APEA/AFT CONSTITUTION AMENDMENT FORM (APEA/AFT 2024 CAUCUS)

AMENDMENT #1 **RECOMMENDATION: DO PASS**

Current Constitutional provision(s):

1. **Per capitas:**
   A. ~~*The Board of Directors shall propose the amount of per capitas. A vote to ratify per capitas changes shall be taken by the entire membership of the State Federation. If a simple majority of those voting ratify the proposed per capitas, they will become effective immediately. If a simple majority of those voting reject the proposed per capitas, they will remain at the amount charged prior to the proposal.*~~

Proposed Change(s): (Words, phrases, characters to be deleted should be displayed with a single line through the word, phrase or character. Words, phrases, characters to be added should be displayed with a single line under the word, phrase or character.)

Authorization for the Board of Directors to change Per Capita and Assessments

Article XV, 1 A - Per Capita and Assessments

Authorization to Adjust Per Capita and Assessments

Section 1: Purpose and Scope
This amendment authorizes the Board of Directors to adjust the rate of member Per Capita/Assessments as deemed necessary for the financial stability and operational effectiveness of the Union.

Section 2: Authority of the Board of Directors
The Board of Directors shall have the authority to review and adjust the rate of member Per Capita/Assessments. Any adjustments shall be based on the Union's financial needs, including but not limited to operational costs, legal obligations, and initiatives that support the Union's mission and objectives.

Section 3: Procedure for Adjusting Per Capita/Assessments
a. **Proposal**: The Board of Directors may propose a change in the rate of member Per Capita/Assessments at any regular or special meetings of the Board.

b. **Notification**: The proposed change shall be communicated to all union members at least 30 days before the intended implementation date. The notification shall include the rationale for the change and its financial impact on the membership.

c. **Approval**: A proposed change in the rate of member Per Capita/Assessments shall require a two-thirds (2/3) majority vote of the Board of Directors present at the meeting where the change is considered.

Section 4: Membership Vote (Optional)
If the Board of Directors deems it appropriate, they may refer the proposed Per Capita/Assessments adjustment to a vote by the general membership. In such cases, a simple majority of voting members shall be required to approve the change.

Section 5: Implementation
Once approved, the change in Per Capita/Assessments shall take effect on the date specified by the Board of Directors, or as determined by the membership vote if applicable.

Section 6: Limitations
The Board of Directors may not increase member Per Capita/Assessments by more than 5% within a single fiscal year without obtaining approval from the general membership through a vote.

Section 7: Review and Reporting
The Board of Directors shall review the rate of member Per Capita/Assessments Bi-Annually and report the findings and any changes to the delegates at the APEA Caucus.

Effective Date

This amendment shall take effect immediately upon ratification by the membership.

Justification for the proposed change:

By allowing the board to raise dues without a membership vote empowers the organization to maintain its financial health, respond to challenges effectively, and continue providing value to its members. This authority, exercised with transparency and accountability, is essential for the organization's long-term success.

Pros of proposed change:

1. **Timely Response to Financial Needs**: The organization operates in a dynamic environment where costs can fluctuate due to inflation, regulatory changes, or unforeseen expenses. The board, with its fiduciary responsibility, needs the flexibility to respond promptly to these financial challenges. Delays caused by the time-consuming process of organizing a membership vote could hinder the organization's ability to meet its obligations, potentially jeopardizing its operations.

2. **Operational Efficiency**: The board is elected by the membership to make informed decisions on behalf of the organization. By empowering the board to adjust dues as needed, the organization can avoid the administrative burden and costs associated with conducting a vote. This efficiency allows the board to focus resources on the core mission rather than procedural processes.

3. **Long-Term Stability**: Regular, modest adjustments in dues are often necessary to maintain the organization's financial stability. A streamlined process that allows the board to make these adjustments ensures that the organization can sustain its activities, services, and growth without disruption.

4. **Transparency and Accountability**: While the board would have the authority to raise dues, it remains accountable to the membership through regular reporting and communication. The board's decisions would be made transparently, with clear justifications provided to the members. Moreover, members retain the ultimate power to elect or remove board members, ensuring that the board acts in the best interests of the organization.

5. **Precedent and Best Practices**: Many successful organizations with similar structures grant their boards the ability to raise dues without a membership vote. This practice is widely recognized as a best practice that balances the need for efficient governance with the protection of members' interests.

Cons of proposed changes:

1. **Increased Financial Burden on Members**: A direct and immediate impact is the increased cost to each member. This can strain members' personal finances, especially if the dues are raised significantly or if members are on fixed incomes. For some, this might make continued participation in the organization financially unsustainable, leading to potential membership drop-offs.

2. **Potential for Membership Decline**: Higher dues might deter new members from joining and prompt existing members to leave, particularly if they do not perceive equivalent value or benefits from the increased costs. A decline in membership can lead to reduced revenue in the long term, counteracting the financial gains from raising dues.

Financial impact:

The financial impact of a board of directors raising dues for its members can vary depending on several factors, but generally includes the following consequences:

1. **Impact on Organizational Budget**: raising dues can provide the organization with additional funds to cover rising operational costs, invest in new initiatives, or improve services for members.

2. **Long-Term Financial Sustainability**: If the dues increase is part of a well-thought-out financial strategy, it could contribute to the organization's sustainability and growth.

If proposed change will increase any budget line item, source of funding to pay for increase: N/A

SUBMITTER: APEA/AFT DUES COMMITTEE

All ballots must be received by 4:00 pm, Tuesday, January 21, 2025.