Proposal I
"Point Three for Everybody – Same Definition of Earned Revenue"

	Rate	From	To
- Bracket One	0.32%	$0	$900,000,000
- Bracket Two	0.01%	$900,000,001	$1,000,000,000
- Bracket Three	0.01%	$1,000,000,001	Infinity

- **Rationale for Equity**
  - Each Member has full autonomy and responsibility for every dollar of Earned Revenue it chooses to earn.
    - And as part of belonging to a member organization, each Member should reserve some portion of every dollar earned to support the member organization.
  - A regressive tiered rate dues structure is fundamentally inequitable based on the **wide range of households per territory** across the Membership.
    - The number of households within a territory can serve as a proxy for the **market size potential** of that territory.
    - Below is an example of this inequity in action:
      - 42 Goodwills with 337K households or less would need to surpass Portland's network-leading $126 Revenue per HH before they could enjoy 'dues-free' growth which Portland has enjoyed for the past 20 years - growing over $140M in 'dues-free' revenue during that period.
        - Conversely, Portland has enjoyed 'dues-free' growth once it exceeded $30 revenue per HH because it has 1,421,467 Households in its territory.
  - Maintaining a cap on dues will result in a similar degree of inequity over time.
  - At 0.32% of revenue, the value to belong to the member organization is immense for each Member but for perhaps different reasons:
    - Small Goodwill:
      - Member services (quality foundations, consultations, shared services)
    - Mega Goodwill:
      - Value of the Goodwill Brand, a 120-year old, $7.5B social enterprise
        - Even the largest Goodwill makes up only 4% of total network revenue.
      - Protection of the Brand
  - Dues at 0.32% of revenue compares favorably to other member organizations and franchises.
  - A concern of this Plan might be that larger Goodwills will exert undue influence given the larger share of dues they pay in this structure.
    - 28 Goodwills make up 50% of Earned Revenue.
    - However, the GII Board sets the strategy and these members are elected by the Delegate Assembly.
      - Using the example above, these 28 Goodwills only make up 17% of Delegates – assuming their local Board representative votes the same as the local CEO.

Other Features:

- **Revenue-neutral**
  - Future revenue would be based on the growth rate of the network's earned revenue. The amount could be higher or lower than CPI.
    - Current dues structure allows for CPI increase but also places a further disproportionate share on smaller Goodwills in doing so.
- **Reasonable glidepath**: 5-years
- **Same Earned Revenue definition**

Bracket Ranges		Dues Percentage
0	900,000,000	.32%
900,000,001	1,000,000,000	.01%
>1,000,000,001		.01%

Equity Ratio (Dues Percentage for Highest Earned Revenue Goodwills to Lowest Earned Revenue Goodwills - with Earned Revenue defined by proposer)					
	2024	**2025**	**2026**	**2027**	**2028**
	1.0	1.0	1.0	1.0	1.0
Total GII Dues Revenue Projected					
Current Structure	$26,510,633	$27,305,952	$28,125,130	$28,968,884	$29,837,951
Proposed Structure	$26,897,236	$27,704,154	$28,535,278	$29,391,336	$30,273,077
Change in GII Revenue	$386,603	$398,202	$410,148	$422,452	$435,126