

## **AFP Communications Plan Membership Dues Increase**

### **The Case for Support**

When AFP was founded in 1960, the profession was in its infancy. The basic elements of any profession, such as a code of ethics, were not even created yet. Indeed, for the first 25-30 years of its existence, AFP worked diligently to provide the basic programs and services that fundraisers needed: a code of ethics, a substantial body of knowledge, a system of research, certification, continuing education mechanisms and representation between government bodies. AFP's success and growth stems from meeting these needs during the early part of the profession's development.

Since AFP's founding, the fundraising landscape has changed dramatically. Fundraising is recognized as a profession and has grown tremendously around the world. But the profession still faces significant needs and challenges, many of them entirely different from those encountered decades ago.

The tremendous growth of fundraising means that there are many newcomers to the profession and many new organizations, all of whom may lack knowledge of fundraising techniques, ethics, and other key skills. The growth and success of fundraising has brought increased attention from the government, the media and the public. And fundraisers themselves are being challenged by increased competition for the charitable dollar and the incredible array of skills and knowledge they need to learn in order to remain up-to-date and proficient in the profession.

As it has been since 1960, AFP is dedicated to helping fundraisers overcome these challenges by serving as the profession's representative, advocate, forum, partner and leader. The association is committed to providing the highest level of service possible to the fundraising community, and doing so in the most cost-effective way to our members.

To that end, AFP has worked hard to keep membership dues low. In fact, the last increase was implemented four years ago. The association has dramatically increased its non-dues revenues so that its overall revenue stream is more balanced and less dependent upon dues income. Indeed, non-dues revenue, such as advertising, sponsorships and sales, have increased from 12 percent to over 20 percent of total revenue over the last few years.

At the same time, the association has created many substantial new benefits and services for members, with most of them at no additional cost. A complete list of those benefits and services is included in the Communications Timeline (see page 8).

In order to continue to develop and enhance benefits and services, as well as ensure adequate resources to meet future member needs, AFP must increase its membership dues. AFP is proud that the cost of membership in the association, including chapter dues, remains less than one dollar per day, and is on par with or less than the dues of other similar organizations in the nonprofit sector.

AFP also continues to undergo strategic reviews of its major programs and services to ensure that each one supports the association's mission, is cost-effective and meaningfully serves the needs of today's fundraising professional. New dollars from the dues increase will be used to enhance, improve or implement services, such as the ethics education model that is currently under development and the new CFRE Review Course. These services and benefits will assist members in raising more money for their organizations, increase the standards of nonprofit behavior in communities around the world and enhance public understanding, appreciation and respect for the profession.

## Key Member Messages

- 1) Because of a steady build-up of its non-dues revenue, strategic review of key programs and focus on financial stability, AFP has not raised dues over the past four years. Despite an uneven economy, AFP has even managed to grow its membership and provide a host of new and free services and benefits to members and chapters during this time.
- 2) However, in order to continue to develop and enhance benefits and services, as well as ensure adequate resources to meet future member needs, the association must increase its dues by a modest level at this time. New dollars will also be used to enhance, improve or implement a variety of new services and programs, such as the ethics education model that is currently under development and the new CFRE Review Course.
- 3) One of AFP's priority goals has been to increase the number of free (no charge beyond membership dues) services and programs provided to members while keeping spending reasonable and as low as possible. The list of free and expanded programs and services to members and chapters is listed below (Points 9 and 10). At the same time, AFP has been engaged over the past several years in continuously reviewing its program offerings to ensure they meet member needs and are reasonable in cost and resources. Programs that were not meeting member needs or were too costly were eliminated or scaled back. These reviews, and an overall organizational focus on financial stability, have allowed AFP to keep membership dues level over the past four years, despite an uneven economy, and provide additional services and benefits.
- 4) In addition to providing more services free of charge and keeping costs low, AFP has also looked to enhance its non-dues revenue so that its overall revenue stream is more balanced and less reliant on dues income. Non-dues revenue, such as advertising, sponsorships and sales, have increased from 12 percent to over 20 percent of total revenue over the last few years. AFP continues to work on strengthening these areas, such as moving to a new electronic *Consultants Directory*, improving its Job Postings service, and selling more advertising in its publications and on its website. By emphasizing non-dues revenue, AFP will have a more solid foundation for future investments in the profession and its members.
- 5) A member who uses just a few of AFP benefits will quickly receive their membership dues' worth of services. The member discount alone for the International Conference on Fundraising is approximately \$300. Two uses of the Resource Center (\$50 per use for nonmembers) and the subscription to *Advancing Philanthropy* magazine (\$80 for nonmembers) totals \$180, and those benefits are two of the most valued services that AFP provides. Add in the weekly *eWire* newsletter, containing more articles on

fundraising; discounts on books and other educational programs, including the popular Audio/Web Conferences; the increasingly popular online forums where colleagues talk and learn from each other; AFP's *Compensation and Benefits Survey* and *State of Fundraising Survey*; and AFP's ethics materials, including free guidance from the Ethics Committee, and the cost of these services and benefits easily exceeds \$250.

- 6) AFP is proud that the cost of membership, even with chapter dues, is less than \$1 per day and compares favorably with many similar associations' dues:
  - AHP - \$420
  - CASE – Organizational Membership ranging from \$440 - \$4,345
  - ASAE – American Society of Association Executives - \$295
  - Financial Planning Association - \$295
  - Public Relations Society of America - \$225 +\$65 initiation fee
  - SHRM – Society for Human Resource Managers - \$160
  - NCPG – National Committee on Planned Giving - \$160
  
- 7) For most member organizations, membership in AFP can be directly linked to raising more money. AFP's *State of Fundraising Surveys* show that, on average over the past five years, two-thirds of members raise more money every year than in the previous year, with approximately a quarter of organizations raising about the same. Only about 10 percent of AFP members raise less money each year, on average, and based on respondent comments, these reductions are often due to organization- or community-specific issues.
  
- 8) Membership in AFP is not just important to the individual fundraiser, but also to the overall profession. It helps to advance the profession, especially in the areas of government relations, lobbying and public affairs, by allowing the profession to speak as one. Membership sends an important message to outside audiences that the fundraising profession is not fragmented or uninterested in issues such as ethics and service, but is rather a true profession that is united under a set of ethical standards, is committed to bettering society around the world and that its members are proud of the work they do. Membership in AFP helps the association when it represents the profession before government bodies and in speaking with the media and the public by serving as the voice

of more than 30,000 fundraisers, all of whom are committed to advancing ethical and effective fundraising.

- 9) AFP has been increasing its member services over the past several years, especially those that don't involve additional expense to members, including:
- New research aimed at practical application for members, such as the *Fundraising Effectiveness Project* and the creation of a workshop on donor retention based on the data and findings. The Compensation and Benefits Survey has been expanded, and personalized reports from that research are now also available for a slight extra cost.
  - Increased advocacy activity, resulting in passage of the IRA Rollover Bill; key changes to the Internal Revenue Service Form 990; passage of capital gains tax exemption on gifts of appreciated securities (Canada); and important changes to national do-not-call lists (both U.S. and Canada), to name just a few. All of these changes improve the fundraising environment and allow fundraisers to raise more funds while helping government crack down on illegitimate and fraudulent practitioners.
  - Development of diversity materials, such as white papers, Chapter Diversity Resource Guide and the Diverse Communities in Fundraising program, which not only offer support to chapters in their diversity efforts, but offer individuals guidance in making their organizations diverse and reaching out to diverse donors.
  - Increased numbers of grants and scholarships given to chapters and members so fundraisers can attend and benefit from such events such as AFP's International Conference on Fundraising, Hemispheric Congress on Fundraising-Latin America and other events.
  - Creation of *Te Informa* and *Kaleidoscope* newsletters to provide in-depth coverage of specific subsectors within fundraising and the nonprofit sector.
  - New programs and collaborations for both 1) members outside of North America and 2) North American members looking to expand their fundraising internationally through expansion of educational products in languages other than English; participation in and collaboration with other international organizations through the Hemispheric Congress on Fundraising-Latin America, AFP International Congress for Schools and Universities in Brazil; the establishment of the fundraising course in the Tec de Monterrey Social Leadership Program; several offerings of the *First Course on Fundraising* in Spanish and French; and other training opportunities.
  - In addition, AFP has created such educational offerings as the *Nonprofit Management Institute*, *Advanced Relationship Management Symposium*, *Global Perspectives on*

*Major Donor Fundraising, Supply and Demand of Philanthropy in the 21<sup>st</sup> Century*, and the *Fundraising for Communities of Color* conference, as well as expansion of AFP's acclaimed *Audio/Webconference Series*. All of the educational opportunities listed are an added fee above membership dues, but are discounted for members.

10) In addition, AFP also has been increasing its services to chapters so that they too can better serve members at no additional charge. These enhanced services include:

- Enhanced public relations presence for the association, including media monitoring services, partnerships with media outlets across North America and public relations campaigns aimed at increasing giving and public understanding of fundraising and its importance. These new benefits include increased chapter services for National Philanthropy Day®, such as videos and public service announcements for use in chapter events.
- Implemented a new chapter services structure with Chapter Directors available to assist chapters with strategic planning, brainstorming, resource information and educational training for both chapter leaders and members.
- Implementation of a new governance structure that includes district-based AFP board representation and encourages diverse participation from all chapters by eliminating financial barriers for board participation; creation of a Chapter Presidents' Council; and Leadership Academy training which focuses on training leaders for chapter and organizational leadership.
- Revision of the Chapter Leadership Workshop, now known as the Chapter Board Workshop, in order to offer several scenarios of training to chapter leaders.
- Selection and implementation of a new financial management system, website content management system and association management/fundraising software, all of which will allow AFP to better serve members more effectively and efficiently.

## Communications Timeline

- **June 2008-March 2009:** *eWire* articles on benefits of membership, approximately once a month, focusing on different programs and services that are included in a member's dues. These will be distributed through chapter websites as well. Only ONE of the benefits listed below represents possible additional costs to a member outside their dues and that is for Professional Opportunities, where there is always a member and a non-member fee.
  - Ethics—*Code of Ethical Principles and Standards, A Donor Bill of Rights* and AFP's ethical guidance through the Ethics Committee (setting standards and instilling public trust and confidence so that philanthropy and fundraising can occur)
  - Communications—*Advancing Philanthropy, eWire*, online forums (spreading knowledge and allowing members to network and share experiences directly)
  - Local chapter benefits—Programming, networking, etc (local face of AFP, advancing fundraising locally, feeling connected to the profession and the community)
  - Continuing education—Career Planner, certification, *Practice Analysis* and *the AFP Curriculum Framework* (providing education for members to do their jobs better)
  - Research—*Compensation and Benefits Analysis* (helping fundraisers ensure they are properly compensated and rewarded for their work)
  - Research—*State of Fundraising* and *Fundraising Effectiveness Project* (setting benchmarks for the profession and for particular organizations)
  - Advocacy—Federal, state/provincial and local lobbying efforts on behalf of AFP and its members (creating an environment conducive to philanthropy and in which members can be successful)
  - Diversity—Chapter Diversity Resource Guide, *Diverse Communities in Fundraising, Te Informa, Kaleidoscope* (encouraging diversity within the profession and helping members reach diverse donors )
  - Public Relations—Media monitoring, writing press releases, op-eds , letters to the editor and other materials for publication, developing public relations campaigns to encourage giving and volunteering (including National Philanthropy Day) and educating the sector/public about percentage-based compensation
  - AFP Resource Center/AFP website—resources and materials at each member's fingertips (providing resources needed for members to succeed at their jobs)
  - Professional opportunities—AFP offers opportunities for leadership, to write and publish, mentor, teach, train and otherwise get involved in the profession (professional growth).

- **June:** Two options were held for chapter presidents to participate in a conference call with members of the AFP Dues Increase Task Force. As a direct result of the input received from chapters on those calls, the task force decided to move the effective date of the dues increase from Jan. 1, 2009 to April 1, 2009, as well as make changes to its communications plan and other materials. Information about the dues increase, including rationale and discussion up to that point, was distributed to chapters through the *Chapter Presidents Mailing*.
- **June 2008-March 2009:** Occasional article(s) in *eWire* about infrastructure/changes in AFP (reminder of new governance structure, new headquarters/Learning Center, staff structure, technology system, etc.).
- **Late July 2008:** Memo about dues increase to chapter leaders
- **July/August:** Chapters follow up with additional stories, discussion of dues increase at chapter meetings and possibly begin discussion of their own dues increase, if applicable, etc. **If a chapter is going to use the opportunity to increase its dues, it must inform AFP International Headquarters by Dec. 31, 2008, if they want to raise them at the same time as IHQ on April 1, 2009.**
- **August:** Send out *Leadership Letter* to chapter leaders with dues increase story, along with rationale and talking points.
- **September:** Distribute email announcement to all members.
- **September/October 2008:** Issue of *Advancing Philanthropy* to include column on dues increase
- **October:** Include reminders in *Chapter Presidents Mailing*, along with fact sheet/talking points on dues increase and rationale.
- **October 2008 – March 2009:** Occasional reminders to members in *eWire*

## FREQUENTLY ASKED QUESTIONS

### Q: Why is AFP raising dues?

A: AFP is now stretched to the limit in terms of resources. Over the past four years, it has focused on financial stability and worked to keep costs low and reasonable while providing a variety of new and enhanced services and benefits to members. Even with its growth during this uneven economy, the association cannot continue to provide the new services that members need to compete in an increasingly competitive environment without raising its membership dues.

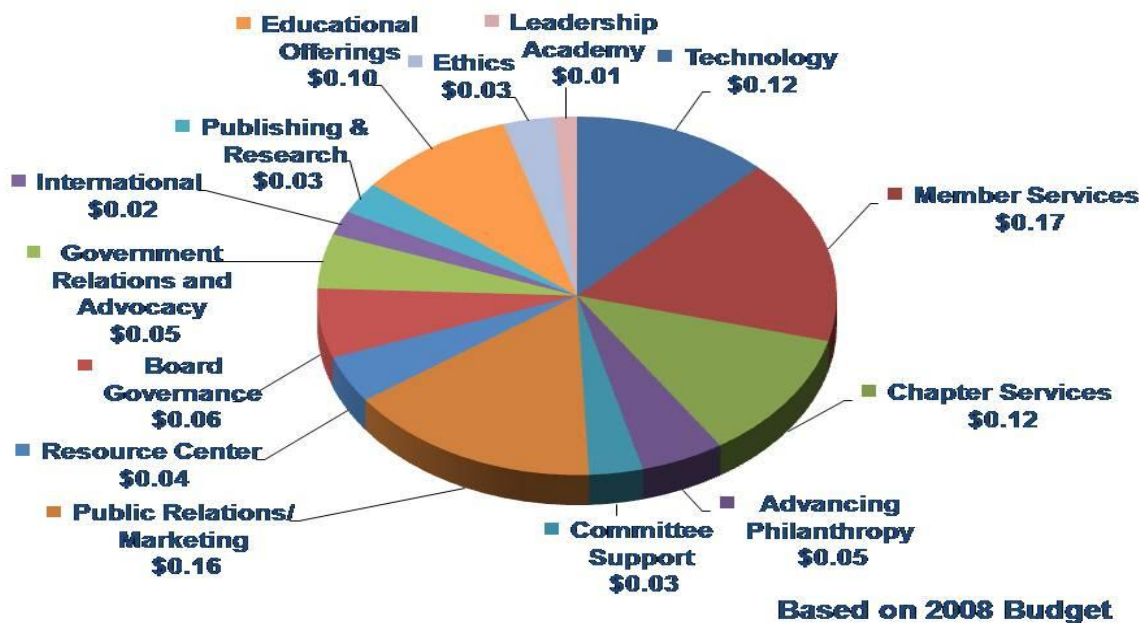
### Q: What has AFP been doing to contain costs?

A: AFP has not raised membership dues in four years, underscoring its commitment to keeping costs low even while providing new services and programs. AFP has continually been reviewing its programs and services to ensure that they are effective and efficient in meeting significant member needs while not being overly expensive. Programs that have been found to be too costly or no longer relevant have been eliminated or scaled back. The association has also been focusing on the goals of its strategic plan, ensuring that all initiatives and services exist to meet one of those goals and that programs which are not in accord with the plan are jettisoned or modified.

### Q: What will the dues increase pay for? What will my extra dues fund?

A: Currently, member dues are funding the following areas:

## Each Dollar of Your Member Dues Goes to:



The dues increase will fund a variety of new programs that will meet needs identified by members, volunteers and staff, as well as enhance certain existing services. Some examples include the ethics education model that is currently under development, the new CFRE Review Course and increased public affairs and government relations initiatives by the association.

AFP will be, in part, guided by its recent *Membership Satisfaction Survey* and other member feedback, as well as its 2007-2010 Strategic Plan, to help determine additional programming.

**Q: If a chapter wants to raise its dues at the same time as IHQ, how should it proceed?**

A: A chapter board needs to consider and vote on a chapter dues increase. Once that is completed, the chapter should notify Lori Gusdorf, vice president, membership, at [lgusdorf@afpnet.org](mailto:lgusdorf@afpnet.org), with the amount of the dues increase by Dec. 31, 2008, in order for it to be implemented at the same time as the International increase which is effective April 1, 2009.

**Q: Is the concern about the cost of dues, or is it about communicating the value of membership in AFP?**

A: Any dues increase, no matter how large or small, is an important issue that must be thoroughly discussed at all levels of an association, and part of that discussion is the value of membership.

AFP has worked to keep member dues at the same level for the past several years while increasing our services and program. As a result, we believe the member-value proposition to be quite high.

However, that value proposition must be communicated well to members. Through the communications plan above, members will connect with the value that AFP provides to them and understand how a dues increase keeps the value of membership strong in that programs and services will not only be kept at a high level, but further expanded to meet the new challenges of tomorrow.

**Q: I heard that there is a task force looking at non-profit organizational membership in AFP. Shouldn't the dues increase be rolled out at the same time as those recommendations?**

A: The AFP Multiple Member Pricing Task Force is still at the early stages of research on this issue and is conducting interviews with large institutions to find out what those organizations are looking for and how they would be affected. If you know of someone who is interested in being interviewed, please contact Lori Gusdorf at [lgusdorf@afpnet.org](mailto:lgusdorf@afpnet.org)

Both the Dues Increase Task Force and the Multiple Member Pricing Task Force agree that the two issues are separate. No matter what the Multiple Member Pricing Task Force recommends, AFP will always have numerous individual members, and the association needs to determine the pricing structure for them according to the policy laid out by the board of directors. The issues being addressed by the Multiple Member Pricing Task Force are very complicated, and even chapters could be affected because chapter dues may have to be adjusted for multiple members, along with the international portion.

**Q: Isn't the dues increase too large of a jump for a second year Introductory member moving into Active member status?**

A: The difference will be \$100 with the proposed dues increase. The task force had several discussions on this issue, but felt that the marketability of the Introductory membership at the existing dues level was too important in bringing new members into the association. As a result, it did not want to increase the dues for this category. AFP will monitor and analyze future trends with regards to the Introductory category. Chapters also may choose to set up scholarship programs for introductory members moving to active.

**Q: What other categories of membership are allowed in AFP, and are those dues being raised?**

A: <u>Member Category</u>	<u>Current Dues</u>	<u>Proposed Dues</u>
Active	\$220 + chapter dues	\$250 + chapter dues
Associate	\$220 + chapter dues	\$250 + chapter dues

The other membership categories will stay the same:

<u>Member Category</u>	<u>Current Dues</u>	<u>Proposed Dues</u>
Retired	\$75 + chapter dues	\$75 + chapter dues
Introductory 1 <sup>st</sup> Year	\$100 + chapter dues	\$100 + chapter dues
Introductory 2 <sup>nd</sup> Year	\$150 + chapter dues	\$150 + chapter dues
Business – Executive Circle	\$5,000	\$5,000
Business – Endorser Level	\$1,500	\$1,500
Collegiate	\$35 + chapter dues	\$35 + chapter dues
Global e-membership	\$50 + chapter dues	\$50 + chapter dues

**Addendum:  
Fact Sheet on Dues Increase**

- AFP has not raised dues in four years, and the overall increase of \$30, or an average of approximately 3.5 percent annually, is on par with or less than the rate of inflation in the U.S. and just slightly higher than the rate of inflation in Canada.
- To help keep member dues low, AFP has been keeping a firm handle on costs over the past four years and is constantly reviewing programs and services to ensure they meet relevant and significant member needs and are not too costly in terms of resources.
- Even with its focus on ensuring financial stability, AFP has developed a number of new programs and benefits for members, and most of them free of charge (and others with member discounts). These new services have been developed and expanded even during an uneven economy.
- AFP is now stretched to the limit in terms of resources. It has streamlined programs and eliminated unnecessary or irrelevant service while providing additional high-quality benefits, most of them at no additional cost to the membership. At this point, the association cannot continue to provide the new services that members need to compete in an increasingly competitive environment without raising its membership dues.
- The dues increase will fund a variety of new programs that will meet needs identified by members, volunteers and staff, as well as enhance certain existing services. Some examples include the ethics education model that is currently under development, the new CFRE Review Course and increased public affairs and government relations initiatives by the association, including initiatives to increase member and public perception about how the profession is viewed and appreciated. AFP will be, in part, guided by its recent Membership Satisfaction Survey and other member feedback, as well as its 2007-2010 Strategic Plan, to help determine additional programming.
- There is increasing evidence through AFP's *State of Fundraising Survey* and other materials that membership in the association is directly linked to raising more funds for an organization. In addition, a member who uses just a few of AFP benefits will quickly receive their membership dues' worth of services.