATION PROGRAM?

In 2007, the National FFA Board of Directors passed a motion to form a task force to explore the possibility of a program affiliation model. The objective of the program affiliation is to provide opportunities to every student in every agricultural education classroom every day. The program affiliation program allows all students in an agricultural education program to be FFA members and fully participate in the three-component model. The board of directors has stated their objective for the organization to become fully program affiliated by as soon as 2021.

HOW ARE PROGRAM AFFILIATION FEES PAID?

It is up to the discretion of the state and chapter to determine how they should pay for state and national dues. The National FFA Organization will not dictate or direct how the local chapter should do this.

WHEN WAS THE LAST TIME NATIONAL FFA INCREASED MEMBERSHIP DUES?

At the 2009 National FFA Convention & Expo, the delegates voted to increase dues by \$2 for the 2010-11 school year. Before that vote, dues were \$5.

WHAT IS THE PROCESS FOR ACHIEVING A DUES AND PROGRAM AFFILIATION FEE INCREASE?

Delegates will vote on the proposed dues and program affiliation fee increase during the 2018 National FFA Convention & Expo. If they vote to increase dues and program affiliation fees, the proposal will then be shared with the board, which will ratify the motion passed by the delegates.

IF THE ORGANIZATION IS BEING FISCALLY RESPONSIBLE, WHY SHOULD WE NEED A DUES AND PROGRAM AFFILIATION FEE INCREASE?

It has been almost 10 years since the last member dues increase. The costs for the organization to provide programs, service and materials to members, along with the increasing need to stay relevant in today's digital world, have increased. The dues and program affiliation fee increase will allow the organization to create a revenue stream to address shortcomings in our electronic platforms that delegates directed the organization to address during the 2017 National FFA Convention & Expo—namely improving our website and adding a mobile application. We also intend to invest in ongoing improvements in our programming and ensuring our CDE/LDE and proficiency areas reflect and are more inclusive of 21st-century technology.

HOW LONG BEFORE THE ORGANIZATION PROPOSES ANOTHER DUES AND PROGRAM AFFILIATION FEE INCREASE?

Future proposed dues and program affiliation fee increases will be considered from time to time by the National FFA Board of Directors. Constitutionally, delegates will be called upon to consider dues and program affiliation fee proposals. It would seem reasonable for the organization to review dues and program affiliation fees at least every four years to manage the impact of an increase on members. If this were a cycle followed by the board, FFA members would experience no more than one dues or program affiliation fee increase-while in high school.

ARE THE NATIONAL DUES IN LINE WITH DUES FOR OTHER CAREER AND TECHNICAL STUDENT ORGANIZATIONS (CTSO)?

Yes, the proposed dues are in line with the current dues of other CTSOs, such as DECA, FBLA and SkillsUSA.