

Additional Q&A for ARRL Board Member use as needed.

1. Why is the pricing of Life Memberships being reviewed? What will be the outcome of this?

The pricing of Life Memberships currently does not adequately cover the costs of delivering the associated benefits and programs. Our members indicated that they want ARRL to retain the option to purchase Life Memberships and should price to be revenue neutral. We are undertaking an actuarial analysis to determine revenue neutral pricing levels for future Life Memberships.

2. Why did ARRL not act on these increases sooner?

ARRL understands that many of our members are under significant financial pressures, and we did what we could to avoid adding to these burdens for as long as possible. The PPP loan (a COVID era assistance program provided by the US Government) which was forgiven, and reduced costs associated with event attendance and travel during the COVID period enabled ARRL to defer these adjustments for a time.

3. What are ARRL's plans to stay on top of the impacts of inflation and other trends that are putting pressure on its financials?

In addition to the ongoing scrutiny of its costs and income during the annual budget cycle, the Board has made it a requirement that the Administration and Finance Committee conduct regular reviews every 2 years and recommend any operating, dues, and fees adjustments required to maintain ARRL's financial health.

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4. What is ARRL doing to ensure its financial health over the long term?

The ARRL Board, CEO, and CFO have been working on initiatives to increase membership, improve the effectiveness of our marketing and sales channels, and help our members to achieve more value from their Amateur Radio and ARRL participation. The Board passed multiple motions in January and July 2023 to initiate these programs. We are also working, since the beginning of the year, on updates to ARRL's strategy to **create additional growth and associated income.**

5. What is ARRL doing to convince a higher percentage of radio amateurs to become ARRL members?

- New programs that provide training and mentoring programs to get more licensees who are inactive to engage in Amateur Radio. These programs will include licensing, bootcamps and ongoing live, interactive training specifically targeted at helping new or inactive hams, and growing membership.
- New programs to help Technicians engage in HF activities on 10m/6m, content to assist hams that have time and/or budget constraints to participate in Amateur Radio activities, efforts to promote the develop of remote station for broad use by the community, and more.

6. What happens to current 1, 2, and 3-year term members access to print QST and OTA?

Term memberships will convert to online digital QST and OTA access in 2024. A term member may continue receiving print QST and/or OTA magazines by purchasing print subscriptions starting in 2024. An option exists for term members who do not wish to accept these terms – call membership services at HQ for details.

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7. Why did ARRL spend funds to deploy a new member services platform (Personify) given the current financial situation?

A member services platform is an essential component in continuing to serve our members through online programs and services. The first step in this process was to modernize the member services component of arrl.org. The investment in Personify, a new membership services platform, is this first step.

8. Did the staff and officer salary increases approved by the Board cause ARRL to increase dues?

Absolutely not. ARRL provides cost of living adjustments to staff each year. The board commissioned a salary review by an independent outside firm to confirm ARRL's compensation is in line with other like sized nonprofits in the Northeast. This work was undertaken to ensure that our salaries remain competitive and enable us to attract and retain the talent that we need. The recommended adjustments which were reviewed and approved by the Board last year account for a small portion of our operating shortfall.

9. What can be done with respect to the management of our investment portfolio to generate additional income for ARRL?

We are already drawing on our investment portfolio to cover our losses at a rate that is depreciating our investment base. ARRL has taken steps to manage our investment portfolio for an effective balance between risk and growth. Specific steps include hiring a professional management firm to actively manage our portfolio, developing an investment policy that focuses on investing for long-term growth, and targeting return rates that beat inflation and provide reasonable returns. To help us build our

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investment base, we have hired a skilled Director of Development (Kevin Beal, K8EAL) to focus on developing donor contributions.

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