NEBRASKA EFT PROJECT
Alternative Dues Collection
THE PROBLEM

- State affiliates around the country are under attack in regard to payroll dues deduction, collective bargaining and agency fee.

- Alabama, North Carolina, Arizona, Wisconsin, Michigan and Missouri have lost various aspects of payroll dues deduction.

- NEA affiliates have lost 30% to 50% of membership due to loss of dues deduction.
OVERALL GOAL

• To neutralize any vulnerability for the Association with regard to the potential loss of payroll dues deduction as a method of dues collection.
STRATEGY

• Develop and implement a plan to “flip” NSEA’s primary dues collection method from payroll dues deduction to electronic fund transfer (EFT)

• This strategy will remove the threat of the loss of payroll dues deduction from the political scene
STRATEGIC AND TACTICAL CONSIDERATIONS

We believe that the significant member loss in other States may be driven by two factors.

1. Fair Share losses

2. Mandatory flip in the middle of the Association year due to legislative action is problematic
• Flipping before any mandated changes increases the possibility of cooperation from School Districts (NSEA Pilots)
• Due to excellent election results, we are likely safe from this legislation until the 2017 legislative session. Then it is much more problematic.
• Our experience in the pilots indicates that the relatively small size of locals means we only need a couple of leaders in most locals to be successful.
INITIAL PHASES—NSEA EFT LOCALS

Phase One—Spring 2012

- *Columbus*
  - We “flipped” the 200 member local.
  - *No member loss* due to EFT.
  - Net loss due to RIF/attrition
  - *Gained* in market penetration

Phase Two—Spring 2013

- Wilber-Clatonia
- Hastings
- Scottsbluff
- Fullerton
- Minden
- Ralston
- Gretna
- Peru State
- ESU-8 Neligh
# Nebraska Initial Phase Results

<table>
<thead>
<tr>
<th>New EFT Locals 13-14</th>
<th># of Members</th>
<th>Total # Flipped</th>
<th>% Flipped</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hastings</td>
<td>254</td>
<td>249</td>
<td>98.03%</td>
</tr>
<tr>
<td>Ralston</td>
<td>209</td>
<td>209</td>
<td>100.00%</td>
</tr>
<tr>
<td>Gretna</td>
<td>194</td>
<td>194</td>
<td>100.00%</td>
</tr>
<tr>
<td>Scottsbluff</td>
<td>167</td>
<td>156</td>
<td>93.41%</td>
</tr>
<tr>
<td>Minden</td>
<td>58</td>
<td>58</td>
<td>100.00%</td>
</tr>
<tr>
<td>State College - Peru</td>
<td>43</td>
<td>43</td>
<td>100.00%</td>
</tr>
<tr>
<td>Fullerton</td>
<td>30</td>
<td>30</td>
<td>100.00%</td>
</tr>
<tr>
<td>Wilber-Clatonia</td>
<td>31</td>
<td>31</td>
<td>100.00%</td>
</tr>
<tr>
<td>ESU 8</td>
<td>3</td>
<td>3</td>
<td>100.00%</td>
</tr>
<tr>
<td><strong>Sub Total</strong></td>
<td><strong>989</strong></td>
<td><strong>973</strong></td>
<td><strong>98.38%</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Continuous EFT Locals</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Columbus</td>
<td>206</td>
<td>198</td>
<td>96.12%</td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td><strong>1195</strong></td>
<td><strong>1171</strong></td>
<td><strong>97.99%</strong></td>
</tr>
</tbody>
</table>

8 Oct 2013
LEARNINGS FROM INITIAL PHASES

- We can successfully flip locals to EFT with little or no membership loss.
- Local leadership (EFT Contact and building contacts) are the critical element to success.
- After the flip, EFT is significantly easier for the local treasurer.
- In the fall campaign, new members are easier to recruit with EFT.
- The initial experience with 10 locals confirms our tactical hypothesis.
TARGETS

- 2014-15 Flip 100 locals from payroll dues deduction to EFT with no membership loss attributable to the change. (Accomplished with 3% membership loss. It was noted we gained membership in the locals that had flipped the previous year)

- 2015-16 Flip 83 locals with no membership loss

- 2016-2017 Flip 90 locals with no membership loss

- 2017-18 Flip remaining 3 locals including Lincoln, Omaha and Millard.
## EFT Status in Nebraska 2015-16

<table>
<thead>
<tr>
<th></th>
<th>Locals</th>
<th>Members</th>
<th>% Members</th>
<th>% Locals</th>
</tr>
</thead>
<tbody>
<tr>
<td>EFT</td>
<td>202</td>
<td>11,786</td>
<td>57%</td>
<td>68%</td>
</tr>
<tr>
<td>Non-EFT</td>
<td>93</td>
<td>8,775</td>
<td>43%</td>
<td>32%</td>
</tr>
<tr>
<td>Total</td>
<td>295</td>
<td>20,564</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>Additional 2016-17</td>
<td>90</td>
<td>2,661</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Projected EFT for 2017-18</td>
<td>3</td>
<td>6,096</td>
<td>30%</td>
<td>1%</td>
</tr>
</tbody>
</table>
THE PROCESS
LONG TERM MEASURE OF SUCCESS

We will be successful if:

- we remove the threat of the loss of payroll deduction by moving our entire membership to EFT
THE MISSION

Fall 2016: Remaining locals to transition ("flip") to EFT except for Lincoln, Omaha and Millard
**SPRING MEMBERSHIP RENEWAL CAMPAIGN**

- Local campaigns can be customized to meet the needs of each local. Dates in the following slides are approximate.

- Locals collect membership data from their members.

- Members enter their own banking data into a secure site.
**Required Information**

- Members must have home address on file in the membership system.
- Members must have a personal e-mail address
Timing of the Campaign

April 1st

The Local will receive:

- Instructions for members to input their banking information
TIMING OF THE CAMPAIGN

From April 20 – end of school year

- Members will sign up online and key their banking information directly into the secure site.
TIMING OF THE CAMPAIGN

In the fall

- Clean up any remaining members who have not provided banking information
- Recruit new members as usual
- New members will supply banking information on the membership enrollment form
TIMING OF THE CAMPAIGN

Members who choose to pay

- **by check** will write the check to NSEA and pay by September 10\textsuperscript{th}

- **by credit card** will go on-line and pay by September 10\textsuperscript{th}
The Process

The Process begins:

Withdrawals from checking accounts for 2016-2017 dues begin in October 2016
POTENTIAL OBSTACLES

- Sticker Shock (Seeing the Number)
- Ten Months Instead of Twelve
- Easier to Opt Out
- Insufficient Funds
- Member Buy-in
- Security
POTENTIAL ADVANTAGES

- One-on-One Conversations
- Relational Organizing
- Increase in Check & Credit Card Memberships
- Member Privacy
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