

## 2020 Ballot Items

### CANDIDATES

For National Secretary/Treasurer

Kathryn **Hensley** (SC) - Incumbent National Secretary/Treasurer

Cindy Renee **Blythe** (KS) - Current Region V Vice President

### AMENDMENTS AND RESOLUTIONS

<b>Number</b>	<b>Author's Title</b>	<b>BRC Subject</b>	<b>RVP7 Vote</b>
B-2002	Ballot Design Standards	Ballot Design Standards	REJECT
B-2004	NEB Responsibility	National Executive Board Authority	REJECT
B-2005	National Officer Vacancies	National Officers' Vacancies	REJECT
B-2006	Bylaws Revisions	Bylaws Revision	ADOPT
B-2007	Voting - Resolutions	Voting	REJECT
B-2008	Proposal of Bylaws Amendments	Equality in Proposing Amendments	ADOPT
B-2009	Federation Mergers	Federation Mergers	ADOPT
B-2010	Officer Term Limits	Secretary/Treasurer Term Limits	ADOPT
B-2011	Terms of Office	National Officer/RVP Office Terms	REJECT
B-2014	Voting on Bylaws and Standing Rules	Simplify Voting Process	ADOPT
B-2015	Executive Director Duties	Executive Director Duties	ADOPT

B-2017	Bylaws and Standing Rules Debate	Voting Member Privileges	ADOPT
B-2018	Spousal Memberships	Add Spousal Members	REJECT
B-2020	Membership Dues	Dues Increases	ADOPT
B-2021	Federation Payments	Federation Payments	ADOPT
S-2002	Committee Composition	Ensure Committee Diversity	ADOPT
S-2003	Audit Publication Deadline	NARFE Audit Publication Deadline	ADOPT
S-2005	Chapter Payments	Chapter Payments	ADOPT
R-2001	Windfall Elimination Clause	Eliminate WEP	REJECT
R-2002	Increase Social Security	Increase Social Security	REJECT
BRC-01	Membership Categories	Member Categories	ADOPT

## DETAILED ANALYSIS / PROS AND CONS

### **B-2002 Ballot Design Standards - MD Federation**

**Summary:** Include ballot design standards in the bylaws. The appointed Bylaws and Resolutions Committee (BRC) opposes this amendment. I agree with their recommendation. I will vote to **REJECT** this amendment.

**Pro:** Adding objective and concise ballot design standards to the bylaws would present all candidates and questions in a fair and nondiscriminatory manner. Past ballots allowed an appointed committee's recommendations to be included on the ballot, which influenced voters (the voting results mirrored the committee's recommendations in every case). This must be prohibited.

**Con:** If objective and concise ballot design standards were proposed, this amendment would have merit, although maybe better placed in the

Standing Rules. Unfortunately, the standards proposed are subjective and open to interpretation, such as “easily understood”, “fair”, “to easily record”, and “facilitate”. To ensure balloting “fairness”, the National Executive Board (NEB) has created a Ballot Oversight Committee (subject to Charter approval by the NEB) and adopted several motions to address balloting issues. During their March electronic meeting, the NEB adopted my motion to require the National President (who is running unopposed) to approve the 2020 ballot format before it is published, after giving all NEB members an opportunity to comment on the draft. In early 2019, the NEB adopted my motion to exclude BRC recommendations from the ballot, prohibit “adopt all” and “reject all” options, and to list ballot items in numerical order. As need, additional standards may be adopted by the NEB.

## **B-2004 NEB Responsibility (National Executive Board Authority) -BRC**

**Summary:** Provides guidance for NEB governance activities and eliminates membership participation in NARFE governance by eliminating such membership ballots. The BRC not only supports this amendment, they authored it (which I believe is contrary to NARFE’s Bylaws and is a conflict-of-interest, but that’s another issue - see Sidebar below). I adamantly disagree with their recommendation. I will vote to **REJECT** this amendment.

**Pro:** Restates the goal of NARFE governance by the NEB. Eliminates membership interference in NARFE governance by the NEB, transforming NARFE into a near-total “top down” organization.

**Con:** The BRC’s rationale for this amendment states, “Members can direct actions of the NEB only through bylaws or standing rules adoption, not by direct ballot.” However, our current Bylaws state: “Ballot vote by the membership is required for the ... adoption of general resolutions” (Article III, Section 4, A); “The NEB shall ... Perform such other duties as directed by membership ballot” (Article VI, Section 2); and “the membership meeting shall be held ... for the purpose of ... transacting such other business as shall properly come before it.” (Article V, Section 1B). Clearly, the current Bylaws provide for membership participation in NARFE’s governance. This amendment flips NARFE’s governance from a “bottom up/membership-driven” approach to a “top down” approach, inconsistent with NARFE’s nearly 100-year history. While this major change in NARFE’s

governance is accomplished by the “deletions” in this amendment, the “additions” are redundant, in that governance “in the best interest of NARFE” is a clearly-stated fiduciary and legal requirement of the NEB, with redress by the membership available through the election process.

**Sidebar (BRC-authored amendments):** Article XII - Amendments of NARFE’s current Bylaws states, “A chapter, a federation executive board, a federation conference/annual meeting, the NEB, any committee designated by the NEB, or a group of twenty members in good standing may submit proposed amendments to these bylaws” (Section 1) and “The bylaws committee shall review and offer recommendations on all proposals, and may combine, substitute, or reject proposals ... “ (Section 2). The BRC is NOT mentioned or included in Section 1 (the NEB has NEVER “designated” the BRC as having the authority to propose Bylaws). In fact, it cannot, as the BRC authorities and responsibilities, as a Standing Committee, are specified in Section 2 of the Bylaws and cannot be changed by the NEB, only by the membership. The authority to “submit proposed amendments” is NOT included in the itemized list of BRC authorities in Section 2. So, by what authority does the BRC propose amendments? Any amendments proposed by the BRC should be ruled “out of order”.

**Sidebar (Conflict-of-interest):** As stated above, “The bylaws committee shall review and offer recommendations on all proposals ... “. However, to do so on a proposal that the committee has authored is clearly a conflict-of-interest. An organization cannot be both proposer and reviewer. Any amendment proposed by the BRC (if in order, see above Sidebar) should have come with “no recommendation” from the BRC.

## **B-2005 National Officer Vacancies (National Officers’ Vacancies) - BRC**

**Summary:** This amendment changes the process for filling a vacancy in the office of the National Secretary/Treasurer (N S/T); restricting the NEB choice to a current NEB member who has not already served two terms as National President. Again, the BRC not only supports this amendment, they authored it. For the reasons stated below in “con, I disagree with their recommendation and their proposed amendment. I will vote to **REJECT** this amendment.

**Pro:** Eliminates any confusion with the term “national office”. Ensures that the NEB selection to fill the unexpired term of the N S/T has experience on the NEB, while excluding some former National Presidents.

**Con:** This is no confusion as to the number and designation of the national officers. Article IV, Section 1, A states, “The national officers of the association shall be a president and a secretary/treasurer.” While the BRC’s rationale states, “This was a carry-over from the 2012 national bylaws”, this is incorrect. Recall that our national bylaws were totally re-written by the BRC last year and adopted by the membership in a referendum. Any confusion with this section should have been corrected last year in the BRC’s revision. Restricting the NEB’s choice to complete the unexpired term of the N S/T to current NEB members could result in an unqualified appointment or a long-term vacancy by excluding current excellent Federation Treasurers from consideration. It should be noted that in this 2020 election for the 12 positions on the NEB, two positions have no candidate and six positions have no competition.

**Sidebar (Independent Review of Amendments):** This amendment was developed, reviewed, and recommended by the BRC, without any consultation with the NEB, whose inner workings it proposes to change. And noting the arguments in the previous sidebars, there was no independent review of the amendment by a third party, the role played by the BRC for amendments proposed by others. This amendment is a clear example of why the BRC cannot be proposer, reviewer, and recommender.

## **B-2006 Bylaws Revisions (Bylaws Revision) - BRC**

**Summary:** This amendment would eliminate Article XII, Section 5 - Revision Process, that states: “Whenever a revision is ordered, at the conference at which the revision will be considered, no amendment to the current document will be considered.” The BRC both supports this amendment and authored it. Reluctantly, I agree with the recommendation and their proposed amendment. I will vote to **ADOPT** this amendment.

**Pro:** Since all amendments are now adopted, or rejected, by mail or electronic ballot vote, it is no longer possible to order a general revision of the bylaws. Therefore, Article XII, Section 5 is no longer applicable.

**Con:** “Changes in the bylaws that are so extensive and general that they are scattered throughout the bylaws should be effected through the substitution of an entirely new set of bylaws, called a *revision*.” (*Robert’s Rules of Order Newly Revised*) Isn’t that what the membership adopted last year, new reformatted bylaws with changes scattered throughout? Apparently, in drafting their “revision”, the BRC neglected to correct or eliminate this Section. In fact, the NEB01 proposed bylaw amendment (as printed in the June 2018 *narfe* magazine), adopted by the membership in June 2018, deleted the words, “at the convention at which the revision will be considered” from this Section. Apparently, the BRC added back those words, substituting “conference” for “convention”, in their 2019 revision. Now they want us to delete the entire Section?

### **B-2007 Voting - Resolutions (Voting) - BRC**

**Summary:** This amendment would eliminate all references to “resolutions” contained in NARFE’s Bylaws and Standing Rules. This amendment was developed, reviewed, and recommended by the BRC, without any consultation with the NEB, despite proposing a significant change in NARFE’s governance. I adamantly disagree with their amendment and recommendation. I will vote to **REJECT** this amendment.

**Pro:** Elimination of resolutions would streamline NARFE governance.

**Con:** Resolutions have always been a part of NARFE’s governance, allowing the membership to set the policies and procedures within which the NEB operates between annual membership meetings. By limiting membership involvement in NARFE governance to adoption of bylaw and standing rule amendments, how will NARFE members propose/approve changes to National Officer and RVP salaries? Offer improvements to NARFE’s Legislative Agenda? Propose policy changes? Approve changes to national dues? Is the membership ready to be silenced and delegate total control of NARFE to the NEB? I believe that is the view of the BRC. While the adoption of one member - one vote eliminated the need for national conventions (of delegates), it was never intended to eliminate the use of resolutions, both on the ballot and at the annual business meeting. In fact, there are two resolutions, R-2001 and R-2002, included on this year’s ballot, both recommended for rejection by the BRC.

## **B-2008 Proposal of Bylaws Amendments (Equity in Proposing Amendments) - Utah Federation**

**Summary:** This amendment would permit a group of voting members equal to the least populous chapter in NARFE to submit bylaw amendments. Despite sharing the authors' concerns that the current requirement of 20 members "discriminates against national-only members", the BRC opposes this amendment, claiming it to be "not practical" because "the smallest size is unobtainable." Beware of such generalizations! While the number of chapter members, including the "least populous chapter in NARFE", could well change daily, it is determinable. Just as the NEB is empowered, by law, to determine the "record date" for elections and balloting (the "cut-off" date for determining voting eligibility), the NEB could specify the date(s) for determining the "least populous chapter in NARFE" and the number of voting members required for submitting bylaw amendments. This could be done well in advance of the "call" for proposed amendments. I disagree with the BRC rationale and with their recommendation. I will vote to **ADOPT** this amendment.

**Pro:** Fewer than twenty members, as is currently required under Article XII, may submit bylaw amendments, but only if chapter members. This amendment would eliminate the current discrimination against national-only members in submitting bylaw amendments and potential "unequal treatment" lawsuits. Representing a region with 59% national-only members and with the smallest chapter of 20 (with five other chapters with twenty-something), this BRC-recognized discrimination cannot continue in a vibrant organization.

**Con:** In order to prevent the possible abuse of the bylaws amendment process by a single member, the NEB authored and the membership approved in 2018 a bylaws amendment that required at least 20 individual members to submit a bylaws amendment. This 2018 amendment did not anticipate or recognize the explosive growth in the number of national-only members once mandatory chapter membership was eliminated in 2016. The BRC recommends further study, continuing the discriminatory practice.

**Sidebar (BRC's Role and Options):** NARFE's bylaws define the role of the BRC in Article XII, Section 2, as "The bylaws committee shall review

and offer recommendations on all proposals, and may edit, combine, substitute, or reject proposals, informing the proposers promptly of the committee determination.“ (“proposals” currently being bylaws and standing rules amendments and general resolutions). In fulfilling the committee’s role, the BRC’s intent should be to facilitate, not obstruct, the membership’s efforts to improve or revise the organization’s governing documents or processes. Options available to the BRC include recommend adoption, take no position (i.e., where there is a “conflict-of-interest”, a split vote of the committee, or at the committee’s discretion), **edit** the proposal, confer with the proposer(s) to improve or correct the proposal, recommend rejection, or reject the proposal. In the case of B-2008, the BRC recommends “rejection”, without any attempt to revise or improve (“edit”) the proposal, consult with the proposers, or “cure” the only “defect” that they can cite, “not practical since the membership in a chapter changes on any given day”. In essence, the BRC is willing to let an acknowledged discriminatory practice continue rather than utilize their power to “edit” the amendment, as necessary, to correct the practice.

### **B-2009 Federation Mergers - NEB**

**Summary:** This amendment would permit two or more Federations to merge into a single Federation. After a study of current Federations, this amendment was proposed by the NEB and supported by the BRC. I support this amendment and will vote to **ADOPT** this amendment.

**Pro:** As membership continues to decline, this issue will become increasingly important, especially for states with smaller populations. It will allow Federations to continue to survive and to provide training and other services to members in the combined states. It will also support continued advocacy for state and national issues impacting NARFE members.

**Con:** As more members join as national-only members and as current chapter members convert to national-only status, the need for Federation services will likely increase, particularly in the areas of advocacy and membership recruitment and retention. Merged or combined Federations may not provide the appropriate level of services to NARFE members in each state. This amendment may not be necessary as current bylaw provisions may already allow for mergers. The current definition of a “Federation” may allow for multi-state Federations.



## **B-2010 Officer Term Limits (Secretary/Treasurer Term Limits) - NEB**

**Summary:** Limits the National Secretary/Treasurer to three consecutive terms, the same term limits as are now in place for Regional Vice Presidents (RVPs). Acknowledging that the National Secretary/Treasurer is the only NEB member not subject to term limits, this amendment was proposed by the NEB and supported by the BRC. I support this amendment and will vote to **ADOPT** this amendment.

**Pro:** Under our present bylaws, the National Secretary/Treasurer may serve unlimited terms. This amendment would limit the National Secretary/Treasurer to three consecutive two-year terms. This change would align the number of office terms with the three consecutive two-year term limits of the RVPs. The National President would continue to be limited to not more than two consecutive two-year terms.

**Con:** The term limits of the National President and National Secretary/Treasurer are not aligned and may lead to compatibility issues of the incumbents in the future. It may be more appropriate to have the two national officers have the same term limits.

## **B-2011 Terms of Office (National Officer/RVP Office Terms) - BRC**

**Summary:** Changes the beginning of the term of office for the national officers and RVPs from November 1 to January 1 and extends current terms for two months. This amendment was developed, reviewed, and recommended by the BRC, proposing a significant change in NARFE's governance schedules. I disagree with their amendment, particularly their rationale, and recommendation. I will vote to **REJECT** this amendment. (Note: For any NEB member to vote to adopt this amendment, which would extend their current term of office and salary by two months, would be a conflict-of-interest, per the advice of our legal counsel.)

**Pro:** This amendment would align the NEB terms of office with the calendar and fiscal year, January 1-December 31. This change would also align the NEB terms of office with some Chapters (but not Federations).

**Con:** Many of the “pros” identified in the BRC’s rationale for the amendment could be accomplished without changing the NEB terms of office. The difference in assuming office is only two months and is not worth the disruption and extra effort that the change would entail. The NEB has not endorsed this change. It would seem likely that if the NEB felt that changing their terms of office would be beneficial, they would have expressed that desire to the BRC, making the amendment effective with terms beginning in 2022 or 2024, to avoid the conflict-of-interest with the term and salary extensions. Basically, we have a five-member appointed committee proposing changes to your current NARFE governance schedule; NOT your 12-member elected Board of Directors (NEB). I take exception to the major points (pros) in the BRC’s rationale, as follows:

- “The November NEB meeting is when the new budget for the following calendar year has to be reviewed and approved.” This has not been the case for this current NEB. The 2019 operating budget was approved by the new NEB in January, 2019, not the previous November. Yes, the 2020 budget was approved in November, 2019, but not until a package of reductions was approved to apply to the budget year for the current NEB. It is illogical to ask an outgoing, “lame duck” NEB to approve the budget for the following year that would apply to the new NEB, without their input.
- “most new members will have little or no experience with the operating accounts, putting them at a disadvantage in judging the soundness of the proposed budget.” It is true that the new NEB must become familiar with new budget accounts, but for an organization of less than 50 employees, that task is manageable. Also, the NEB turnover is typically less than 50% biennially, often much less. Experienced NEB members are available to assist new NEB members with the budget process and accounts.
- “the board should be assessing the national staff’s performance in meeting the current year budget objectives, which the new members did not participate in developing.” The NEB is not involved with assessing the national staff’s performance, only that of the Executive Director (ED). Her contract anniversary date is May 15, which is the date at which a performance appraisal would be due. This gives the new NEB 6 ½ months of experience with the ED for evaluation purposes. Changing the NEB “terms of office” would limit this evaluation period to 4 ½ months; not in the best interests of the organization or the ED.
- “The association would be better served by having experienced NEB members set the operating goals for the next year.” I disagree. It would be better for the group that will be evaluating performance (new NEB) to be

the group setting the goals, if possible. It would be unfair to the incoming NEB to be saddled with the outgoing, “lame duck” NEB’s ideas for the next year’s operating goals. Also, see above comments about NEB “turnover”.

- “This would also allow for the national conference to be held later in the year rather than during peak summer rate season”. Hotel contracts for national conferences must be solicited and negotiated years in advance of the conference years. Contracts are already in place for the 2022 and 2024 national conferences and the 2021 Federation Presidents’ meeting (all in mid-August). The next national conference to be sited will be held in 2026. Also, for locations typically chosen for NARFE national conferences, the summer (normally August) is actually the “off-peak” season (i.e., August in Arizona!). Delaying the national conference to later in the year, most likely into the “peak” season for favored NARFE locations, would significantly increase lodging rates for attendees.

- “provide the opportunity to discuss proposed bylaw amendments at the national conference. Elections could be held in October or November, thereby reducing the transition time for the newly elected officers.” The cancelled 2020 National Conference was scheduled for late August, the same month-end that balloting will end, allowing a discussion of proposed bylaws at the national conference without changing NEB terms of office. In fact, voting could have been conducted during the 2020 National Conference. The proposed conduct of elections in October with terms beginning January 1 is no different than conducting the current election in August with terms beginning November 1. Thus, there will be no reduction in transition time with the proposed change in NEB terms of office. On the other hand, it may be much easier and simpler to move voting to September, with all of the presumed gains of this amendment, without the disruption of changing NEB terms of office and the timing of conferences..

**Sidebar (NEB Conflict-of-Interest):** This amendment was initially presented by the BRC to the NEB at the November 2019 NEB meeting, for their sponsorship. With the amendment proposing an extension of the terms and salary of current NEB members, a conflict-of-interest issue was raised. After confirmation of the conflict-of-interest for all current NEB members by NARFE’s legal counsel, the amendment was returned to the BRC, without comment, for further disposition. It is a conflict-of-interest for the NEB to discuss or vote on any proposal that would benefit them (extension of term and salary), but not the general membership.

## **B-2014 Voting on Bylaws and Standing Rules (Simplify Voting Process) - Arizona Federation**

**Summary:** Voting on bylaws and standing rules amendments would take place at the biennial national conferences or “off-year” membership meetings, or by referendum ballot vote. Elections of national officers and RVPs would continue to take place by ballot vote prior to and/or during the national conference. The BRC opposes this amendment, based on assumptions about implementation of the amendment that I believe are erroneous (see below). I disagree with the BRC rationale and with their recommendation. I will vote to **ADOPT** this amendment.

**Pro:** This amendment would allow debate and revision of proposed amendments at the national conference, an opportunity that does not exist now. The election of officers and voting on bylaw and standing rule amendments need not occur at the same time, at the same place, or in the same manner. The different “cut off” dates for amendments and candidate statements this cycle is a clear indication. This amendment would separate these two activities in order to allow debate and revision of proposed amendments at the national conference prior to a vote. Sufficient opportunity is available for candidates for office to “campaign”, through snail mail, email, magazine candidate statements, attendance at state and regional conferences, etc. Broad discussion among members about the candidates is encouraged prior to the ballot vote available to all voting members. On the other hand, there is no opportunity for debate or revision of proposed amendments prior to voting; only the views of the Bylaws and Resolutions Committee (BRC) are available to the voters. In two ballot votes, voters have overwhelmingly followed the BRC recommendations. Not surprising, considering that no opposing views were available. This amendment makes no changes to the process for the election of officers, only for the adoption of amendments. This amendment would allow review, debate, and revision of amendments, along with actual voting, during the business meeting at the national conference, for those relatively few NARFE members that have an interest in NARFE governance. It may also serve to help increase attendance at the national conference.

**Con:** This amendment would authorize two separate votes, one by ballot vote for national officers and RVPs and another vote at the membership meeting for bylaw and standing rule amendments. The second vote at the

national conference would likely be by paper ballot or on-line. However, this second vote could cause the Association to incur additional costs for the use of electronic voting machines. While this change could prohibit some members unwilling to attend the business meeting from voting on amendments, ALL NARFE members are eligible and encouraged to attend NARFE's annual meetings.

This amendment is an attempt to provide the membership with an opportunity to discuss and debate amendments at the biennial national conference or off-year annual meeting, one of the most prominent and frequently expressed deficiencies of the current one member-one vote voting process. The current process is heavily weighted in favor of the BRC, totally silencing opponents of BRC recommendations prior to and during the voting process. This is proven by the overwhelming ballot results conforming to the BRC recommendations. This proposal is an attempt to balance the interests of opposing parties with respect to bylaw and standing rule amendments. This proposal makes no changes whatsoever to the current process for national officer and RVP elections. Same nomination deadlines, same magazine articles, same broadcast emails, same ballot deadlines, etc. Candidates must still be nominated and may have campaign articles published in the monthly magazine, continue to send out broadcast emails to their potential constituents, campaign at NARFE Federation and Chapter meetings, and appear on the mail ballot. Voters will still be able to question candidates at NARFE meetings and via email. The only change proposed for amendments is that instead of voting by mail or online, voting will occur at the national conference or off-year membership meeting, providing an opportunity to discuss and debate the merits of amendments. Every NARFE member will be provided advance notice of the meeting and will have the opportunity to attend the meeting, listen to the debate, and vote on proposals. While it is possible that only the NARFE members interested in governance and structure will vote on amendments, everyone will have been provided the opportunity. Maybe voting at membership meetings will help increase attendance. Under the oversight of a Ballot and Teller Committee, already authorized in the Standing Rules (Rule 6 Committees), voting may be accomplished by machine or paper ballot. The BRC's opposition to this amendment is based on erroneous assumptions and a misinterpretation of our current bylaws. Any interpretation of our bylaws is to be done by the membership or the elected officers (NEB), not an appointed standing committee (unless so authorized in the bylaws).

The BRC's recommendation is partly based on their interpretation of Article V - Meetings, Section 1, B - Annual Membership Meetings, which states in part, "Decisions reached at the national conference shall be subject to a follow-up vote by the membership for ratification." That sentence refers to the previous phrase, "and transacting such other business as shall properly come before it." In drafting Amendment 16-24, "One Member, One Vote" in 2016, the NEB envisioned that the biennial national conference business meeting would continue to have "general resolutions" or "motions" proposed and potentially adopted ("such other business") as was done under the old delegate convention system. Since those general resolutions would not have been known or published in advance (as is required for amendments), the "Decisions reached ... " sentence requiring a follow-up vote was necessary to ensure that the entire membership had a voice in adopting these general resolutions or motions. That sentence was not meant to apply to amendments, as those were published and distributed to all members prior to the meeting. Also, if the "Decisions reached ... " sentence was intended to apply to amendments, it would have been included in Article XII - Amendments. Voting at the national conference on amendments would be final, which would also negate the BRC's presumed additional cost of a third ballot due to this amendment. If the national conference attendees did adopt any general resolutions or motions requiring "a follow-up vote by the membership for ratification", that vote has nothing to do with the changes proposed by this amendment and is not a valid reason to withhold support for this amendment.

The BRC's recommendation is partly based on the assumption that they would be required to attend the national conference, causing extra expenses. First, most, if not all of the committee members, routinely attend the national conference, being recognized leaders of NARFE. Second, the BRC's authority and responsibilities with respect to amendments are complete when their report is published in the magazine. There is no authority or precedent for further BRC involvement once amendments are presented to the membership. Their presumed role "to present and review proposed changes to the bylaws and standing rules during the business meeting, to develop summaries and rationale for changes to the original amendments, and draft final amendments to be voted on" (quoted from the BRC's recommendation rationale) at the national conference business meeting is not authorized in our current bylaws.

Finally, the BRC's recommendation is partly based on an erroneous assumption about the timing of the publication of amendments, and its potential effects on appearing in the monthly magazine and the beginning of elected officers' term of office. This amendment makes no mention of changing the current process or timing of the publication of candidate statements, the BRC report, proposed amendments, or the ballot. Article XII - Amendments, Section 3 - Notice states, 'Notice of proposed amendments shall be published in the *narfe* magazine and/or posted on the NARFE website at least 30 days before the ballot deadline.' Notice of proposed amendments would still be published in the same month as either the BRC report or the election of officers ballot, thus having NO EFFECT on publication lead times or terms of office. The next national conference is scheduled for mid-August 2022 in Scottsdale, AZ. The voting schedule in use now would likely still be in effect then. Any further adjustments needed could be made by the next NEB before the 2024 national conference in St. Louis, MO.

### **B-2015 Executive Director Duties - NEB**

**Summary:** Amends Article VI, Section 4, C to streamline and simplify the enumerated duties of the Executive Director. The BRC supports this amendment endorsed by the NEB. I agree with their recommendation. I will vote to **ADOPT** this amendment.

**Pro:** The bylaws contain unnecessary and confusing details regarding the duties of the Executive Director. The duties are specified in the Executive Director's contract with the Association and should be documented in the NARFE Policy Manual. The simplified language should help to eliminate the confusion caused by such current phrases as "hire, promote and terminate Association employees" (Why can't the National President and National Secretary/Treasurer hire their own choices for executive assistants?), "Be responsible for the receipt and deposit of all monies of the Association" and "maintain all the books, seals, papers and records of the Association" (conflicts with the duties and responsibilities of the National Secretary/Treasurer), and "review, approve and sign all contracts" (conflicts with the duties of the Compliance Officer for legal advice, Audit Committee for the annual audit, National President for legal and parliamentary services and the ED contract, etc.).

**Con:** This amendment may be interpreted by some NARFE members as lessening the responsibilities and authority of the Executive Director. The wording, “staffing and operating the association headquarters” may not resolve some of the staffing and contracting issues cited above. Also, the wording, “performing such other duties usual and customary for the position” is subject to a variety of competing interpretations.

### **B-2017 Bylaws and Standing Rules Debate (Voting Member Privileges) - California Federation Executive Board**

**Summary:** The proposed amendment would require that during the national conference business session members attending would have the opportunity to discuss, debate, and revise proposals or introduce new proposals to amend bylaws or standing rules prior to national voting. While the BRC agrees that this proposal has merit, it does not support the proposal but rather suggests that the intent be implemented administratively by the NEB. I disagree with the BRC rationale and their recommendation. While implementation of this amendment may require considerable adjustments to NARFE’s balloting schedule and process and may well conflict with other provisions of our current bylaws, I will vote to **ADOPT** this amendment.

**Pro:** Article V Meetings, Section 1, B would be amended to require ballot voting on national officers, RVPs, and bylaws and standing rules amendments to occur after the national conference. A synopsis of the discussion/debate of any proposal would be posted on the NARFE web site. The change would permit discussion/debate of officers, RVPs, and amendments during the national conference.

**Con:** This proposal would restore the past practice of discussing, debating, and revising proposals and introducing new proposals to amend our bylaws and standing rules during the national conference, prior to all members voting. This restoration may be accomplished through NEB actions without changing the bylaws and standing rules. However, Article XII - Amendments, Section 3 - Notice requires that “Notice of proposed amendments shall be published in the *narfe* magazine and/or posted on the NARFE website at least 30 days before the ballot deadline.” And our current bylaws specify that officers’ and RVP terms shall begin November 1 following election. Current scheduling of national conferences during



August (at least the next two) makes this proposal impracticable. With the current lead time for publishing the magazine of 60 days, it would not be possible to complete the balloting process by the required November 1 start of terms. However, additional costs to implement this amendment should be minimal (see “con” discussion above for B-2014 Voting on Bylaws and Standing Rules regarding the BRC’s authority and responsibilities with respect to amendments when their report is published in the magazine). Since most of the intent of this amendment would be accomplished with the adoption of B-2014, that amendment may be the preferable option to more easily accomplish the intent of this amendment.

### **B-2018 Spousal Memberships (Add Spousal Members) - Chapter 0706 (California)**

**Summary:** A new category of membership would be added to Article III - Members, Section 2 - Membership Classes and Categories, entitled “Spousal Members”. Spousal membership would be included in the membership of a voting NARFE member. Spousal members could not hold elected or appointed office and would be non-voting members. The BRC opposes this amendment. I agree with their recommendation. I will vote to **REJECT** this amendment.

**Pro:** Spouses of voting members would be added to the membership rolls at no additional cost to the voting members. Spousal members would increase membership numbers. NARFE would treat spouses similarly to some other organizations that automatically include spouses as a member of the organization.

**Con:** This amendment conflicts with Article III - Members, Section 1 - Eligibility for Membership, which states, “Upon receiving applications and dues from eligible persons, the association shall admit them as members.” Eligible persons include current or former spouses of any person who is receiving or will be eligible to receive a federal annuity or federal survivor benefits. The proposal could result in a significant loss of dues-paying members if current spouse members who now pay dues switch to the non-dues-paying spousal membership category, causing a significant revenue loss to the Association. Offering free membership to “spouses” could drag NARFE into controversies over the definition of “spouse”. Once it becomes known that NARFE offers free membership to spouses, some stakeholders

and adversaries may erroneously believe our “actual” membership total is only half of what we advertise. The current cost per member for NARFE is estimated at nearly \$41 annually (cost of data processing, magazine, other mailings, etc.). Why would we add non-dues-paying members to our operating expenses? Finally, the amendment erroneously refers to a non-existent Article III, Section 1, B. No need for more bylaw inconsistencies.

### **B-2020 Membership Dues (Dues Increases) - Membership Committee and NEB**

**Summary:** Dues would increase from \$40 to \$48 for annual membership, from \$72 to \$92 for two years, and from \$102 to \$126 for three years. Dues withholding membership dues would increase from \$34 to \$42 annually. This dues increase would be effective January 1. The BRC supports this amendment sponsored by both the Membership Committee and the NEB. I agree with their recommendation. I will vote to **ADOPT** this amendment.

**Pro:** NARFE’s last dues increase (from \$29 to \$40 annually), approved in 2010, was projected to sustain NARFE financially through 2016. This requested dues increase amounts to 67 cents per month for the annual member. As stated above, NARFE’s average cost per member is nearly \$41 annually. For new members paying the \$40 new member fee, \$4 (10%) is returned to the appropriate Federation and \$13.33 is returned to the Chapter (for those also joining a Chapter at the same time), leaving just \$22.67 for the national office. For renewing members at the average rate of \$37 annually, NARFE incurs roughly a \$4 annual loss. This loss rate is unsustainable. Due to the continuing decline of membership dues revenue resulting from the increasing loss of membership, decreased revenue from fund-raising programs, and increased postal fees, utilities, and support costs, NARFE’s financial situation continues to deteriorate. Without the application of investment income in 2019, NARFE’s operating loss would have exceeded \$1 million. No such level of investment income can be expected for 2020, primarily due to the consequences of the coronavirus. Membership dues remain NARFE’s primary revenue source. This dues increase is one of several cost-cutting and revenue-raising measures reluctantly approved by the NEB in late 2019 to salvage NARFE’s financial viability (also halving RVP salaries and eliminating NEB COLAs, reducing RVP travel and office expenses, out-sourcing the magazine, combining

magazine issues [June/July], limiting merit raises, reducing the percentage rebate to Federations [next item, B-2021], and cutting 1% from NARFE's bottom line).

**Con:** Membership dues will increase by \$8.00 annually or twenty percent. Some members may not be able to support an increase in dues and will drop their membership, further decreasing NARFE revenue. The last dues increase resulted in a substantial membership loss over the two years following the dues increase, partially offsetting the increased revenue.

### **B-2021 Federation Payments - Membership Committee and NEB**

**Summary:** Reduces the ten percent of the national dues of members and new membership fees returned to each federation to five percent, while providing funding for every federation to be represented at national meetings (biennial national conference, biennial legislative training conference, and annual federation presidents' meeting). This amendment is another of the several cost-cutting and revenue-raising measures reluctantly approved by the NEB in late 2019 to salvage NARFE's financial viability (see above "pro" statement for B-2020 Membership Dues), keeping in mind that without a national organization, there can be no federations or chapters. Despite this amendment being proposed by the Membership Committee and being endorsed by the NEB, the BRC opposes this amendment, based simply on the fact that federations will have less money to spend on their services and activities. That is, in fact, the purpose of the amendment, as a part of the cost-cutting and revenue-raising measures to save NARFE. The BRC offers no parliamentary, procedural, or economic reasons for their opposition, only a policy disagreement. But "policy" is in the purview of the NEB (and their designated committees, such as the Membership Committee), NOT the BRC. Here, I believe the BRC is attempting to override the policy-making NEB. In the case of this amendment, I believe that the BRC's opposition is "out of bounds". I disagree with the BRC rationale and with their recommendation. I will vote to **ADOPT** this amendment.

**Pro:** While federation ten percent (of national dues) rebates will be reduced to five percent, NARFE will pay expenses for federation presidents (or designee) to attend the FedCon (biennial national conference), LegCon (biennial national legislative training conference), and federation/NEB joint

meetings (annual federation presidents' meeting). Financial savings for NARFE are projected by reducing the payments to federations while at the same time paying for every federation's participation in NARFE conferences and annual business meetings. This amendment is one of several cost-cutting and revenue-raising measures approved by the NEB to attempt to return NARFE's financial solvency. One of the recommendations (#19) of the 2013-14's Future of NARFE Committee report was to "curtail Federation funds." This recommendation was adopted after hearing of enormous "savings" balances (CDs and savings accounts) of many federations (over \$300,000 among the five states in one region). With the continuing decline in the number of chapters, expenses of federations should also be in decline. The coronavirus has recently forced many federations to adopt "electronic" means of meeting. Continuing this practice should also help federations operate with reduced funding. Several of NARFE's advisors, including our new auditors, have indicated that a good "rule of thumb" (where did that phrase come from?) for not-for-profit organizations is to have no more than one year's expenses in "savings" to avoid scrutiny by the IRS. We're not "investors". Many federations have more than two years worth of expenses in "savings". The national office ended 2019 with roughly six months worth of expenses in "savings", between the operating fund investments and the NEB-required \$2 million contingency fund investments. In the current coronavirus-caused bear market, that level of "savings" has dropped. It bears repeating: There will be no federations or chapters without the national organization.

**Con:** Support and services provided to chapters and to both chapter and national-only members will be reduced by the reduction of the ten percent rebate to federations. Membership recruitment and retention activities supported by federations would be severely impacted, at least in the larger federations, since most smaller federations don't have the luxury of funding such activities. In fact, one could wonder about federation funding of recruitment incentives/rebates; why should the cost of NARFE membership vary, depending on the state of residence of the member being recruited/retained (after consideration of the federation incentives)? New and renewing member dues should be the same association-wide (before the addition of chapter dues). Training provided to chapter officers may be reduced, although services for chapters probably should be paid from per capita dues, not by national-only members. Finally, federation conferences may need to be curtailed or attendance fees increased.

## **S-2002 Committee Composition (Ensure Committee Diversity) - Utah Federation**

**Summary:** NARFE committees not restricted to NEB members shall include at least one national-only member and one chapter member, to ensure that national-only members are represented on all committees. The BRC opposes this amendment, claiming it is “unnecessary” because diversity is assured by other standing rule provisions. I disagree with the BRC rationale and with their recommendation. I will vote to **ADOPT** this amendment.

**Pro:** This proposed addition to the standing rules would ensure that both categories of NARFE membership, chapter members and national-only members, would be represented on all NARFE committees. NARFE membership is approaching, if it hasn't already surpassed, 50% national-only members. While the BRC (all chapter members?) believes that this addition is “unnecessary”, national-only members are rarely represented on NARFE committees. Thus, the current guidelines are not working for national-only members. Surely, at least one national-only member can be found for each NARFE committee. This amendment does not mandate or seek “equal representation” on all committees, just some (at least one) national-only representation. It is simply a matter of fairness.

**Con:** Standing Rule VI - Committees, Section 1, B provides that “to the extent practicable, the NEB shall ensure that all segments of NARFE are represented on a committee.” Requiring the membership of both a national-only and a chapter member on every NARFE committee may unduly restrict the President's ability to appoint the best qualified members to NARFE committees, irregardless of the above Standing Rule mandate.

## **S-2003 Audit Publication Deadline (NARFE Audit Publication Deadline) - NEB**

**Summary:** Eliminates the June deadline for publication of NARFE's annual financial report (audit) in the association's official publication (magazine), while maintaining the requirement for annual publication. The BRC supports this amendment sponsored by the NEB. I agree with their recommendation. I will vote to **ADOPT** this amendment.

**Pro:** Standing Rule II - Officers and Their Duties, Section 1, B, 6 provides that “The secretary/treasurer shall ... ensure that a financial report for the prior calendar year ... is published not later than the June issue of the association’s official publication.” After my experience last year, as the Audit Committee Chair, of re-competing the annual audit and tax preparation contract for NARFE, I drafted this amendment which was endorsed by the NEB. Due to publication deadlines, articles and other materials for inclusion in the *narfe* magazine are generally needed two to three months in advance of the magazine publication date. The required June publication date was a stumbling block for some of the audit firms competing for the NARFE contract, eliminating at least one from bidding. More time is needed by NARFE staff and the auditors to ensure a quality audit. This amendment will provide one to two more months to complete the audit, while ensuring its annual publication.

**Con:** Audit results, including a balance sheet, list of investments, the auditor’s opinion and recommendations, and national officer and RVP salaries, may not be available to the membership in as timely a manner as in the past.

### **S-2005 Chapter Payments - Membership Committee and NEB**

**Summary:** Reduces the dues rebate to chapters for new members who join a chapter at the same time they join NARFE from one-third (1/3) to one-sixth (1/6) of new member dues, to be more in line with average chapter dues. If the proposed dues increase in amendment B-2020 is adopted, the dues rebate to chapters for new members will be \$8.00. This amendment would be effective January 1, the same as the proposed dues increase. The BRC supports this amendment sponsored by both the Membership Committee and the NEB. I agree with their recommendation. I will vote to **ADOPT** this amendment.

**Pro:** This amendment would reduce the new member dues rebate to chapters from \$13.33 to \$6.67 under the current dues structure and from \$16.00 to \$8.00 under the proposed dues increase in amendment B-2020. These new amounts are more in line with current average chapter dues and would avoid the current “windfall” for chapters using the current 1/3 formula. This amendment is another of the several cost-cutting and revenue-raising measures reluctantly approved by the NEB in late 2019 to

salvage NARFE's financial viability (see above "pro" statement for B-2020 Membership Dues), resulting in savings for the Association.

**Con:** This amendment would cut new member dues rebates to chapters in half. Those chapters with annual dues greater than the new member dues rebate would lose some dues revenue from new members who join a chapter at the same time they join NARFE, while chapters with annual dues less than the new member dues rebate would continue to receive a first year dues "windfall".

### **R-2001 Windfall Elimination Clause (Eliminate WEP) - Thomas Riley**

**Summary:** This "general resolution" requests that WEP withholdings be restored. Since this action is already a part of NARFE's advocacy program, the BRC opposes this resolution. I agree with their recommendation. I will vote to **REJECT** this amendment. However, it is important to note that this "general resolution" is currently the only way that members can have direct input into NARFE's advocacy program. If amendment B-2007 (Voting - Resolutions) is adopted by the membership, this access to the advocacy program by the membership will be eliminated.

**Pro:** This general resolution would call on Congress to eliminate the WEP (Windfall Elimination Provision), which reduces the Social Security benefits of many receiving public sector pensions, including Federal annuitants.

**Con:** The NARFE Advocacy Committee determined that this proposal is duplicative of NARFE's current Advocacy Program (and many previous legislative programs) which already includes a provision that states, "NARFE supports the repeal or reform of the Social Security Government Pension Offset (GPO) and the Windfall Elimination Provision (WEP)." This resolution simply resolves to support the repeal of WEP, a position that NARFE has long supported.

### **R-2002 Increase Social Security - Western Montgomery County, MD**

**Summary:** This general resolution requires NARFE to support legislation regarding Social Security that improves the solvency of the trust fund and increases benefits for all beneficiaries by increasing the income levels where most Social Security benefits are taxed from \$32,000 to \$100,000.

After consulting with the NARFE Advocacy Committee, the BRC opposes this resolution. I agree with their recommendation. I will vote to **REJECT** this amendment.

**Pro:** Greatly increasing the number of taxpayers required to pay income tax on their Social Security benefits may allow increasing Social Security benefits for some and help maintain the long-term solvency of the program.

**Con:** The NARFE Advocacy Committee determined that the proposal would direct NARFE to support specific legislation without regard to other provisions of the Advocacy Program. This proposal promises a variety of benefits from a single action (greatly increasing the number of taxpayers required to pay income tax on their Social Security benefits), yet offers no facts or analysis to support these benefits. Recently, *The Washington Post's* Michele Singletary reported in her "Personal Finance" column:

*By next year, Social Security's cost is estimated to exceed total income, according to the latest trustee report for the Social Security and Medicare trust funds. "The projected cost of Social Security increases faster than projected income through 2040 primarily because the ratio of workers paying taxes to beneficiaries receiving benefits will decline as the baby-boom generation ages and is replaced at working ages with subsequent lower birthrate generations," the trustee report said. "While the effects of the aging baby boom and subsequent lower birth rates will have largely stabilized after 2040, annual cost will continue to grow faster than income." The reserves of the Old-Age and Survivors Insurance Trust Fund (OASI), which pays retirement and survivor benefits, will be unable to pay full benefits in 2034, the trustee report projected. Absent legislative action to fix the shortfall, OASI will have only enough tax income to pay out 76 percent of scheduled payments, according to the trustee report. There was one major caveat in this year's report, the trustees pointed out. "The projections in this year's report do not reflect the potential effects of the covid-19 pandemic on the Social Security program," said Andrew Saul, commissioner of Social Security. "The duration and severity of the pandemic will affect the estimates presented in this year's report and the financial status of the program, particularly in the short term."*

With the trust funds in such dire straits, maybe NARFE's priorities should be on actions that might maintain the current level of Social Security



benefits, rather than proposing taxes on others (potentially including current Federal retirees) in the hopes of increasing benefits.

### **BRC-01 Membership Categories (Member Categories) - Bylaws and Resolutions Committee (Combined) Amendment**

**Summary:** This BRC amendment is a combination of three amendments submitted to eliminate the Supporting Members category of membership, remove the two classes of membership (voting and non-voting), and reorder membership categories. The elimination of the Supporting Members category of membership, and the resulting removal of the two classes of membership, were NEB initiatives. The BRC both supports this amendment and authored it. I agree with their recommendation and their proposed amendment. I will vote to **ADOPT** this amendment.

**Pro:** Recognizes that all members are national-only members first and may or may not be chapter members. With the elimination of Supporting Members, there are no longer voting and non-voting classes. Eliminating the Supporting Members category is in accordance with NARFE's legal counsel's opinion that admitting Supporting Members (with no direct connection to Federal employment or retirement) could jeopardize the 501(c)5 tax-exempt status of the Association.

**Con:** Some members may view the reordering of membership categories as reducing the importance of chapters. That is not the intent of this BRC-authored amendment. With the elimination of Supporting Members, there could be a small membership and revenue loss to the Association. Some federations and chapters could also be negatively impacted.

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June 1, 2020