PROPOSAL #1: To update the Objects

PROPOSED BY: The SIA Board of Directors

AMEND Article II, OBJECTS AND ENABLING PROVISIONS, Section 2.01 Objects (a) by substitution by striking “to promote the objects and fulfill the purposes of Soroptimist as defined in the Constitution of Soroptimist International” and inserting “to pursue the vision that women and girls have the resources to reach their full potential and live their dreams”; in (b) by striking “in local communities and throughout the world” and inserting “through programs leading to social and economic empowerment”; and by inserting a new sub-section (c) to read “to work in coalition with Soroptimist International and other Soroptimist federations.”

CURRENTLY READS:

Section 2.01 Objects. The objects of the Federation shall be:

(a) to promote the objects and fulfill the purposes of Soroptimist as defined in the Constitution of Soroptimist International;

(b) to improve the lives of women and girls in local communities and throughout the world.

WOULD READ:

Section 2.01 Objects. The objects of the Federation shall be:

(a) to promote the objects and fulfill the purposes of Soroptimist as defined in the Constitution of Soroptimist International; to pursue the vision that women and girls have the resources to reach their full potential and live their dreams;

(b) to improve the lives of women and girls in local communities and throughout the world through programs leading to social and economic empowerment;

(c) to work in coalition with Soroptimist International and other Soroptimist federations.

RATIONALE: This change reflects the fine-tuned wording of the SIA Strategic Plan vision and mission approved by the SIA Board of Directors in 2013. SIA’s governing documents should include the most up-to-date version of our vision and mission. It also reflects the new coalition model which is now the centerpiece of Soroptimist International’s governing documents, based on approval of a new Soroptimist International Constitution in August 2013, and affirms our relationship with Soroptimist International, as well as the other Soroptimist federations.

FINANCIAL IMPACT: None.
PROPOSAL #2: To update the criteria for member clubs

PROPOSED BY: The SIA Board of Directors

AMEND Article IV, MEMBER CLUBS, Section 4.01 General by substitution to include striking “Soroptimist International and the Board of Directors of the Federation” and inserting “the Soroptimist International of the Americas Board of Directors”; by striking “classified”; and by striking “that is representative of the diversity of occupations and classifications in its community” and inserting “of individuals from the community who support SIA’s mission.”

CURRENTLY READS:
Section 4.01 General. Eligibility to form a club shall be as prescribed by Soroptimist International and the Board of Directors of the Federation. Each club shall maintain a classified membership that is representative of the diversity of occupations and classifications in its community.

WOULD READ:
Section 4.01 General. Eligibility to form a club shall be as prescribed by Soroptimist International and the Board of Directors of the Federation. The Soroptimist International of the Americas Board of Directors. Each club shall maintain a classified membership that is representative of the diversity of occupations and classifications in its community of individuals from the community who support SIA’s mission.

RATIONALE:
This modification reflects the changes made during the SI Board of Directors meeting in August 2012. There, the SI Board agreed to remove Sections 2, 3, 4, and 5 from Article IV of the SI Constitution. These sections primarily addressed club requirements for membership including invitation; member categories; members being drawn from a profession, business or occupation; minimum number of members for chartering; and minimum number of members for continued club membership in their federation. In August 2013, the SI Board voted in a new constitution, one that clarifies its members are the federations and no longer addresses club requirements for membership in the federations. Club requirements will now be the domain of each federation. Without the stipulation on members’ occupation, classification codes are no longer relevant.

INFORMATION FROM THE BOARD:
At the time Soroptimist was formed, it is understandable there was a need to base the organization around business and professional women, and classifications were an important value as women broke new ground in the workplace. This no longer holds true in present day. To be of service in helping women and girls improve their lives, the employment status of a woman no longer matters.

When SI allowed each federation the opportunity to define its own membership criteria following their August 2012 meeting, SIA gained feedback from its members through a survey and 2013 conference reports on the matter.

The majority of members agreed that an occupation or lack thereof, is not a necessary consideration for membership. This aligns with the fact that many members, including past SIA leaders, do not work outside of the home, often due to cultural practices.
If approved by mail ballot (December 2014), these changes will go into effect immediately. Staff will then start to implement updates to internal operating systems such as the database and work on modifying affected resources.

**FINANCIAL IMPACT:**
Because the proposed changes to Article IV and Article V go hand in hand, the expenses reflect the cost associated with making alterations to both articles if approved. These changes include updating current materials, creating new resources for and communications with members, database/web support, and translations. One-time direct expenses are projected to be $16,500 during FY 2014-2015 with 625 hours of headquarters staff time or one-third of a full-time equivalent.

It is anticipated these changes will stem the net losses traditionally seen in both members and clubs. In the last five years our average net loss has been 830 members per year. Between FY 2011-2012 and FY 2012-2013 (when the first of the changes went into effect regarding clubs in low membership) the net loss of members decreased by 5.9%. This trend is expected to continue as members become aware and embrace these new member criteria changes. Still it is not expected the gap between the number of members lost and the number of members gained will balance out. We still need more recruitment efforts.
PROPOSAL #3: To update the criteria for club membership

PROPOSED BY: The SIA Board of Directors

AMEND Article V, CLUB MEMBERSHIP, Section 5.01 Eligibility, types and classification of club members by substitution to include changing the section name to “Eligibility and types of club members”; striking “(see Article IV, Section 2 of the SI Constitution)” and inserting “of the Americas. Members shall be individuals who belong to clubs and membership is extended at the club level. Member types and definitions are:”; in sub-section (a) by striking “are those who are actively working in a profession, business, or occupation in an executive or management capacity, or its equivalent. Each regular member who is actively engaged in a profession, business, or occupation shall be “classified”. The classification code shall be assigned based upon the principal and recognized activity of the firm, company, governmental entity, or institution with which the member is connected” and inserting “Individually those who support SIA’s mission, vision, and core values.”; by striking sub-section (b); by striking sub-section (c); by re-lettering sub-section (d) as sub-section (b).

CURRENTLY READS:

Section 5.01 Eligibility, types and classification of club members shall be as defined by Soroptimist International (see Article IV, Section 2 of the SI Constitution):

(a) Regular members are those who are actively working in a profession, business, or occupation in an executive or management capacity, or its equivalent. Each regular member who is actively engaged in a profession, business or occupation shall be “classified”. The classification code shall be assigned based upon the principal and recognized activity of the firm, company, governmental entity, or institution with which the member is connected.

(b) Retired/unemployed members are those who are retired from active employment or temporarily out of work. No classification code is required.

(c) Embarking members are those who are in a course of study for, or beginning a career in, a profession, business, or occupation. No classification code is required.

(d) Life members. Those members who met the definitions of the “active life” or “retired life” types of membership as described in the 1999 bylaws and who were designated Life Members by the Federation prior to July 1, 2001, shall, if they choose, retain this type of membership for their lifetime.

WOULD READ:

Section 5.01 Eligibility, and types and classification of club members shall be as defined by Soroptimist International (see Article IV, Section 2 of the SI Constitution) of the Americas. Members shall be individuals who belong to clubs and membership is extended at the club level. Member types and definitions are:

(a) Regular members are those who are actively working in a profession, business, or occupation in an executive or management capacity, or its equivalent. Each regular
member who is actively engaged in a profession, business, or occupation shall be “classified”. The classification code shall be assigned based upon the principal and recognized activity of the firm, company, governmental entity, or institution with which the member is connected. Individuals who support SIA’s vision, mission, and core values.

(b) Retired/unemployed members are those who are retired from active employment or temporarily out of work. No classification code is required.

(c) Embarking members are those who are in a course of study for, or beginning a career in, a profession, business, or occupation. No classification code is required.

(d) Life members. Those members who met the definitions of the “active life” or “retired life” types of membership as described in the 1999 bylaws and who were designated Life Members by the Federation prior to July 1, 2001, shall, if they choose, retain this type of membership for their lifetime.

RATIONALE:
This modification reflects the changes made during the SI Board of Directors meeting in August 2012. There, the SI Board agreed to remove Sections 2, 3, 4, and 5 from Article IV of the SI Constitution. These sections primarily addressed club requirements for membership including invitation; member categories; members being drawn from a profession, business or occupation; minimum number of members for chartering; and minimum number of members for continued club membership in their federation. In August 2013, the SI Board voted in a new constitution, one that clarifies its members are the federations and no longer addresses club requirements for membership in the federations. Club requirements will now be the domain of each federation. Without the stipulation on members’ occupation, classification codes are no longer relevant.

At the time Soroptimist was formed, it is understandable that there was a need to base the organization around business and professional women, and classifications were an important value as women broke new ground in the workplace. This no longer holds true in present day. To be of service in helping women and girls improve their lives, the employment status of a woman no longer matters.

Regular, Retired/Unemployed, and Embarking members all contribute to their club’s profile, projects, and programs. They have also paid equal amounts of dues, but in recent past, Retired/Unemployed and Embarking members were marginalized because they were not included in the overall club’s membership “count” to be considered a club in good standing.

Referring to all of these members as simply “Regular” will more accurately define who they are and also break down barriers that have excluded women who may wish to join and help SIA deliver its mission. A woman at any stage of her life is a valued prospective or retained member if they are interested in the organization’s mission and wish to participate in a club.

SIA also understands differing cultural barriers to the requirement for member type. For instance in some areas of our federation, many women do not work outside the home, but gain their status from their husbands. As a result, these women do not fit into any of the member types.
Additionally, the volunteer landscape has changed dramatically. Many women are interested in Soroptimist and breaking down these barriers will open the door to those who wish to engage in our mission. Ultimately, it is expected that more women will join our ranks due to these changes.

INFORMATION FROM THE BOARD:
When SI allowed each federation the opportunity to define its own membership criteria following their August 2012 meeting, SIA gained feedback from its members through a survey and 2013 conference reports on the matter.

The majority of members agreed membership should be offered by a club to an individual who is interested in supporting our mission and can meet the financial obligations of the club, region, and federation – regardless of her occupation or lack thereof.

If approved by mail ballot (December 2014), these changes will go into effect immediately. Staff will then start to implement updates to internal operating systems such as the database and work on modifying affected resources.

FINANCIAL IMPACT:
Because the proposed changes to Article IV and Article V go hand in hand, the expenses reflect the cost associated with making alterations to both articles if approved. These changes include updating current materials, creating new resources for and communications with members, database/web support, and translations. One time direct expenses are projected to be $16,500 during FY 2014-2015 with 625 hours of headquarters staff time or one-third of a full time equivalent.

It is anticipated these changes will stem the net losses traditionally seen in both members and clubs. Over the last five years, our average net loss has been 830 members per year. Between FY 2011-2012 and FY 2012-2013 (when the first of the changes went into effect regarding clubs in low membership) the net loss of members decreased by 5.9%. This trend is expected to continue as members become aware and embrace these new member criteria changes. Still it is not expected the gap between the number of members lost and the number of members gained will balance out. We still need more recruitment efforts.
PROPOSAL #4: To change the method of selecting members of the Fundraising Council

PROPOSED BY: The SIA Board of Directors

AMEND Article IX, COMMITTEES, Section 9.02 Fundraising Council by substitution by striking “elected by mail ballot” and inserting “appointed by the SIA Board”; by striking “elected” and inserting “appointed”; by striking “Council” and inserting “Board”; by striking “elect its own” and inserting “appoint the”; by striking “ex-officio member of” and inserting “advisor to”; and inserting “without vote”.

CURRENTLY READS:
Section 9.02 Fundraising Council shall have five members elected by mail ballot to staggered 2-year terms. Members may be elected to no more than two consecutive two-year terms. The Council will elect its own chair who shall serve as an ex-officio member of the Board. The Fundraising Council is charged by the SIA Board to solicit and attract charitable donations, gifts, sponsorships and bequests in order to support the programs of Soroptimist International of the Americas, and to provide recommendations regarding fundraising in support of the Board’s fiduciary responsibilities.

WOULD READ:
Section 9.02 Fundraising Council shall have five members elected by mail ballot appointed by the SIA Board to staggered 2-year terms. Members may be elected appointed to no more than two consecutive two-year terms. The Council Board will elect its own appoint the chair who shall serve as an ex-officio member of advisor to the Board without vote. The Fundraising Council is charged by the SIA Board to solicit and attract charitable donations, gifts, sponsorships and bequests in order to support the programs of Soroptimist International of the Americas, and to provide recommendations regarding fundraising in support of the Board’s fiduciary responsibilities.

PROVISO: If the amendment to Article IX. COMMITTEES, Section 9.02 above is passed the following conforming changes will be made to the SIA Bylaws:
1. Article IV. MEMBER CLUBS, Section 4.02 (f) will be struck from the bylaws. Article IV., Section 4.02(f) currently reads:
   Section 4.02 Rights. Each club in good standing, whether incorporated or unincorporated, shall have the right to cast one vote on all matters submitted to or requiring a vote of members under these Bylaws or the Pennsylvania Nonprofit Corporation Law of 1988, including without limitation, the following:
   (f) election of members of the Fundraising Council in accordance with Article IX.

2. Article VIII. BOARD OF DIRECTORS, Section 8.01 will be amended to delete mention of the Fundraising Council Chair from the composition of the Board and to change the expected number of board members:
   Section 8.01 Composition and Term of Office. The Board of Directors shall consist of at least 14 regular members, one from each Electoral Area and the Chair of the Fundraising Council. If the President or President-elect is remaining on the Board in order to serve her term, the Board of Directors shall have up to sixteen fifteen members. Directors shall hold office for a term of two years, commencing on September 1st in the year of election, and shall serve until a successor has been elected and qualified, or until their inability to serve.

RATIONALE: The charge of the Fundraising Council has been redefined to make fundraising the focus of its work. In doing so, the Council and Board would like to ensure that the individuals serving on the
Council have the best set of skills to solicit and attract charitable donations, not only from within the organization, but from external avenues, including corporate sponsors. By law, the Board of Directors already assumes the full power to conduct, manage and direct the business and affairs of SIA, including the investments of funds, as a normal part of its fiduciary responsibilities. As a committee of the Federation, the Fundraising Council reports to the Board, and the Board should be responsible for its composition and appointment of its chair.

INFORMATION FROM THE BOARD: This proposal was brought to the SIA Board of Directors by the Fundraising Council and has the unanimous support of the Council. Having an appointed Fundraising Council member and chair serving on the Board, which has fiduciary responsibilities, would be inappropriate and counter to best practices. However, the Board would like to continue to have the advice of the Fundraising Council through its chair at its meetings as appropriate, and has designated the Fundraising Council Chair as an advisor to the Board with no vote.

The process to solicit nominations for the Fundraising Council from the clubs, and to obtain consent to be considered from those nominees, will proceed as normal from August through December 2014. If this amendment is adopted, the appointment of members to the Fundraising Council will be implemented immediately, and no election will be held in the spring of 2015.

If adopted, the following change will be made to the SIA Procedure: H. Nominations and Elections Procedures 4. amended to read as follows:

4. **Fundraising Council** - By August 1, the SIA Secretary/Treasurer shall invite each club to suggest names for consideration as candidates for vacancies on the Fundraising Council. Clubs, regions, or members of the Fundraising Council or SIA Board desiring to present names shall send them to Headquarters on or before September 15. Headquarters shall mail to each suggested member a form for a statement of qualifications, and acceptance of consideration for nomination, with the request that the form be returned no later than October 25. By November 5, Headquarters shall prepare a list of the names and qualifications of all members who have consented to serve if nominated and elected. Copies shall be sent to each member of the Fundraising Council.

The nominating committee shall be composed of five members: the SIA President, the SIA President-elect, and three members not seeking election to the Council appointed by the SIA President chosen from the following categories:

1) current members of the Fundraising Council;
2) former Fundraising Council chairs, whose term on the Fundraising Council was completed in the previous three years;
3) former Fundraising Council members, whose term on the Council was completed in the previous three years.

Ensuring the necessary skills and diversity are considered for representation on the Council, the nominating committee shall prepare a slate of candidates, not more than three for each position to be filled.

a. Voting shall be by mail ballot. A plurality vote shall elect. **Appointments shall be made by the SIA Board.** The term of office for each Council member shall be for two years beginning on September 1 after election. **Appointment. Members who**
have served two consecutive terms may be re-appointed to the Fundraising Council after a break of at least 12 months.

b. In accordance with SIA bylaws (section 9.02) the Fundraising Council shall elect its own Board shall appoint the Fundraising Council Chair. Each year, the current Chair SIA Secretary/Treasurer shall invite every member who will be on the Council on September 1 and those seeking appointment to the Council beginning on September 1 to stand for election appointment as Chair. Those who indicate an interest will be considered nominated. When three or more candidates are on the ballot, each elector shall use preferential voting by ranking the preference for each candidate on the ballot. A majority vote of the current Fundraising Council shall elect. The Chair shall attend the meetings of the SIA Board at the invitation of the SIA President for the purposes of advising the Board. The Executive Director shall ensure the proper budgeting to enable the Fundraising Council Chair to attend the SIA Board meetings.

c. Any Council member may be removed either for or without cause by the SIA Board of Directors, whenever in the judgment of the board the best interests of the federation will be served. Such removal shall be without prejudice to the contract rights, if any, of any person so removed. Removal shall occur only upon a two-thirds vote of the directors then in office and only after the Council member is given an opportunity to be heard at a meeting of the Board of Directors.

d. Vacancies in the Fundraising Council shall be filled by the Board of Directors upon recommendation of the remaining members of the Council and each person so selected shall serve as a Council member completing the balance of the unexpired term.

FINANCIAL IMPACT: Annual savings from not holding the Fundraising Council mail ballot, including translation, copying, and postage, will be approximately $8,500. With this change to competency-based selection of Fundraising Council members, it is expected the federation’s fundraising contributions will improve by 5% in 2016-2017.
PROPOSAL #5: To provide for limitation of liability and indemnification for SIA Board Directors

PROPOSED BY: The SIA Board of Directors

AMEND Article VIII, BOARD OF DIRECTORS by adding Section 8.18 Limitation of Personal Liability of Director and Section 8.19 Indemnification.

WOULD READ:

Section 8.18 Limitation of Personal Liability of Director. A Director shall not be personally liable for monetary damages as such for any action taken, or any failure to take any action, unless:

(a) the Director has breached or failed to perform the duties of office as defined in the Pennsylvania Nonprofit Corporation Law; and

(b) the breach or failure to perform constitutes self-dealing, willful misconduct or recklessness.

This Section shall not apply to (i) the responsibility or liability of a Director pursuant to any criminal statute or (ii) the liability of a Director for the payment of taxes pursuant to local, state or federal law.

Section 8.19 Indemnification. The directors, officers, employees and agents of the Federation shall be indemnified for any costs, expenses and liabilities incurred as a result of the performance of their duties as provided in the Pennsylvania Nonprofit Corporation Law. Expenses incurred in defending a civil or criminal action, suit or proceeding (except when brought by the Federation) may be paid by the Federation in advance of the final disposition of such action, suit or proceeding as authorized by the Board of Directors in a specific case upon receipt of an undertaking by or on behalf of the representative to repay such amount if it is ultimately determined that the representative is not entitled to be indemnified by the Federation. Each such indemnity may continue to a person who has ceased to be a representative of the Federation and may inure to the benefit of the heirs, executors and administrators of such person. Each person who acts as a representative of the Federation shall be deemed to be doing so in reliance upon the rights of indemnification provided by applicable law.

RATIONALE: Pennsylvania Non-Profit Corporation Law makes provision for the elimination of personal liability for board directors, unless they engage in self-dealing, willful misconduct or recklessness. In order to be effective under the law, this bylaw must be approved by the member clubs. The indemnification of directors, officers, employees and agents of the Federation is consistent with Pennsylvania Non-Profit Corporation Law. These are common provisions designed to further the public policy of encouraging volunteers to serve on non-profit Boards without fear of personal liability and the exposure of personal assets.

INFORMATION FROM THE BOARD: The addition of these new sections is recommended by SIA’s General Counsel. The SIA Board, through the Executive Director, and in concert with our General Counsel and insurance advisors, have worked to assess the Federation’s exposure to risk and review existing polices over the past two years. These sections will complete the review and updating of the policies, and dovetails with the directors’ and officers’ liability insurance coverage maintained by SIA.

FINANCIAL IMPACT: None.
PROPOSAL #6: To increase Federation dues

PROPOSED BY: The SIA Board of Directors

AMEND Article X, FISCAL MATTERS, Section 10.02 by substitution by striking “of U.S. $52” and inserting “in accordance with the following schedule: 2015-2016 U.S. $68; 2016-2017 U.S. $70; 2017-2018 U.S. $72. Beginning in 2018-2019, the Board of Directors shall establish the annual dues, based on the previous year’s dues rate and the anticipated cost of living adjustment projections, rounded up or down to the nearest dollar as appropriate, by March 31 of each year. The Board may elect to maintain the previous year’s rate if conditions do not warrant an increase; and by striking “magazine” and inserting “to Best for Women.”

CURRENTLY READS:
Section 10.02 Dues. Each club shall pay to the Federation annual dues of U.S. $52 for each member, except life members, payable on or by July 1 on membership as of that date. Each club shall pay annual dues for those designated as life members prior to July 1, 2001, in the amount of U.S. $10, payable on or before July 1 on life membership as of that date. Life member dues do NOT include the costs for mandatory insurance or a magazine subscription.

WOULD READ:
Section 10.02 Dues. Each club shall pay to the Federation annual dues of U.S. $52 for each member, except life members, payable on or by July 1 on membership as of that date in accordance with the following schedule: 2015-2016 U.S. $68; 2016-2017 U.S. $70; 2017-2018 U.S. $72. Beginning in 2018-2019, the Board of Directors shall establish the annual dues, based on the previous year’s dues rate and the anticipated cost of living adjustment projections, rounded up or down to the nearest dollar as appropriate, by March 31 of each year. The Board may elect to maintain the previous year’s rate if conditions do not warrant an increase. Each club shall pay annual dues for those designated as life members prior to July 1, 2001, in the amount of U.S. $10, payable on or before July 1 on life membership as of that date. Life member dues do NOT include the costs for mandatory insurance or a magazine subscription to Best for Women.

RATIONALE: Based on financial trends over the last few years and our 10-year financial projections, there is a growing funding gap that risks the future of our organization, and requires action by our members. The gap has been caused—not by unsustainable cost growth—but by a revenue shortfall from declining membership and dues not increasing to cover the costs of support. The last dues increase, approved in 2006 and implemented in 2009, was insufficient to address the cost structure required to sustain our organization. Our leadership was left with no choice but to increase the funds used from the income stream generated by our restricted reserves each year to cover our decline in member dues. This is not a sustainable model.

Declining membership has been an issue for a number of years. As an enterprise with a membership business, members are central to our success or failure. Despite our best efforts and because of industry-wide trends, we have lost more than 7,000 members in the last ten years. And because we believe the past is a clear indicator of the future, we are projecting further losses in the coming years. As a result, the funding to support our federated model has fallen short of what is required to support the current structure and services our members expect and deserve. This has the potential of negatively affecting your member experience by reducing or even eliminating member benefits, products and services.
The cost per member reflects all the expenses associated with providing support and services to clubs and members, divided by the number of members. Costs budgeted for FY13/14 is $2,310,782.

**Membership Costs Breakdown in U.S. Dollar**
- Current Dues per Member: $52
- Current Dues per Member for SI: $5
- Current Cost per Member: $70
- Gap ($13)

**Membership Costs Breakdown in Percent**
- Administration 16%
- S.I. 10%
- Governance 35%
- Member Services 39%

During the last five years, expenses at SIA headquarters have increased a total of 1%, despite an increase in the cost of living index during that same period of 8% nationally, and an operating environment (Philadelphia) that is 9.4% over the national average. Cost containment has been accomplished mainly by decreases through operational efficiencies in banking, insurance and technology; reduced meeting costs; reduced staff-related costs; and deferred maintenance of the headquarters office. The Board has determined continuing to reduce our core business functions is no longer feasible.

Benchmarks with similar service clubs indicate SIA headquarters’ staff/benefit size and costs are in line. The costs for operations is 15% below benchmarks for similar service clubs while governance costs are currently 5% above the benchmarks to accommodate our representation and training among our 19 countries.

Despite the cost-containing measures and fiscal responsibility, the fact is our funding gap is increasing due to the continued decline in dues-paying members to support member services, governance and associated administration. In other words, the cost per member is increasing due to the number of members decreasing; reducing what is referred to as our economies of scale. The activities required to support members don’t change with decline. There is not a one-to-one relationship from a task perspective, and there are 33,000 members who still need support from 27 people.
Member dues, as a percent of our budget, have decreased 5% over the past five years. As a result, each year our federation has grown more reliant on strong investment returns to close our funding gap. Even though the federation has been an excellent fiscal steward, the reality is that continuing to use our investment income to cover member-related costs will place our organization and its assets at risk.

Historically, the organization’s practice has been to approve a dues increase after it is needed. This makes the increase appear high, and requires our organization to use its investment income in the intervening period to cover our member-related costs not met by dues revenue. Using income from our restricted reserves to cover the difference in revenue and expenses associated with providing member services, governance and associated administration, reduces our organization’s resources to invest in its future.

This recommended change in dues will place our organization in a proactive posture and enable us to cover our costs to service, govern and administer to regions, clubs and members. It will allow us to continue providing members services and products at the current level. It will allow us to preserve the anticipated resources to invest in our transformation as we shape the future of our federation to empower more women and girls to reach their full potential.

The dues increase will be effective with club year 2015-2016. Then, in preparation for the club year 2018-2019, the Board will determine whether a cost-of-living adjustment (COLA) is necessary. The Board may elect to maintain the previous year’s rate if conditions do not warrant an increase.

INFORMATION FROM THE BOARD: Over 85 years ago Soroptimist was established as a federated model by its founder and first club president, Violet Richardson. In a federated model, like SIA, all parts of the organization present as a united front to achieve a common mission. The central organization sets the overall vision of the federation as established by the Board of Directors, acts as a spokesperson for the cause, and provides for a professional centralized staff dedicated to creating an environment in which clubs can operate legally and efficiently to deliver the mission. The regions ensure the club’s initiatives are in alignment with the vision, and the clubs carry out the initiatives in service to the mission.

In 1988 when the current governance structure was debated, the members and the volunteer leadership requested, as part of the governance change, for there to be more professional support from our headquarters (“The Plan”). The membership no longer wanted to administer our organization; they wanted to focus on advancing the mission of our organization through service, not administration. Since then, the SIA Board of Directors has assigned headquarters the responsibility for carrying out the Board’s strategic direction in addition to administering to our federation. The benefit of a federated model is to ensure strong, participative governance throughout our federation — clubs, regions and headquarters. However, the cost to operate this type of model is expensive simply because of the structure.

Today, SIA wants to continue to carry out our mission and to no longer be the best kept secret. In November 2011, the Federation Board embraced a transformation plan called Shaping our Future. The goal is to increase our collective impact, throughout our organizational structure. Increasing our collective impact through shaping our future is the 10 to 15 year big goal found in our strategic plan. It requires our organization to focus its resources on impact, engagement, recognition, and philanthropy so we can continue to serve our mission and be well-known for the social change we make.
Shaping our Future is about:

- the board identifying barriers to organizational success, providing greater clarity to Soroptimists,
- ensuring our core programs are measurable, sustainable and in alignment with our direction and values,
- generating an evidence base that effectively tells about the impact we make achieving the social transformation of women and girls, so they have the education and training they need to live their dreams,
- leading to greater recognition for SIA, and
- resulting in greater resources for our federation to use in its 19 countries and territories
- positively affecting the social and economic empowerment of women and girls by providing them with the resources and opportunities to reach their full potential.

This is what success looks like to SIA: a financially healthy organization with a strong base of engaged, fulfilled members and supporters working together to improve the lives of women and girls through programs with measurable impact.

The Board has agreed to invest in the Live Your Dream business model and sponsorship to diversify our revenue sources, collect federation-wide program outcomes from our updated Women’s Opportunity Awards program and new girl program, and effectively tell the story of our organizational impact—all to support and achieve Shaping our Future for Increased Collective Impact.

These investments are needed to transform our organization while servicing members, carrying out the Board’s strategic direction, and making a collective impact to improve the social and economic empowerment of women and girls.

As we Shape our Future, the Board feels it is critical we continue to control our costs but not reduce our investments in people and infrastructure intended to secure the future health of the organization. The board is continuously monitoring expenses and has directed headquarters to reduce an additional $200,000+ in operation and governance costs.

Without this recommended dues increase as proposed, members will no longer receive the current level of service they have come to expect and deserve to carry out programming. This has the potential of negatively affecting your membership experience by reducing or even eliminating member benefits, products and services.

We are here to improve the lives of women and girls. That’s why we exist. We have to do everything in our power to make sure our great organization continues into the future. If the organization we love and the mission we believe in are to survive and thrive, we must ALL agree to this dues increase.

The Board of Directors is strongly recommending our organization adopt the dues increase as presented. The recommended dues increase will:

- Preserve the current level of services and products provided to clubs and members
- Place the organization in a proactive posture
- Enable us to cover our costs to service, govern and administer
- Allow our investments to remain intact, grow with financial market trends and be invested in strategies to keep us relevant in the future while protecting our long term solvency
• Enable us to preserve the anticipated resources to invest in our transformation as we shape the future of our organization for increased collective impact
• Grow sustainable and measurable change in the lives of women and girls
• Attract greater recognition and
• Further donor and sponsorship opportunities to empower more women and girls to reach their full potential and live their dreams.

All this spells success for our federation as we prepare for another century of making social change possible for women and girls.

FINANCIAL IMPACT: If the current fiscal situation remains unchanged—including membership trends, current annual dues, and the annual 10% income stream generated from our restricted reserves—by 2016 the loss in member revenue will continue to grow and start to affect our ability to deliver programs. This loss in member revenue will then require the full endowment income withdrawal of 10% to be used to close the gap in member revenue, creating a funding gap for programming. Projections indicate by 2021 we will deplete our $3.2M unrestricted fund in order to maintain our current levels of programming. After factoring in board-directed cost reductions of $200,000+ in the next few years, we will still need to find additional funding of $3.7M within the next ten years to remain solvent.

The operating budgets driven by declining membership revenues have created an unsustainable environment representative of an organization in decline. It will be impossible to continue to carry out work the Board has directed and what is required to grow our organization into the future if our funding is shrinking and we are forced to reduce our core business functions.

The Board carefully considered our strategic direction; the differing views and beliefs our members have about dues; the financial challenges facing our federation; and the legal and moral duty we have to our federation. After carefully reviewing all options available, the Board has determined our member dues must be brought in line with the true cost of membership in addition to continued cost reductions.
The Board proposes our member dues increase incrementally for three years, beginning in club year 2015-2016 through 2017-2018. In preparation for the club year 2018-2019, the Board will determine whether a cost-of-living adjustment (COLA) is necessary. The Board’s recommendation is:

- 2015-2016 $68
- 2016-2017 $70
- 2017-2018 $72

- A cost of living adjustment (COLA) may be determined annually thereafter should the board decide it is necessary. The Board may elect to maintain the previous year’s rate if conditions do not warrant an increase.

The dues increase over three years would work out to an additional $20 annually per member ($1.67 per month) by 2017-2018.

Adoption of this proposed dues increase, in conjunction with $200,000+ in cost reductions, is expected to bring our member dues in line with the true cost of membership. This will protect our reserves and ensure all members and clubs continue to receive the support they have come to expect and deserve to deliver programming under the name Soroptimist.

For more than 90 years, our members have worked tirelessly to support women and girls who need a hand to achieve success and reach their full potential. Many things have changed in 90 years, but the challenges facing women and girls continue to exist.

We have faith that you will do what it takes to make sure our great organization remains financially solvent so we can continue to work on our mission of improving the lives of women and girls through programs leading to social and economic empowerment.
MEMBER DUES INCREASE FAQ
We have prepared these Frequently Asked Questions to help you understand how the Board arrived at its decision. We encourage you to read http://www.soroptimist.org/members/fedinfo/DuesIncreaseBackground.pdf for more detailed information. Thank you for carefully considering this important matter. You may direct questions to siahq@soroptimist.org.

1. Why does our organization need a dues increase and how will it solve our financial challenges?
Simply stated, we need a dues increase because our member dues need to be brought in line with the true cost of membership. Currently, it costs about $70 for the federation to serve each member. With federation dues currently at $52 per member, this has created an unsustainable funding gap. The dues increase, as proposed, will enable our organization to prepare for another century of making social change possible for women and girls.

2. What is the cost per member based upon?
Our cost per member reflects all the expenses associated with providing service, governance and associated administration to regions, clubs and members, divided by the number of members. The budget for fiscal year (FY) 2013-2014 for member services is $2,310,782, divided by the number of our current members (about 33,000), resulting in approximately $70 per member. This breaks down as follows:

<table>
<thead>
<tr>
<th>Category</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Member Services</td>
<td>39%</td>
</tr>
<tr>
<td>Governance (board meetings, Governors Round Table)</td>
<td>35%</td>
</tr>
<tr>
<td>Administration (legal, audit, state filing fees and technology)</td>
<td>16%</td>
</tr>
<tr>
<td>Soroptimist International</td>
<td>10%</td>
</tr>
</tbody>
</table>

3. How will a dues increase benefit my club and me as a member?
A dues increase will enable our organization to continue providing the member benefits, products and services our clubs and members have come to expect and deserve to carry out programming under the name Soroptimist. In addition to enabling clubs to accomplish our mission of improving the lives of women and girls, these benefits, products and services also contribute to a meaningful club experience. They include:
- Translation and interpretation in all federation languages (English, Japanese, Chinese, Korean, Spanish and Portuguese)
- Recruitment and retention assistance and materials
- Club support and advice
- Program resources and toolkits
- Federation programs (e.g. Women’s Opportunity Awards)
- Global marketing and public relations efforts
- Publications including Best for Women newsletter (in all languages), and full access to our federation website
- Our biennial convention
- Operating under the Soroptimist International name
- Maintenance of our technology infrastructure
- Upholding our governance structure (clubs, regions and the federation)
- Safeguarding our financial, legal and cultural aspects necessary for operating a global business
- Generation of non-dues revenue
• Research and development of programs that address women and girl issues
• Leadership development throughout our organization.

4. **What is the amount of the proposed dues increase?**
In the interest of honesty and transparency, the Board decided to ask for the exact amount needed to continue operating our organization and ensure our solvency into the future:
- 2015-2016 $68
- 2016-2017 $70
- 2017-2018 $72
- A cost-of-living adjustment (COLA) may be determined annually thereafter should the Board decide it is necessary. The board may elect to maintain the previous year’s rate if conditions do not warrant an increase.

To put it in perspective, this dues increase will represent an additional $1.67 per month—less than a cup of tea or bottle of nail polish—to ensure our organization continues into the future.

5. **What is “COLA”?**
COLA is the acronym for Cost of Living Adjustment. In the U.S., where our federation is incorporated, it is widely used to benchmark the cost of doing business. COLA fluctuates regionally.

6. **Why do we have to follow a U.S. set of economics?**
Soroptimist was founded and organized in the U.S. and our headquarters is in the United States. Consequently, we are subject to U.S. operating requirements and economics.

7. **How have/are our organizational costs been/being reduced?**
Our organization is very lean. When compared against industry benchmarks, our organization consistently meets or exceeds those benchmarks. Part of running a lean organization is to constantly evaluate costs and make reductions and efficiencies when possible. During the past five years, as membership has continued to decline, headquarters has contained costs through:
- Operational efficiencies in banking, insurance, technology
- Reduced meeting costs
- Reduced staff-related costs
- Deferred general building maintenance and repairs

Future cuts will be made effective with in fiscal year 2014-2015 by:
- Eliminating one board meeting every biennium for a total of five board meetings per biennium
- Continuing to look for operational efficiencies through technology, communication, and government requirements
- Further reducing staff-related costs

The reality is, even with current and future cost reductions, our leadership is not able to operate our organization with the current dues structure unless our member dues are brought in line with the true cost of membership.
8. If membership increases, will our dues need to increase?
If our organization can stabilize our membership count and revenue—which means growing our member numbers and finding additional sources of income—then the Board has the option to direct that a cost-of-living adjustment not be taken in a future years(s).

9. If membership is declining, why do we need so many staff at SIA headquarters?
The current staffing level is needed to implement the Board’s direction to Shape our Future. The Board has directed headquarters to focus on efforts to reverse the affects of our declining membership trend. In addition to the ongoing work required to serve 33,000 members, the Board has directed staff to implement new strategies to ensure the long-term health of the organization, including increasing and servicing corporate sponsors, and launching a new business model, Live Your Dream, to engage more people in our mission. Based upon industry benchmarks, both the number and salaries of staff are in line with our peer organizations.

10. What will happen if members don’t approve the dues increase?
Without the recommended dues increase, members may no longer receive the current level of service they have come to expect. This has the potential of negatively affecting your membership experience by reducing or even eliminating member benefits, products and services (see the list in question #3). We are here to improve the lives of women and girls. That’s why we exist. We have to do everything in our power to make sure our great organization continues into the future. If the organization we love and the mission we believe in are to survive and thrive, we must ALL agree to this dues increase.

11. If the dues raise is approved, what will the future of SIA look like?
As we approach our 100th anniversary, we believe the future of SIA will be very bright once the dues structure is brought in line with actual costs to serve our members. Our mission has never been more relevant, and with a renewed effort to shore up club membership and pursue other directions, we see good days ahead—both for our members and for the women and girls we serve through our programs.
Resolution #1: Rescind resolution 2004:4 Corruption

PROPOSED BY: The SIA Board of Directors

CURRENTLY READS:
2004:4 Corruption

WHEREAS, According to United Nations sources, programs that focus on women account for only a fraction of total national budgets and women suffer disproportionately when resources are subverted through corruption;

WHEREAS, Gender discrimination is reinforced in a corrupt legal system;

WHEREAS, Corruption reduces public resources for education which is crucial for advancing the status of women and girls;

WHEREAS, Studies have shown that corruption is less severe when women comprise a larger percentage of government positions;

WHEREAS, Corruption and bribery permit environmental degradation to continue which adversely affects the health and well being of poor women and their families by limiting access to clean water, clean air and fertile land to grow food; and

WHEREAS, Corruption allows organized crime to flourish which increases prostitution and the trafficking of women and girls;

THEREFORE, BE IT RESOLVED that Soroptimists:
1. Advocate for open and honest political and legal systems;
2. Support the increase of women serving in governments, civil service, police and legal systems;
3. Support judicial systems whereby those that are responsible for corruption can be prosecuted and punished.


RATIONALE: While the Board acknowledges corruption is an issue, we do not agree it is an SIA issue for the following reasons:
1) This resolution does not align with SIA’s strategic plan, which shapes how SIA’s resources are deployed. As a result, SIA does not address, nor provide resources, to advance anti-corruption issues.
2) There is no evidence that clubs use the corruption resolution as a tool to shape advocacy on the issue.
3) The strongest section of the resolution, in the final “Whereas” clause referring to prostitution and trafficking, has been superseded by an entire SIA resolution, 2010:1 Prostituted Women and Girls, with strong actions that clubs can support with clear impact for women and girls.
4) Another “Whereas” clause on the correlation between women’s participation in government positions and a reduction in corruption is already supported in the SI “Where We Stand” advocacy statement on “Women as...leaders and decision makers.” This statement urges governments to provide education and leadership opportunities to women and girls to ensure there is equal access to positions of power and influence.

FINANCIAL IMPACT: None because SIA is not addressing this resolution.
Resolution #2: Substitute a new resolution for 2004:3 Women’s Opportunity Awards

PROPOSED BY: The SIA Federation Board of Directors

CURRENTLY READS:
2004:3 Women’s Opportunity Awards

WHEREAS, “Making a Difference for Women” has been the permanent identifying focus of Soroptimist International of the Americas since 1994, and

WHEREAS, the Women’s Opportunity Awards program is SIA’s major service project because it best exemplifies the aims of the organization by helping women to lead independent lives through improved employment opportunities, and

WHEREAS, less than 60% of SIA clubs participate in this program, which negatively affects the organization’s ability to gain publicity and build an identity around its major service project, and

WHEREAS, the inability to create a public identity negatively affects efforts to recruit and retain members and, more importantly, the organization’s ability to accomplish its mission of improving the lives of women and girls,

THEREFORE BE IT RESOLVED that in order to positively contribute to SIA’s identity building activities, which will help the organization accomplish its mission to help women and girls, participation in the Women’s Opportunity Awards program by all clubs shall be encouraged and be facilitated by all means available at region and federation levels.

(adopted 2004)

WOULD READ:
2014:1 Live Your Dream: Education and Training Awards for Women

WHEREAS, the mission of Soroptimist International of the Americas is to improve the lives of women and girls through programs leading to social and economic empowerment, and

WHEREAS, the Live Your Dream: Education and Training Awards for Women (formerly known as the Women’s Opportunity Awards) program is SIA’s major program because it has proven results in improving the lives of women and their dependents that have been confirmed by independent studies, and

WHEREAS, the Live Your Dream: Education and Training Awards for Women is the centerpiece of SIA’s efforts to increase our collective impact and grow public awareness of our efforts, and

WHEREAS, approximately 25 percent of SIA clubs still are not participating in the program, and

WHEREAS, SIA can grow its collective impact and recognition only through the support of the federation, regions and clubs,
THEREFORE BE IT RESOLVED that in order to positively contribute to SIA’s mission, impact and recognition, increased participation in the Live Your Dream: Education and Training Awards for Women program by all clubs and the growth of existing support shall be encouraged and facilitated by all means available at club, region and federation levels.

RATIONALE: As our signature program, over the past ten years, our focus has been to increase club participation, and to increase recognition of SIA. This new resolution updates the name and information about the club participation, reach, and impact of our signature project.

FINANCIAL IMPACT: Updates to the program, including the new name and changes in the deadlines, have been absorbed in the 2013-2014 budget. There will be ongoing costs to continue marketing the program through our web presence, but these are not expected to change significantly from current practice. As our impact with this program grows, we do expect the program to help build our recognition and further our collective impact.