



Membership of the Fundraising Institute of New Zealand: Membership Restructure recommendations 2021

Recommendation: that the Members of the Fundraising Institute adopt the proposed changes in membership categories and subscription bands with all changes to apply as from 1 January 2022

Background

There has been a sense for some time that the current membership structure and delineations have not been right. The Board commissioned a working group to review the structure and to make recommendations to the Board; to then be considered and adopted by the FINZ membership.

The review was undertaken over an 18-month period with thorough consideration of the current structure and available fundraising data. The goal was to understand best outcomes for the Institute and its Members and cater to the FINZ Strategic Goals of sustainability, advocacy, equality, diversity, and inclusion (EDI).

The proposal outlines the recommendations arrived at by the working group, FINZ National Support Office and the FINZ Board, that allows for the organisation to offer what is considered to be a fair and robust membership structure going forward.

Executive summary

The review considered each of the current FINZ membership categories relative to the brief supplied. These were examined through the lens of comparing them with subscription frameworks of kindred organisations and then applying research and analysis to a range of potential models. The proposal for adoption is that:

- A change of the subscription model is warranted to base subscriptions on Charities database Performance Report fundraising revenue rather than total organisational revenue as is the basis currently. This change better reflects the nature of the Institute's focus
- The categories of membership be amended as follows:
 - **Individual** Member and **Fellow** Member categories be retained
 - **Organisational** Member category be retained but with more graduated subscription ranges

- o **Federated** Member category be phased out in favour of a **Brand collective** category to clarify terminology and provide some operating flexibility
- o **Corporate** Member category to be renamed **Supplier** Member to better reflect the make-up of that group, with a change in subscription formulae
- The recommendations be a single package rather than individual components as the components are inter-linked with risk to the overall model if any components are singled out for change
- That changes proposed and adopted at a special general meeting of all Members be implemented as from 1 January 2022, with the Constitution to be altered to align with these changes when that document is next reviewed (with the decisions from the Special General Meeting to be read and applied as though the Constitution already reflected these changes).

1. Individual Membership

- 1.1. FINZ recommends that an Individual Membership subscription **increase from \$238 (current rate) to \$265 (GST exclusive)**. This is consistent with similar organisations and proposed within the context of very small subscription rate increases in recent years.

2. Organisational Membership

- 2.1. At present, Organisational Members are categorised into tiers based on **total organisational annual revenue**, as reported in the Charities Services' database at time of onboarding. FINZ proposes that this is amended to categorise Organisational Members by their **latest reported annual fundraising revenue**. This would continue to be sourced from the Charities Services database at time of new membership onboarding and annually at renewal date.

- 2.2. At present, Organisational Members are categorised into **four tiers**, as below:

Tier 1	Total revenue of \$30 million and over	\$1,260
Tier 2	Total revenue between \$2 and \$30 million	\$945
Tier 3	Total revenue below \$2m	\$630
Tier 4	Total revenue under \$125,000	\$315

FINZ recommends that these groups be **renamed bands, the thresholds changed with additional band groupings**. Using reported fundraising revenue rather than total revenue will better represent the revenue that the Institute is most aligned to and better allow for equality, diversity, and inclusion (EDI). This change (quoted below as GST exclusive) would look like:

Band 1	Total FR revenue above \$30 million	\$1,775
Band 2	Total FR revenue above \$20m	\$1,675
Band 3	Total FR revenue above \$10m	\$1,575
Band 4	Total FR revenue above \$6m	\$1260

Band 5	Total FR revenue above \$2m	\$945
Band 6	Total FR revenue \$1m - \$2m	\$630
Band 7	Total revenue under \$1m	\$395
Band 8	Total fundraising revenue under \$125k	\$250
Micro	Total FR revenue under \$50k	\$50
Free	Free membership – 2020-2022 *	

* FINZ has created this membership band to support Charities as they navigate from a cheque-based operation to digital platforms and processes. Our successful funding application from Lotteries allowed FINZ to administer and accept requests for a free membership, predominantly to access the cheque use portal. These "requests" are at the discretion of the FINZ team.

3. Federated Membership

- 3.1. At present, this is a discretionary membership type designed to accommodate large member/umbrella organisations. The annual fee is \$3,780 (GST exclusive). FINZ proposes that this category of membership be **disestablished**. This would affect four member organisations at present.
- 3.2. FINZ will introduce a **new "Brand Collective"** level of membership for Umbrella organisations (such as Hospice NZ, Community Foundations, etc). At the discretion of the Executive Director, they will be offered a bespoke membership package, aligning all associated entities within the group to both member benefits and commitments to the Institute's codes of ethics and professional conduct. **Current Federated entities that choose not to migrate to the proposed Brand Collective will become Organisational Members** at an agreed time. This will depend on the percentage uptake within the proposed Brand Collective option.

4. Corporate Membership

- 4.1. At present, Corporate Membership is categorised into four bands, determined by annual income. Band determination has been at the Corporate Members discretion, and not easily managed by National Support Office. FINZ proposes that this category of membership be **rebranded as "Suppliers"** to clarify the relationship between the Institute and these entities.
- 4.2. It is proposed that the **current bands be disestablished** and membership fees for these members be set at a **single level of \$600 for New Zealand-based and \$995 for overseas-based (both GST exclusive)**.
- 4.3. **Non-Supplier members** (ie, Individuals, Organisations, Fellows) will be **entitled to list in the FINZ Supplier Directory** for an annual fee of \$245 (GST exclusive) in addition to current annual fee.
- 4.4. **Non-members will be excluded** from this directory.