



August 3, 2011

Dear Toastmaster member,

As directed by policy, the Board of Directors periodically reviews membership dues to ensure that the organization can satisfy member needs while continuously enhancing their experience and the services and programs provided. After a review of the organization's five-year financial forecast of activities compared with forecasted revenue, the Board has voted to increase membership dues.

As a result, on October 1, 2011 Toastmasters' annual membership dues will increase from \$54 (U.S. dollars) to \$72 (U.S. dollars), payable in increments of \$36 (U.S. dollars) every six months.

Several factors drive this increase:

- 1) Member needs are greater than ever.
- 2) Since 1995, membership has grown nearly 55%, from 169,330 members in 1995 to 262,000 in 2010. In this same period, annual dues increased only once in 2005 from \$36 (U.S. dollars) to \$54 (U.S. dollars).
- 3) Toastmasters has passed the economy of scale established a decade ago; its support services must expand in order to better serve its ever-expanding member base.

The increased funding will be used to enhance member support and services, and enable the implementation of the five-year Strategic Plan that was developed by the Board of Directors in 2010.

If you have any questions, please review the Frequently Asked Questions document provided below. If you have further questions, please email duesincrease@toastmasters.org.

Sincerely,

Pat Johnson, DTM
2010-2011 International President

Daniel Rex
Executive Director

FREQUENTLY ASKED QUESTIONS

DUES INCREASE



On October 1, 2011, Toastmasters International membership dues will be US \$72, payable in increments of US \$36 every six months. This is equivalent to US \$6 per month.

Q: Why are we having a dues increase?

A: In 2007, the membership voted to give authority to the Board of Directors to determine the amount of dues each member is to pay. The Board of Directors reviews the membership dues every two-three years to ensure that the organization can continue to satisfy the needs of the members while continuously enhancing their experience and the services and programs provided.

Q: Is Toastmasters membership a good value?

A: As you consider the dues increase, think for a moment about seminars, conferences, and college or university classes that cost hundreds, even thousands of dollars. Toastmasters, at US \$72 per year provides education and invaluable practical experience, support and reinforcement. Toastmasters is the best value for anyone seeking communication and leadership training.

Q: Will there be an increase in the new member fee?

A: There is no increase. The new member fee is still US \$20.

Q: What are the benefits to the member?

A: There is not one specific benefit; the increased funding will be used to enhance member support and services and enable the implementation of the five-year **Strategic Plan** that was developed by the Board of Directors in 2010. These initiatives include:

- ▶ Enhanced customer service and support
- ▶ Modernization of the communication program
- ▶ Increased focus on leadership development
- ▶ Strengthen the district, division and area recognition programs
- ▶ Focus on quality clubs as well as organizational growth
- ▶ User-friendly website and technological enhancements

Q: Has the organization tried to reduce its costs so a dues increase wouldn't be necessary?

A: Toastmasters is always looking for ways to reduce expenses. For example, in the past three years, the organization has:

- ▶ Reduced the weight of the paper that is used in education program manuals and materials and the *Toastmaster* magazine resulting in significant ongoing savings. However, printing expenses have increased as a result of increased volume as well as the actual cost of the paper and ink.
- ▶ Significantly reduced postage rates for New Member Kits and educational materials through vendor negotiation and bidding processes.
- ▶ Leveraged a competitive printing environment to reduce overall costs.
- ▶ Continually increased the availability of online tools to conduct club and district business, which also reduces labor costs.
- ▶ Providing more material digitally via the Toastmasters International website.

Q: Should Toastmasters reduce the products and services provided to members and clubs to save money?

A: Members and prospective members are well educated, discerning and have high expectations. They expect up-to-date, high-quality products and services to help them improve their communication and leadership skills. Offering fewer or outdated products and services will not meet the expectations of our members and clubs, will discourage current members from continuing their membership, and deter others from joining. New and improved products, programs and services will better support each member's experience as well as overall membership growth and retention.

Q: Can the organization obtain the needed funds from other sources?

A: Toastmasters have several sources of revenue in addition to membership dues. The largest is sales of products such as educational materials, recognition items, books, and other club and member supplies. Toastmasters offers these materials to all members and clubs around the world. Revenue from this source helps lengthen the interval between dues increases.

Q: When was the last dues increase and how much was it?

A: The last dues increase was in October 2005, rising from US \$36 to US \$54 per year. The increase was projected to carry the organization through another three to five years. It has now been six years since the last dues increase.

Q: What will be the financial impact for districts?

A: Districts will receive additional funds, which are used to support the district mission of helping clubs meet their members' needs, training club officers, organizing new clubs and promoting membership growth within the clubs in the district.

Q: Has Toastmasters considered reducing the funds provided to districts?

A: Reducing the funds districts receive would not be beneficial to clubs and to the organization as a whole. Districts provide much-needed support to clubs, helping them to function better and achieve the club mission. They train club officers and provide other educational programs to help members improve their speaking and leadership skills. Districts also are responsible for building new clubs and attracting new members to existing clubs.

Q: Will the online system show the new dues amount?

A: Yes. Starting September 1, 2011, club officers will be able to add new members with October begin dates and pay renewals for the October through March period online with the correct dues amount.

Q: Where do we find updated new member applications?

A: Updated new member applications will be available for download from the Toastmasters International website by September 1, 2011.

Q: My club has not yet submitted applications for members who joined prior to October 1, 2011. What do we do to avoid paying the increased dues for retroactive payments?

A: Club officers can still submit new member applications with join dates prior to October 1, 2011. The new member fee and the dues will be at the previous rate. However, the renewal payment beginning October 1, 2011 will be at the new rate.

Q: If I use a previous version of an application, will it be accepted and processed?

A: Since we will have a new application online on September 1 we ask that you use the new form. However, if you use a previous version of the application, we ask that you mark and submit the correct dues amount. If an application with the old dues amount is received, it will be processed, but the club will be billed the difference, which is payable within 30 days. Of course, for fastest service submit members online.

Q: My club forgot to submit a new member who joined prior to October 1. What do we do?

A: You can still add the member online or send in a membership application with a join date prior to October 1. The dues will be at the previous rate. The renewal payment for October – March will be at the new rate.

Q: My club paid dues for both the April 2011 and October 2011 periods in April. What do we do?

A: Your club will be billed for the additional amount due for the October 2011 period, i.e., \$9 per person.

Q: What will the dues be for new clubs that charter by September 30, 2011?

A: Members of new clubs that charter by September 30 will pay six months dues in advance at the old rate of US \$27. The subsequent pro-rate paid by those members will be at the new rate of \$6 per month.

Q: Do we need to change our club bylaws? If so, how?

A: Article III of the Club Bylaws requires that clubs indicate the amount of dues and fees they collect from their members. Depending on how much your club currently charges members (international dues plus club dues), it may be necessary to change your club's bylaws. Please remember that a two-thirds favorable vote of the club's active membership is required to change club bylaws.

Any active club officer can make changes to their club's bylaws simply by logging in to www.toastmasters.org/login. Officers will log on with their personal user name and password.

- ▶ Once logged in, click on **Members** (top left of page)
- ▶ Click on the **Club Central** link (middle left of page)
- ▶ Select the applicable club name and number (center of page)
- ▶ Under Conduct Club Business, click on the option **Change my club's bylaws**

Or send an email to clubbylaws@toastmasters.org with the relevant information. Upon receipt, the information will be filed with your club's original documents.

Q: What about un-districted clubs?

A: In some parts of the world, clubs are not assigned to districts. Members of these clubs will pay US \$54 per year, payable in increments of US \$27 every six months. This is equivalent to US \$4.50 per month.

Q: Who may I contact if I have questions?

A: For questions please email duesincrease@toastmasters.org. If calling World Headquarters 949-858-8255, please ask for the Member Services Department. Any one of our representatives will be happy to assist you.