

<b>Subject:</b> NATE Membership Fees Policy and Procedure		
<b>Status:</b> Approved	<b>Policy #:</b> 2.c	
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### Purpose

This policy addresses annual fees for NATE members, defining the process for determining what they should be for each member, and the process for collecting them. As Stated in Article IV Section 1 of the NATE Bylaws, membership is restricted to States or Territories of the United States that have completed the onboarding process. Membership benefits include a seat on the NATE Board of Directors and a voice in the development of the NATE trust framework for inter-state exchange.

This policy is where the Board is laying out the fee schedule and it may change from time to time.

### Policy

1. Each member State shall be assessed an annual fee of no less than \$1 per 1,000 residents of the State.
  - a. Increases to the Annual member fee shall not exceed 10% and require approval of the full membership.
2. NATE shall compute fees based on the most current US Census population estimates, as found here: <http://www.census.gov/popest/data/State/totals/2013/index.html>
3. NATE shall submit an invoice to all members by June 30 for the following fiscal year. To retain active membership status, a member's payment must be received within 90 days.
4. If a member's payment is not received within 90 days, the NATE Board of Directors may place the member into inactive status. As stated in Article IV, Section 3 of the Bylaws, members in inactive status shall not have any voting rights and shall be denied membership on the Corporation's committee's and task forces, as well as other benefits of membership, until the Board reinstates the member to active status.
5. Members' first payment may be pro-rated. If mutually agreed upon between NATE and the member, NATE's first invoice may include the pro-rated fee for the remainder of the first year and the fee for the following year.
6. Given that NATE has been in operation prior to the approval of this policy, NATE shall invoice members retroactively for an optional fee for the time period of their membership to date.

### Procedure

1. First-time annual fees:
  - a. States become NATE members upon submitting a signed copy of NATE's Memorandum of Understanding (MOU).
  - b. Upon NATE's receipt of the MOU, the Vice Chair will determine the appropriate annual fee for the new member with support from NATE staff.
  - c. The Vice Chair and the member will determine whether the NATE invoice will include the pro-rated fee for the remainder of the first year only OR include both the pro-rated fee for the remainder of the first year plus the fee for the following year.
  - d. The invoice will be sent to the member within 30 days of receipt of the signed MOU. The Treasurer will approve all annual fee invoices prior to submission to NATE members.
  - e. To remain in active status, payment must be received within 90 days of the date the invoice was issued.



- f. NATE’s bylaws empower the Board of Directors to waive membership fees, in part or in whole, based on sufficient justification as deemed by the Board.
  - g. When the Board approves alternative fees for a member state, that state shall provide a plan for when the member state would expect to be able to pay the designated annual fee in future years.
2. Ongoing annual fees:
- a. NATE shall submit invoices to all members by June 30 for the following fiscal year beginning on July 1. The Treasurer shall approve all annual fee invoices prior to submission to NATE members.
  - b. NATE shall notify any members whose payment has not been received within 60 days. To remain in active status, a member’s payment shall be received within 90 days from issuance of the invoice.
  - c. Changes to the member fees shall be submitted for board approval no later than the beginning of the third quarter (July 1).
  - d. The due date for Member fees will be tied to the member State’s fiscal cycle.
3. Invoice Generation
- a. NATE staff shall support the board and Treasurer in generating and tracking fees collected.

**Version History**

	<b>Date</b>	<b>Author</b>	<b>Comment</b>
1.0	1/28/14	Mark Elson	
2.0	1/31/14	Mark Elson	Made edits based on input from Chad, Teresa, and Aaron
2.1	2/11/14	Mark Elson	Made edits to synch document with the Bylaws.
2.2	2/13/14	Aaron Seib	Modifications proposed and approved by quorum of the Board at 2/13/14 BoD meeting .