



Marine Corps League
Office of the National Junior Vice
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1 March 2019

From: National Junior Vice Commandant Johnny Baker
To: National Chief Operating Officer, National Judge Advocate
Subj: Proposed National Administrative Procedures Change

In accordance with National Administrative Procedures, Chapter Ten, Section 10020, the following is submitted for consideration by the body assembled at National Convention, Billings, Montana, in August 2019.

**Current Section 7050 reads:
Section 7050. Life Members.**

b. National Headquarters shall retain fifty dollars (\$50.00) of the **LIFE MEMBER** fee, for administrative costs in processing the new **LIFE MEMBER**, to include a metal plate and paper card. For the years, F.Y. 16, F.Y. 17 and F.Y. 18, fifty percent (50%) of all new Life Member fees received after the administrative cost is deducted, will be designated for the General Fund. The remaining sum shall be placed in investments that are secure and are intended to produce maximum income with minimum risk.

**Change Section 7050 to read as follows:
Section 7050. Life Members.**

b. National Headquarters shall retain fifty percent (50%) of all new Life Member fees received after the administrative cost is deducted, which will be designated for the General Fund. The remaining sum shall be placed in investments that are secure and are intended to produce maximum income with minimum risk.

Effective Date if approved: 1 September 2019.

RATIONALE:

The current Paid Life Member (PLM) account at Morgan Stanley has approximately \$5.3 million dollars invested. The 50% split with the PLM account and National Headquarters General Funds, will assist the headquarters in support of the membership without raising dues at this time. The difference of 50% and not 50% is roughly \$.027 (less than 3 cents) per PLM when distribution is calculated. Additional General Funds are needed to ensure the Marine Corps League can maintain future operating funds year to year. As so many members have and are moving to Life Membership, it reduces the annual income for headquarters operations. Presently, Paid Live Membership is now over 50% of the League, thus more than half of the membership will never pay dues again. This split of the PLM will not make the annual distributions smaller as the distribution is calculated on a three-year balance average.

Respectfully,

Johnny Baker