Introduction: Rationale for Girl and Adult Membership Dues Proposals 1 and 2

Movement Strategy Background

Girl Scouting is on the cusp of a historic opportunity; it is a time when we will make choices about our future and what potential it holds. We must build on our strong history and look ahead to engaging and serving more girls, their families, and caring volunteers who, together, make the world a better place. This evolution includes significantly improving how we deliver programming (e.g., the Girl Scout Experience Box), making it easier to volunteer with simplified processes and tools, increasing our public visibility, and, most importantly, remaining relevant by directly addressing the needs of girls through engaging offerings.

Currently, only 1 in 25 girls in the U.S. is a Girl Scout, and membership has declined for both girls and adults. Girls today face significant challenges. The fast pace of life, social media's influence, and the lingering effects of the pandemic have disrupted their lives, weakened their communities, and strained their mental health.

The Girl Scout Movement continuously evolves by listening to Girl Scout voices during changing times and learning from research for additional insights. To more deeply understand how Girl Scouts can more substantially impact the lives of girls and women well into the 21st century, GSUSA commissioned new research in 2023. We learned that, while online learning is growing, girls still crave in-person activities where they can make friends, be themselves, and feel a sense of belonging. Parents and caregivers are looking for opportunities that build girls' self-confidence and independence, foster skill development, and offer mentorship from caring adults. Being part of Girl Scouts provides these benefits. Results from our Girl Scout Voices Count survey support this information. Girl Scouting gives girls a strong sense of self, positive values, and healthy relationships, and provides the opportunities that girls and their caregivers seek.

Ensuring that Girl Scouts can be here for girls both now and in the future requires financial resources. Delegates will discuss proposals to increase membership dues for girls and adults. These dues changes bring the cost of Girl Scout membership more in line with similar organizations and, compared to many activities, Girl Scouts remains less expensive. Girl Scouting offers year-round, girl-centered, fun, skill-building experiences. Our programs evolve with a girl as she grows, and each moment is a possibility to create a lifelong, positive impact. Few, if any, other youth activities offer this value.

To stand effectively for girls, we must commit to making sure no financial barriers prevent girls from joining and staying in Girl Scouts.

Delegate and Local Council Leader Feedback

As outlined in the Gathering Input section of this workbook, GSUSA engaged extensively with delegates and local council leaders to inform the development of both the Movement strategy and the needed investment in it. There was support for raising membership dues and for increasing national and local fundraising to pay for initiatives that will engage with all girls and families in ways that fit their lives.

Feedback highlighted the need to

- · be a more welcoming organization where girls from all backgrounds feel that they belong,
- ensure that sufficient financial assistance is available for girls and families.
- invest in publicly sharing the value of Girl Scouting and broadly communicating what Girl Scouts do,
- · simplify the volunteer experience and make it more rewarding,
- · make the older girl program more visible and engaging, and
- · improve technology to make it easier for girls, families, and volunteers to join and participate.

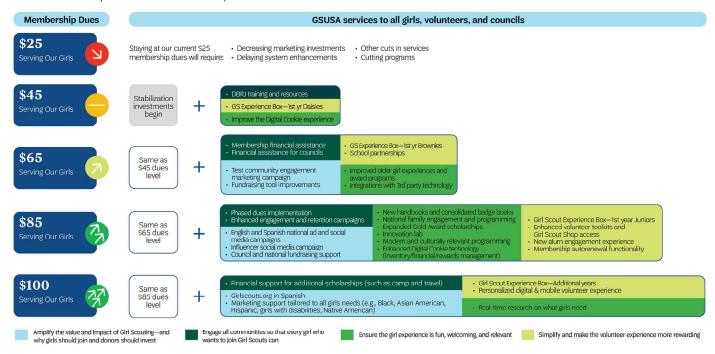




The chart below summarizes the investments that are possible based on the amount of annual membership dues.

We must invest in girls. Our choice is now.

Girl Scouting must invest today to better serve our current members and to reach girls who are currently missing out on the Girl Scout experience. These are a few examples of initiatives that would be possible with an increase in national dues:



Looking at the future possibilities we can create for girls, it is essential to focus on the investments that will make the biggest impact on our volunteers, our councils, and the girls and families we serve now and those we will serve in the future.

Financial Implications

Membership dues fund most of the national organization's services which, in turn, support all councils, girls, and volunteers. For additional information on how GSUSA allocates our resources, please review the <u>State of the Movement briefing</u> (passcode: RVaB%w^L) and the recorded September 16, 2024, <u>State of the Movement interactive webinar</u> (passcode: FZW4sQ^!).

Across all local councils as well as GSUSA, Girl Scouting has had significant and uncontrollable pressures on our membership and finances, including the global pandemic and soaring inflation. The last few years have been especially challenging for councils and many of our Girl Scout families. As a National Board, we knew that would not have been the time to increase dues. We have held dues steady for 8 years and have not shared the increased costs of technology, which in turn means the GSUSA expense budget is larger because of national technology costs for all members and all councils. Now, as we collectively reflect on the state of the Girl Scout Movement, it is clear from our analysis, as well as local council leadership and delegate input, that to meet the needs of current and future members, we must increase dues.

As we shared during the interactive State of the Movement webinar, GSUSA and councils have cut costs and ended underperforming initiatives. Despite these efforts, GSUSA's expenses are still outpacing revenue. Managing costs is difficult, as many of GSUSA's services for all councils are fixed expenses that do not go down when membership decreases. Because Girl Scouts is a membership organization, declining membership reduces the revenue needed to operate the Movement.

GSUSA ended FY23 with a deficit of \$4.4M, and we expect to end FY24 with a deficit of \$5.6M. Over the past few years, costs have increased everywhere, and neither GSUSA nor our councils have been immune to this pressure. The National Board has used financial reserves (our Movement savings account) to cover the shortfall by continuing to invest in council support, absorb increased costs that would normally be passed on to councils, and invest in initiatives directly impacting all volunteers and girls.

With money from financial reserves and national fundraising, we piloted programs (e.g., the Girl Scout Experience Box), developed national partnerships to engage girls and families (e.g., Major League Baseball), and created the Gold Award Scholarship Fund. We also invested in critical and less visible requirements like insurance for girls and members, information security, data privacy systems, and technology upgrades—all essential elements that national organizations like GSUSA provide in support of all members, and for all of which costs are rising.

Operating at a deficit—spending more than we bring in—as we have been doing, is not sustainable. We can no longer afford to use our financial reserves, and we cannot pass through all escalating costs to our councils. We also cannot continue reducing our expenses without further reducing services to councils, which will negatively impact girls and volunteers. And we cannot risk further deferring the investments to improve the Girl Scout experience for girls and adults across the country. We must increase revenue from all sources—robust fundraising, comprehensive partnerships, and membership dues.

Delegates and council leadership shared many potential dues increase considerations during our input-gathering process, including ensuring:

- that there is sufficient financial assistance to meet the needs of current and future members,
- that we consider the total cost of Girl Scouting to a family, especially when caregivers join to support their girls' experience, and
- if there is a significant increase in membership dues, there would be a phased increase time to give troops and families time to adjust.

With a compelling Movement strategy, continued financial discipline to use resources wisely, increased fundraising, and our choice to increase membership dues, Girl Scouts will be able to accelerate our future like never before. Without increased dues revenue, we cannot, and the Movement will face financial options that do not serve girls well. GSUSA is and will be your partner—being financially responsible, supporting each council, and providing you with what you need to serve girls. The additional revenue generated by national annual membership dues of \$85 for girls and \$45 for adults will enable all of us, together, to deliver our Movement strategy.

Increased dues will:

- make programs easier to deliver for volunteers,
- make technology easier to use, with more integration between platforms, including integrating technology tools that some volunteers already use at your council,
- ensure that processes are easier, faster, and better streamlined, including more 'turnkey' training, recruitment tools, and programs,
- clarify and amplify for families and communities the value and impact of the Girl Scout experience and why girls should join and donors should invest,
- eliminate barriers so that every girl who wants to join Girl Scouts can do so and engage in all that Girl Scouting offers,
 and
- · create new experiences, including opportunities to explore new places and better connect with our global sisterhood.



As you consider the opportunities available with increased resources, it is important that we also consider what opportunities we forgo if the final approved dues are less than proposed. Without dues increases, GSUSA will need to make significant cuts that would negatively impact the Girl Scout experience for years to come. Our girls expect and deserve a different outcome.

Actions Taken to Support Implementation

Delegates spoke with great compassion about not wanting anyone to feel left out of Girl Scouting because of the increased dues cost. In response to this powerful advocacy, and recognizing this is a large increase, the National Board approved three specific actions to support girls and councils with financial assistance. This aid will be effective based on specific amounts for girl membership dues and will support council financial assistance, council membership scholarships, and a gradual increase in girl membership dues. (See Proposal 1, Actions Taken to Support Implementation on page 16 for additional details.)

As part of the extensive financial assessment and strategy work with our local council leaders, GSUSA assessed the impact of potential dues increases on girl and adult membership. While it is difficult to forecast, councils and GSUSA are working together to prepare for a wide variety of possible outcomes, including both membership growth and decline in the initial years following the dues increase.

Families, businesses, and non-profit membership organizations like Girl Scouts are all facing economic pressures. Families are searching for safe, impactful experiences for their children. As a National Council, we must be confident in Girl Scouting's value. For our girls, we need to be bold and consider a dues investment that reflects this value.

This action provides the resources to invest in what girls need and what their caregivers want for them. We will do this while recognizing the potential financial effect on girls, volunteers, and families. Our shared commitment is to make financial assistance available for those who need it. Equally important, we will champion the efforts necessary to attract and retain girls and adults to ensure the public understands what Girl Scouting is and how a girl benefits. We will keep our programming easy to access and relevant—today and into the future. The funds generated by a national dues increase will build on our strong history. Together, we look ahead to engaging and serving more girls, their families, and caring volunteers who, together, make the world a better place.

PROPOSAL 1*

Girl members pay annual dues of \$[amount to be determined by National Council].

Originated by

Proposal

Girl Scouts of the USA

To amend the Blue Book of Basic Documents, page 23, as follows:

Current Wording	Proposed Amendement	If Adopted, Will Read
Girl members pay annual dues of \$25.	Girl members pay annual dues of \$	Girl members pay annual dues of \$[amount to be determined by National Council].

^{*} The National Council will use the "fill-in-the-blank" parliamentary process for this proposal.

RATIONALE FOR PROPOSAL 1

Please also refer to the proposal introduction, which applies to both Proposals 1 and 2.

This proposal specifically addresses the financial amount of national annual girl membership dues.

In recognition of the value girl members gain from the Girl Scout Leadership Experience and of the need to increase resources to deliver our Movement strategy, the National Board will recommend that \$85 fill the blank for annual girl membership dues, effective for Membership Year 2026.

GSUSA research among families who were not yet part of Girl Scouting highlights the clear alignment between what parents and families want for girls and what girls themselves say they enjoy in Girl Scouting. Leaders supporting today's Girl Scouts share the same sentiment. Raising girls of courage, confidence, and character in today's world takes all of us—it takes a movement. Girl Scouting is that Movement.

For Girl Scouts to remain relevant, maintaining the status quo is not an option. Girl Scouts expect and deserve so much more! Girls evolve and change and so must our Movement—including the cost to be a member and the investments we secure from communities and donors. Girl Scouting grows and thrives when girls, families, volunteers, communities, and donors choose Girl Scouting. This exciting future is ours to shape as a place for girls who will change the world! We must continue to create new experiences, including opportunities for our youngest to oldest Girl Scouts. A girl is only five years old once; she is only ten once and only fifteen once. We cannot delay and miss a generation of girls. We have the potential and choice to act now to ensure Girl Scouting is possible for generations of girls to come.



FINANCIAL IMPLICATIONS

We know and we heard delegates emphasize that there must be sufficient financial assistance to meet the needs of current and future members. The additional revenue provided by national annual membership dues of \$85 for girls will enable all of us, together, to deliver our Movement strategy.

As you consider the opportunities available with increased resources, it is important to also consider what opportunities we forgo if the final approved girl membership dues are less than proposed. Nationally and locally, there are significant financial implications related to our ability to support girls today and improve for tomorrow, to grow membership, and to ensure that the positive impact of Girl Scouting is represented in every community. (Refer to chart on page 12.)

- Staying at our current \$25 membership dues will require dramatic cuts in services, passing technology costs on to councils, decreasing marketing investments, and delaying enhancements of the systems used daily to serve girls and councils.
- At a \$45 girl membership rate, we will only be able to maintain service levels, but there will not be funds for enhancements or innovation.
- At a \$65 girl membership rate, we will support councils with financial aid assistance and can maintain critical services. We will be able to make some improvements and innovations, including expanding the Girl Scout Experience Box to first year Brownies, improve and expand our older girl programs, and launch community-focused marketing.
- At \$85 and above, Girl Scouting's future is incredibly bright. Together with councils, we will prioritize initiatives and execute them in ways that work for all, including national marketing and social media influencer campaigns, consolidated handbooks and badge books, increased Gold Award Scholarship funds, and more. Regarding technology, we will be able to address the necessary enhancements, make our systems more user-friendly, and achieve connectivity to other systems. With these investments, we are confident our membership will grow as more girls and volunteers choose to join and fully engage with Girl Scouts.

Our Movement strategy reflects what you have been asking for, what our girls need, and what our families expect. We cannot do that without more financial resources. Increased fundraising is a critical priority locally and nationally, but it will never meet all our needs. For a membership organization, member dues are an essential part of the financial picture.

The dues opportunity that our National Council will consider is of great importance. Together, let's stand and invest in girls, their potential, and the promise of Girl Scouting.

ACTIONS TAKEN TO SUPPORT IMPLEMENTATION

While it is difficult to forecast membership changes, GSUSA has done extensive modeling and is working with councils to prepare for a wide variety of possible outcomes. This includes both membership growth and decline in the initial years following the dues increase.

In our July 2024 input sessions, delegates spoke with great compassion about not wanting the cost of Girl Scouts to leave anyone out. In response to this powerful advocacy, and recognizing this is a large increase, the National Board approved the following three resolutions to support girls and councils at its September 2024 meeting:

1. Council financial assistance

Recognizing that Girl Scout councils may require additional resources to execute the Movement strategy, including funding membership dues assistance, council financial support will be available if the National Council approves girl membership dues over \$65. For five years, GSUSA will provide councils a percentage of the total annual girl membership revenue at the following rates:

- a. If girl member dues are \$85 or above, 32% of this revenue will be provided to councils.
- b. If girl member dues are between \$75 and \$84, 30% of this revenue will be provided to councils.
- c. If girl member dues are between \$65 and \$74, 25% of this revenue will be provided to councils.

2. Scholarship fund

In rare cases, a council's financial assistance provided by the previous resolution may not fully cover a council's membership dues financial assistance needs. To aid councils, with the approval of a girl membership dues of \$65 or more, the National Board will create a membership dues scholarship support fund of up to \$5 million. Councils can apply for these funds if their incremental cost of membership dues financial assistance is more than the amount of council financial assistance (see #1) provided by GSUSA.

3. Phased implementation

Delegates indicated they would be more supportive of a significant dues increase if this occurred over time versus all at once. In response, the National Board approved a resolution that, with the approval of girl membership dues of \$85 or more, GSUSA will implement a 20% discount on girl membership dues in year one (Membership Year 2026) and a 10% discount in year two (Membership Year 2027). This means that, if the National Council approves an increase in girl membership dues of \$85:

- in membership year 2026, girl membership dues would be \$68,
- in membership year 2027, girl membership dues would be \$77, and
- in membership year 2028, girl membership dues would be at the approved \$85.

These measures will ensure that Girl Scouts can continue to thrive and serve more girls while addressing financial challenges and keeping the organization strong for future generations.

RECOMMENDATION OF THE NATIONAL BOARD TO THE NATIONAL COUNCIL

The National Board recommends approval of this proposal.



PROPOSAL 2*

Adult members pay annual dues of \$[amount to be determined by National Council].

Originated by

Girl Scouts of the USA

Proposal

To amend the Blue Book of Basic Documents, page 23, as follows:

Current Wording	Proposed Amendement	If Adopted, Will Read
Adult members pay annual dues of \$25.	Adult members pay annual dues of \$	Adult members pay annual dues of \$[amount to be determined by National Council].

^{*} The National Council will use the "fill-in-the-blank" parliamentary process for this proposal.

RATIONALE FOR PROPOSAL 2

Please also refer to the proposal introduction, which applies to both Proposals 1 and 2.

This proposal specifically recognizes the value adult members provide in the Girl Scout Movement. Delegates are asked to consider dues amounts different (i.e., lower) than the amount girls may pay, which will support volunteer recruitment and retention as well as the financial investment a family makes when the adults choose to volunteer. **The National Board will recommend that \$45 fill the blank for annual adult membership dues, effective for Membership Year 2026.**

Raising girls of courage, confidence, and character in today's world takes all of us—it takes a movement. Girl Scouting is that Movement. Caring adults who volunteer and support girls are a powerful and fundamental part of this. Our adult members contribute their valuable time, creativity, and expertise in many ways to make the Girl Scout experience happen.

Increasing Girl Scout dues will provide resources to strengthen our national organization (GSUSA) and the councils GSUSA serves. This will fund improved support for adult members who bring the Girl Scout experience to life. Volunteers are looking for simpler, more dependable, and exciting opportunities to actively participate in inspiring girls of courage, confidence, and character across the country. Nationally, Girl Scouts cannot do this without increased revenue. Investing more in volunteer support requires increased revenue on all fronts—through robust fundraising at the national level, additional membership dues, and comprehensive partnerships.

Why are we proposing differentiated pricing for adults? Local council leaders, delegate input, and the favorable sentiment expressed during delegate sessions in the summer of 2024 prompted the National Board to make this proposal. Delegates and councils asked us to consider a lower adult price that recognizes the value adult volunteers bring to our Movement while still providing an increase in dues revenue to invest in the initiatives needed to execute our Movement strategy and better engage, retain, and support our current and future adults in Girl Scouting.

FINANCIAL IMPLICATIONS

It is clear from national analysis and local, council, and delegate input that to meet the needs of current and future members, we must consider an increase in dues. The additional revenue provided through national annual membership dues of \$45 for adults will enable all of us, together, to deliver our Movement strategy.

As you consider the opportunities available with increased resources, it is important to also consider what opportunities we will forgo if the approved dues are less than proposed.

- Staying at our current \$25 membership dues will require dramatic cuts in services, passing on technology costs to
 councils, decreasing marketing investments, and delaying enhancements of the systems used daily to serve girls and
 councils.
- At \$45 adult dues, we will be able to maintain service levels, and with girls' dues at \$65 or more, as outlined in Proposal 1, there will be funds for enhancements and innovation.

Based on your choice to approve dues increases aligned with our Movement strategy, Girl Scouting will be able to address the needs delegates and councils have identified—support for volunteers, which is what our girls need and families expect. Working together, we can ensure that the Girl Scout Movement, in service to girls everywhere, has the strategy, focus, and resources to thrive.

ACTIONS TAKEN TO SUPPORT IMPLEMENTATION

While it is difficult to assess the potential impact of a dues change on adult membership, councils and GSUSA are working together to prepare for a wide variety of possible outcomes, including both membership growth and decline in the initial years following the dues increase. Investing in Girl Scout volunteers across the country includes learning from proven practices that have been shown to effectively support adult members as well as reviewing national processes and tools to make volunteering easier. Movement strategy initiatives will be designed and developed with council and volunteer input. Additionally, the National Board has approved providing council financial support and an additional membership scholarship fund to aid families in paying membership dues should it be needed.

RECOMMENDATION OF THE NATIONAL BOARD TO THE NATIONAL COUNCIL

The National Board recommends approval of this proposal.