



National Funeral Directors Association

**PROPOSED AMENDMENT
TO ADD AN ALLIED MEMBERSHIP CATEGORY
TO THE NFDA CONSTITUTION**

The NFDA Executive Board is submitting a proposed amendment to the NFDA Constitution to add an Allied Membership category. The proposed amendment would add Section G to Article V of the Constitution to read as follows:

A. PROPOSED WORDING OF ALLIED MEMBERSHIP AMENDMENT

G. Allied Members

Any business or individual not otherwise eligible for membership in NFDA who is involved in a field allied to the funeral profession may apply to become an Allied Member by making written application to the Secretary of NFDA. If the Executive Board, after conducting its due diligence, determines in its sole discretion that the applicant supports the funeral profession and NFDA, it may grant the applicant the privilege of becoming an Allied Member. An Allied Member shall be entitled only to those membership benefits of NFDA that are made available to Allied Members by the Executive Board. An Allied Member may not serve as an officer or as a member of the House of Delegates, Policy Board, or Executive Board. The privilege of Allied Membership may be revoked at any time by the majority vote of the Executive Board if the Executive Board, in its sole discretion, deems such revocation to be in the best interest of the funeral profession or NFDA. In the event of revocation, the former Allied Member shall be entitled to a pro-rata refund of its current membership dues.

B. RATIONALE FOR THE AMENDMENT

On October 27, 2009, the NFDA House of Delegates will be asked to consider a proposal that would establish an “allied membership” category within the association. This document provides an explanation of why this proposal arose, how it would work if approved, and why establishing an allied membership category is integral to the mission of NFDA and its membership.

NFDA’s mission statement reflects the fact that funeral directors provide far more to families than disposition services alone these days.

The National Funeral Directors Association is the worldwide resource and advocate across all facets of funeral service dedicated to high ethical standards and helping members provide meaningful service to families.

Today, consumers trust funeral directors to serve as their conduit to a wide range of end-of-life service providers, as they deliver a continuum of care to the dying, the dead and the bereaved.

Not surprisingly, NFDA's current membership reflects the changes that have taken place within funeral service as firms have adapted to the growing needs of consumers, which the following information demonstrates...

Businesses Owned by NFDA Members

- Monument company: 33.8%*
- Crematory: 26.9%
- Cemetery: 14.4%
- Insurance company/agency: 11.1%
- Flower shop: 5.5%
- Pet cemetery: 4.5%
- Community/Family Center: 2.6%*
- Other business type: 10.5%

** Based on 2008 NFDA Memberscope Member Satisfaction Survey; remaining data based on internal NFDA membership data*

Even if an NFDA-member firm doesn't own another business, funeral directors everywhere routinely interact with an array of other businesses and professionals in their communities when arranging services for families. Establishing an allied membership category will help NFDA remain a vibrant professional community by bringing funeral service practitioners together with other end-of-life service providers to build relationships, share ideas and solve common problems.

Not only would an allied membership category enable NFDA to better represent a growing portion of its current membership, but it would also enable your national association to:

- More effectively represent you in Washington, D.C.
- Better shape positive messages for the media.
- Provide more timely, insightful information, training and resources to help you better serve families and increase your firm's profits in today's market place.
- Keep NFDA-member dues lower.

The following questions and answers offer additional insight into the proposal to create an allied membership category within NFDA, as well as an explanation of how such a membership category would work, if approved by the NFDA House of Delegates in October 2009.

Why does NFDA want to establish an allied membership category?

- Better represent a growing portion of its current membership as funeral service evolves.
- More effectively represent you in Washington, D.C.
- Better shape messages for the media.
- Provide more timely, insightful information, training and resources to help you better serve families and increase your firm's profits in today's market place.
- Keep NFDA-member dues lower.

Why would a non-licensee want to become an allied member of NFDA?

For years, NFDA has received roughly 4-5 calls *every week* from individuals and businesses interested in joining the association, each citing a variety of reasons:

- Validate their affiliation with the industry leader.
- Improve their working relationships with funeral directors.
- Access information, resources and training about the markets they serve and the funeral service profession.

Is there support for NFDA's Allied Membership proposal by its current membership?

- Yes, during its meeting in May 2009, the NFDA Executive Board unanimously approved this proposal.
- During its meeting in July 2009, the NFDA Policy Board overwhelmingly approved this proposal.

Is there precedence for a funeral directors association to offer membership to non-licensees?

- Yes, 19 state funeral directors associations currently offer some form of allied or associate membership.
- CANA, ICCFA and the American Society of Embalmers, among others, offer this type of membership, too.

Do other national (non-funeral related) associations offer this too?

- Yes, according to the American Society of Association Executives (ASAE; the world's largest organization representing association professionals, of which NFDA is a longtime member): 50% of associations offer associate memberships; and trade associations (such as NFDA) offer it more often than individual organizations.

Do other national associations offer the same benefits to associate members?

- According to ASAE, 69% of associations offer vendor/supplier/associate members rights and/or benefits that are *different* than the primary member rights/benefits. (The NFDA allied membership proposal likewise offers rights/benefits that are *different* from those enjoyed by regular licensed members.)

Who could become an allied member?

- An individual, business or organization not otherwise eligible for membership in NFDA.
- An applicant must be involved in a field allied to the funeral profession.

Could a funeral director or a funeral home become an allied member?

- No, an individual, business or organization may seek allied membership only if they are not otherwise eligible for membership in NFDA.

Who would approve allied membership applications?

- Allied membership would be granted at the discretion of the NFDA Executive Board after carefully reviewing each application and considering numerous factors.

What factors would the NFDA Executive Board consider?

- Input and recommendation from the state association where the applicant is situated.
- Receipt and review of at least two references from NFDA members in good standing.
- Demonstrated support of funeral service.
- Exact nature of connections to funeral service.
- Affirmation of support of NFDA's mission, vision and goals.

Could an allied member serve on an NFDA governance body?

- No, allied members may not serve as members of the NFDA Executive Board, the NFDA Policy Board or the NFDA House of Delegates.

What benefits would an allied member receive?

- Use of newly created allied member logo
- Certificate of allied membership
- Discount offers:
 - NFDA Expo booth
 - Advertising
 - Products and services
 - Professional development offerings
- Business Exchange e-newsletter
- A subscription to *The Director* magazine for the primary contact (additional magazines provided at the current subscription rate)
- *NFDA Bulletin* (weekly electronic member newsletter)

What logo would an allied member use?

- Allied members may display the newly-created NFDA allied member logo and hold themselves out as allied members of NFDA.
- Allied members may *not* represent or hold themselves out as any other type of NFDA member, however, or display any other NFDA member logo, except for the allied member logo.



Who may use the allied member logo?

- Allied members of NFDA are provided a royalty-free, limited license to utilize the allied member logo.
- If the allied membership lapses or is revoked, the allied member must discontinue all use of the allied member logo within 10 days – the same restriction placed on regular NFDA members who leave the association.

Will the NFDA Code of Professional Conduct apply to allied members?

- No, NFDA's enforceable Code of Professional Conduct was developed specifically for funeral homes.
- This neither limits the Executive Board's ability to consider an allied member's conduct when granting or revoking an allied membership, nor does it preclude development of a separate code of conduct in the future.

How much would it cost to become an allied member?

- Allied membership dues would be determined the same way in which all other NFDA dues categories are presently determined.
- The NFDA Executive Board establishes dues for all membership categories annually and publishes a dues schedule each year.
- Regardless, allied membership dues will be no lower than that for individual members.

Would NFDA's current partnership/choice model be applied to allied membership?

- No, NFDA's current partnership/choice model would not apply to this category of membership, i.e., allied members of partnership state associations would not be required to join NFDA, and allied members of NFDA would not be required to join any/all of NFDA's partnership state associations.

Could the privilege of allied membership be revoked? If so, what factors might be considered?

- Yes, the *privilege of allied membership can be revoked at any time* by the majority vote of the NFDA Executive Board.
- Factors for revocation of allied membership include: actions not in the best interest of funeral service and/or consumers; and/or actions not in the best interest of NFDA and its members.

Both the NFDA Executive Board and NFDA Policy Board overwhelmingly affirmed their belief recently that the creation of an allied membership category within the association is important to the future of NFDA and the members it represents, and urge the NDFA House of Delegates to support the proposed change in the NFDA Constitution that is necessary to establish the new membership category.

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