



How to Afford Economic Inclusiveness in Villages

Developing and Sustaining Membership Plus Programs

A Village to Village Business/Operation
Sustainability Grants Initiative

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Executive Summary

Purpose: For the past decade, Villages have been among the most prominent community-based models that promote aging in place. To advance systemic understanding of their efforts to achieve greater inclusiveness of members of all incomes, this paper examines how Villages have implemented subsidy programs and the subsequent implications for the sustainability of Villages. *Design and Methods:* Twelve out of thirty Villages approached formally responded to an electronic survey and telephone interviews in 2012. Analyses focused on the implementation of membership fee subsidy programs and the eligibility criteria used to determine acceptance into, policies, and funding sources for the subsidy programs. *Results:* Villages are implementing programs that provide reduced membership fees to accomplish greater economic inclusiveness in their organizations. Reportedly, Village administrators are more likely to increase the upper income limits that qualify for eligibility. There is evidence of experimentation with subsidy programs that offer additional benefits beyond lowered membership dues, such as including the use of allowances to cover additional fees, emergency funds and credits for unanticipated needs, and resources allocated to deflect the cost of social programming that would be unaffordable. *Implications:* Findings indicate that Villages value economic inclusiveness. Villages are engaged in establishing subsidy programs with a range of features and structures to achieve this goal. Determining the financial implications of income inclusiveness for Villages will involve additional study to determine how sustainability is linked to the costs of membership subsidy programs. Villages seek to promote income inclusiveness in aging in place movement -- offering a diverse range of supports, services, and cost options to a more diverse mix of older adults within a locally defined geographic area. Nevertheless, key differences are apparent in the means through which different Villages seek to achieve these aims, assessing the impact on staff time and resources. More study is needed to illuminate these differences. And, in particular, there is a need for a wider range of models to achieve inclusiveness and sustainability as Villages mature and expand.

Introduction

For more than a decade, Villages across the nation have emerged and multiplied in rapid succession, demonstrating that the concept can be replicated effectively to create community infrastructures that support older adults who choose to live in their own homes for as long as they desire. Dupont Circle Village (DCV) was established formally in 2009. In two years, DCV reached significant milestones, with 120 members and 60 volunteers, establishing a formal operational infrastructure with a Board of Directors, a part-time Executive Director, program committees, and a three-year strategic plan. Membership services and benefits are organized generally into five categories that include Education, Health and Wellness, Physical Fitness, Social and Cultural Arts, and Volunteer Supports. DCV made an early commitment to diversity and inclusion of all persons -- regardless of age, ethnicity, age, sexual orientation, marital/partner status, or income. Of these parameters, only income inclusiveness has significant financial implications for the Village.

While Villages will agree on the value of economic inclusiveness, there has been no consensus for naming their membership subsidy programs. Among the terms used are Membership Plus, reduced fee, scholarships, supported membership, and subsidized membership. For the purposes for this paper, the term "Membership Plus" is used as the generic reference.

The Membership Plus Program was among the first that DCV established. It was the vision of the organization to celebrate diversity and achieve economic inclusiveness. At that time, the only eligibility criterion for this program was an annual income of \$40,000 or less. The fee for the Membership Plus Program remains \$100 for an individual and \$150 for a household. The standard fee for membership is \$500 for an individual and \$700 for a household. The issue of financial sustainability for the Village was not taken into consideration when the fee structure was established for the Membership Plus Program.

Over time, as the operations of the Village became more established, the DCV Board of Directors identified concerns about the cost implications of the Membership Plus Program. Two critical questions would emerge:

1. Is there a definitive ratio between the number of members who pay the full membership fee and the number of members who pay a reduced membership fee (Membership Plus) that is linked to sustainability?
2. Is there a definitive ratio between the amount of paid and volunteers staff support provided to members who pay a reduced membership fee that is linked to sustainability?

Asked another way, what is the correlation between the number of individuals in the Membership Plus Program and the number of individuals paying the full membership fee, and how is that linked to sustainability? And, second, is there a correlation between the number of individuals who pay a reduced membership fee (Membership Plus Program) and the number of paid and volunteer staff hours attributed to them that is linked to sustainability?

In the fall of 2011, DCV received a grant from the Village to Village Network and the MetLife Foundation to study the sustainability of its Membership Plus Program. Dupont Circle Village had made great strides in getting new members, including many lower-income residents of the community who qualified for the Membership Plus Subsidy Program. Close to one-fifth of our current membership receives a reduced rate membership fee. The current membership growth patterns show that the Membership Plus Subsidy Program is drawing the largest number of new members. Future projections indicate this number will continue to rise. It is the fiduciary responsibility of DCV to consider the impact that this surge in subsidized membership has on its overall financial stability, to determine if the Village could be overwhelmed by subsidized memberships if there is not sufficient contemplation and planning.

This project would examine the critical question of how to establish a break-even point or profit margin based on the ratio of full to subsidized memberships. The Village's current budget and operations are based on a Board of Directors and Executive Director who are challenged to produce a rich mix of programs and support for members. To this end, the project would explore a full range of questions about the Membership Plus Subsidy Program, including identifying options for funding, setting caps, targeting donations and sponsorships, and exploring ways to implement additional subsidies for fee-based Village activities to increase the participation of members who receive reduced membership fees. Another compelling issue is the correlation between Membership Plus Subsidy Program membership and the number of requests for services and supports.

For this study, interviews were conducted of twelve Villages representing a cross-section of programs across the country, in cities, suburbs, towns, and rural areas. The goal of these interviews was to establish a baseline of information for Villages nationwide that offer a reduced membership fee.

“Most Villages operate relatively autonomously, relying primarily on member fees and donations...[the implications are that while] Villages are a promising model for addressing service needs among middle-class seniors who seek to age in their own homes and communities...[f]inancial sustainability is apt to be a challenge unless Villages secure more stable sources of funding.”ⁱ

Independent, grassroots organizations, Villages satisfy no national requirements or core standards. Some Villages have paid staff, others have non-paid staff, and many rely on a combination of both. Some Villages are incorporated as private non-profits, while others operate as part of large social services agencies. Some Villages do not rely on one funding source, nor do they have a standard data collection system or entity designated to collect data nationally. Many Villages set policies and procedures with the guidance of the national Village to Village Network that has become a central resource for collecting, storing, and sharing best practices in operations and infrastructure

development. However, scant data exists to document a national picture guiding Village programs on how to include low-income persons.

Methodology

The twelve Villages included in this study are fully operational Villages, with membership in the National Village to Village Network. This number represents more than a 15 percent response rate of Villages invited to participate. Village to Village Network staff made recommendations of specific Villages for inclusion in this paper. At the outset of the study, an inquiry was posted on the Village to Village bulletin board. A random sample of open Village to Village members on the Village to Village website was selected. Not every Village included in the random sample had a Membership Plus Program. Some Villages submitted written information, while telephone interviews were conducted with others. The end of this report includes a summary of the individual interviews conducted.

Findings

Villages interviewed for this report do not collect or organize the data necessary to determine the actual cost of serving low-income individuals. In addition, the data that Villages do collect is not uniform in its quality or relevance to this specific issue. As a result, a significant component of the information in this report is anecdotal, relying heavily on respondents interviewed.

In a representative number of Villages, the eligibility decision is the judgment call of one person. A consistent theme among Villages is their aim not to become bureaucratic organizations. As a consequence of such informality, some Villages do not publicize the availability of their Membership Plus Program. There are also some concerns about the validity of some of the applications, which bolsters the decision for individual

decision-making. Instead, the Membership Plus option is discussed as a possibility during the interview of individuals applying for Village membership.

Eligibility Requirements

There are Villages that have an age requirement for Membership Plus that differs from the regular Village membership age requirement. For example, if the Village membership minimum age is 55 or 60, the Membership Plus minimum age might be 60 or 65. If age documentation is required, a birth certificate or a driver's license is the standard acceptable form of documentation.

Most Villages interviewed have a maximum income assigned to their Membership Plus Program. The income is generally based on census, economic, and cost of living data. Frequently, these maximums are in the range of \$40,000 to \$50,000 annually. In some cases, the maximum annual income allowed is flexible.

In-home assessment is a process used to determine membership for some Villages. One Village contacted uses a 20-page assessment tool to evaluate membership status and Membership Plus eligibility.

Financial Documentation

The most common form of documentation to determine income is the first page of the most recent federal income tax return. Alternate documentation included Social Security benefit notices and pension/retirement benefit notices or check copies. In some smaller Villages or sparsely populated areas, there is no documentation required, with the common refrain, "*we know everyone here.*"

Eligibility Redetermination

Not all Villages automatically renew Membership Plus status. If eligibility redetermination is required, then it occurs at membership renewal time. This may be a

very informal process, with the interviewer merely asking, “*Has there been any change in your income in the past year?*” A more formal process might require the submission of new documentation or a repetition of the original eligibility process.

Additional Benefits

A number of Villages queried provide no additional benefits for members with Membership Plus status. However, some Villages offer an allowance or stipend to be used for Village activities requiring a fee. One Village provides an allowance for “non-Village” activities contributing to the well-being of the individual. This particular Village has a grant restricting use to non-village activities. Some provide access to an emergency fund and cite use for the overall safety and health. Additional benefits are used to enhance the Village experience of Membership Plus members.

Turnover

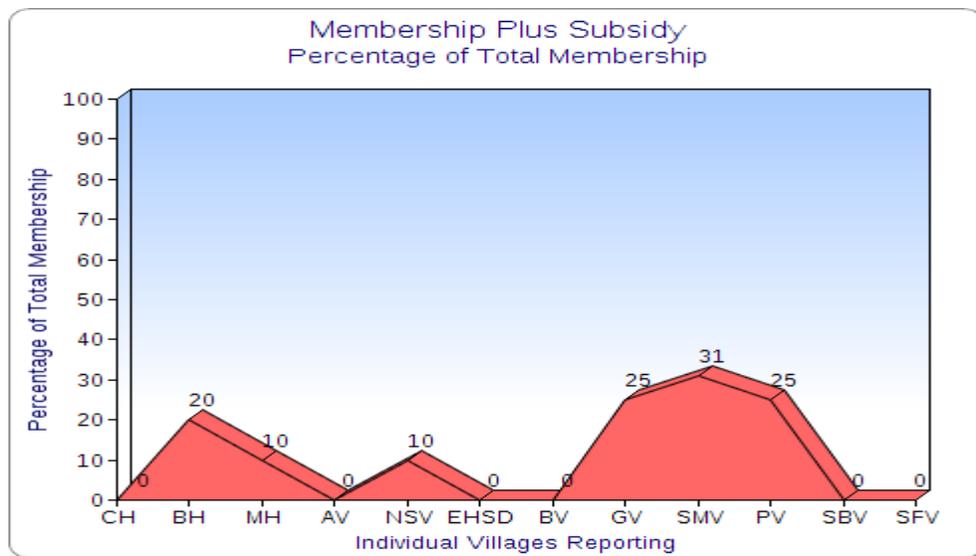
Membership Plus members have a very low turnover rate. Generally, turnover is due to death, transition to assisted living, or other long-term care facility, or moving out of the area.

Written Policies and Procedures

Most Villages do not have written policies and procedures governing the Membership Plus Program. Some say they do not want to be too bureaucratic and would prefer to remain as flexible as possible. Some Villages that have not had written policies and procedures are currently developing them.

Percentage of Total Membership

Many Villages have established a Membership Plus Program target based on census and other data. Often, a target of 20 percent of the total membership was established. The actual percentage of Membership Plus Program members of the total membership can vary during a year. In one instance, Membership Plus status is offered on a fund availability basis and is not an automatic benefit status annually. Villages who responded did not provide the calculus to determine limits on Membership Plus members, often citing 10 to 20 percent as a reasonable limit.



Distinguishing Characteristics

When comparing membership status, Villages were asked if there are distinguishing characteristics between Membership Plus and full fee members. Villages have not analyzed deeply the characteristics of Membership Plus members in comparison with the characteristics of full-fee members. Villages lack the sufficient data needed to make more comprehensive comparisons. When asked this question, however, the typical response would be that members in these two fee payment categories “are about the same.” During the sessions, some interviewed provided the following estimate ranges:

Category	Range
Age	About the same or a little older
Health	Not as healthy to about the same
Functional Impairment	More impaired to about the same
Use of Services	About the same to use of more services
Use of Volunteers	Use more volunteer assistance

Cost Benefit Analysis

When asked if Membership Plus members cost the Village more than other members, the majority answer was, “yes.” Respondents shared that not only do members with the Membership Plus fee category utilize more volunteer services, but they use more paid staff time, too. Some Villages reported that 60% of staff time is dedicated to Membership Plus Program members. None of the Villages interviewed assigned an actual financial value to the complete membership package of services and supports provided.

Assigning Value to Each Member’s Cost

All members are subsidized if their dues fail to cover 100 percent of the operating expenses of the Village. Villages do not have systems in place to calculate the value of services provided and how they relate to all revenues accrued, such as dues, donations, and grants. If you factor in a range of membership categories and different fee structures, it becomes a more complex task to assign true value to a reduced membership fee versus a full membership fee. Using DCV as an example, our membership dues cover approximately 35% of operating costs. The remaining 65% must come from other sources.

As referenced in the Cost Benefit section above, none of the Villages interviewed assigned an actual financial value to the complete membership package of services and supports provided across all forms of membership status.

Funding the Membership Plus Program

A few Villages identified themselves as components of a larger agency with infrastructures that provide resources to support these costs. Other Villages fund the Membership Plus Program through fundraising, including grants from foundations, charity drives, corporations, religious institutions, and government. Separate funds, sometimes referred to as restricted accounts, are used as a way of accounting for Membership Plus funds.

Naming Your Program

There is no one term used to describe these programs. Discussions have raised concerns and awareness of the benefits and drawbacks of each. Among the most common names are the following:

- *Membership Plus*: for some, this name could imply that the member gets something more than regular members.
- *Subsidized Membership*: others saw this name as a misnomer, since all Village members are subsidized. On average, dues provide about sixty percent of a Village's operating budget. No Village exists on dues alone.
- *Reduced Fee and Supported Membership*: these names are described as more accurate descriptions.
- *Scholarship*: many suggested that this name represented the least value-laden description of all.

Planning Ahead

When queried whether there were processes in place to project future budgets and the responses ranged from “don't plan ahead” to “we estimate the amount of funds that will be available.” If there are not enough funds available, many Villages freeze their Membership Plus Program until additional funds are available. No one reported dropping a person due to finances.

Recommendations

The list of recommendations below reflects the conversations with Villages interviewed. The numbers used to illustrate key points, with the exception of the dues structure, are fictitious and do not reflect true fiscal numbers for any of the Villages who took part in this study.

- When doing its financial planning, a Village should not look at its Membership Plus Program in isolation. A more prudent exercise would be to calculate the true cost of serving each individual. The annual dues for DCV are \$500 for an individual and \$700 for a household, with Membership Plus dues of \$100 for an individual and \$150 for a household; however, if the actual cost to serve each member is \$700 (this is a mock loaded number that reflects the Village’s administrative, programming, rental, services, and staffing costs), then the amount that you must find to subsidize each member is outlined below:

Dues Category	Dues Amount	True Membership Cost	Shortfall Per Member
Full Membership Individual	\$500	\$700	\$200
Full Membership Household	\$700	\$1400 (based on two-member household)	\$350
Membership Plus Individual	\$100	\$700	\$600
Membership Plus Household	\$150	\$1400 (based on two-member household)	\$625

- Make sure that it is clear to prospective members that the Village is not a social service agency, a healthcare agency, or a long-term care agency. While some Villages have social workers as paid staff or consultants, Villages, for the most part, do not provide on-going, hands on supportive services in the home on a day

to day basis. The Village can generally provide limited services on an intermittent basis, often described as “gap filling supports.”

- Develop clear statements on the health and functional status requirements and support networks for membership and for discharge from the Village.
- Create a fund that does not include the Village name. This fund will be used to solicit funding for the Membership Plus Program. Some donors are resistant to support what is perceived to be a social club of affluent people. Such a designated fund makes fundraising easier since donors will recognize that their donations are dedicated to support the costs of Membership Plus, that is, more needy members. One Village said this is their easiest and most successful fundraising category.
- Consider structuring the Membership Plus fund to accept a range of contributions in various forms, from one-time donations, on-going donations, grants, and sponsorships to fundraising events. Fundraising for Membership Plus should be separate from regular Village fundraising activities.
- Employ a range of entities targeted for fundraising to include but not limited to individuals, community organizations, foundations, clubs, corporations, businesses, unions, and churches/faith communities.
- Experiment with using the sponsorship approach to attract donors or organizations. Such donors could be asked to sponsor one or more Membership Plus individuals.
- Establish periodic communications with donors to provide updates and information about the Membership Plus Program, persons served (not identified specifically), and the services received through the sponsorship.

- Implement the Club Express or other data gathering systems to gain a better understanding of Village members and the costs associated with membership.
- Assign an actual value to the membership benefits package (collection of services and supports offered) to determine the actual value. This can be used to establish a fee structure that supports a comprehensive budget (including but not limited to staff, facility, and programs).

Summary

Research identifies Villages as one of the “most prominent community-based models for promoting aging in place ... [while] Village members tend to be younger, to be less functionally impaired, to be more economically secure, and to reside in higher socio-economic communities.”ⁱⁱⁱ The significance of this observation is that Villages may be less inclusive and relatively narrow in terms of the demographic that they appeal to and benefit.

The most important take away from this report is the universal response that it is important for Villages to have Membership Plus Programs. Representatives of the Villages surveyed for this paper support endorsed overwhelmingly this sentiment and its implications for fuller economic inclusiveness. However, Villages interviewed recognize the sustainability challenges to develop and incorporate Membership Plus programs in light of the socio-economic demographic of their organizations and the associated perceptions of indifference, bias, and/or exclusion.

A set of questions was established for the purposes of interviewing Villages for this paper to discuss economic inclusiveness in Villages and the development of Membership Plus Programs. The categories driving the interview questions were as follows: eligibility requirements, financial documentation, eligibility redetermination, additional benefits, turnover, the percentage of Membership Plus membership relative to the total membership, distinguishing characteristics, policies and procedures, cost benefit, ascribing value, funding and planning ahead. Interim research findings have informed the development of a new DCV strategic plan and a grant to fund the next phase of DCV’s sustainability initiatives. To support the continued understanding and development of economic inclusiveness among Villages, a Membership Plus Program Readiness Assessment Tool has been developed to generate a dialogue and support documentation of facilitated discussions. (Appendix 2)

When challenged with the task of analyzing fee structure and its relationship to sustainability, the Membership Plus program offers an opportunity for more research and planning. Attributing a value to a membership is the first step to determine the correlation of the Membership Plus Program to the overall fee structure. Currently, there is no definitive ratio between the number of full-paying members and the number of Membership Plus members that is determinative of sustainability. And, there is no definitive ratio between the number of Membership Plus members and the number of paid and volunteer staff hours provided that is determinative of sustainability.

The most significant challenge for this report was the fact that there was very little data identifying Villages with programs to include low-income persons. As more efforts to survey and define the characteristics of Villages locally and nationally, this is likely to change.

Appendix One

Profiles of the Villages Interviewed

Ashby Village, Alameda and Contra Costa Counties, California

In November, 2011, The Ashby Village board of directors established the "It Takes a Village Membership Fund" to make the Village's services and benefits available to individuals who cannot afford the membership fee and to current members who cannot afford the renewal membership fee. Contributions are solicited from individuals, foundations, corporations, and other sources. A subsidized membership is for one year and cannot be guaranteed to continue the next year. The pilot phase began in 2012. The board will conduct an evaluation at the end of the pilot phase. The standard membership fee is \$750/individual and \$1,200/household.

Under the "It Takes a Village Fund," there are two subsidy options and each is administered differently.

Level 1 provides the higher subsidy and is available to new and renewing members (whose financial situations have changed) with an annual adjusted gross income less than \$37,000/individual and \$45,000/household.

Level 2 provides a lower subsidy and is available to current members having difficulty paying the full renewal fees and to prospective members who would bring skills that provide vital support to the success to the village. These funds are given at the discretion of the executive director in consultation with the executive committee.

Standard Membership Fee:	\$750/individual and \$1,200/household
Level 1 Fee:	\$250/individual and \$400/household
Level 2 Fee:	\$500/individual and \$800/household

The application process includes income documentation (front page of IRS tax return) and a brief explanation of why they are applying.

Acceptance of applications and awards of reduced fee membership depends upon the availability of adequate resources in the fund.

Beacon Hill Village, Boston, MA

To the extent that funds are available, Beacon Hill Village offers assistance to those who cannot afford standard membership fees. To be eligible, income must be \$45,000 or less annually for an individual or \$50,000 or less annually for a household; applicants must be at least age 60. Membership Plus members get a \$250 annual credit for programs and services that help enhance the quality of the member's life. Eligible persons receive a reduced membership fee of \$110/individual and \$160/household. If necessary, the fee may be paid in monthly, quarterly, or semi-annual payments. Regular membership fees are \$640/individual and \$925/household.

The application process includes documentation of income and age. The most recent income tax return or the annual Social Security Administration benefit letter may be used for income and a birth certificate or driver's license may be used for age. The Village does not have an eligibility redetermination policy but one is in development.

Beacon Hill has established a goal that 20% of its members be Membership Plus. This percentage would be representative of its service area's demographics.

Demographically, Membership Plus individuals are very similar to the other Village members in age, health status, and functional status. However, they use more services and require more staff time. Accordingly, the staff must be knowledgeable about government services including several eligibility requirements and application procedures.

Seventy-five percent of the Membership Plus members use all for their \$250 annual credit. Members cannot roll-over unspent funds to the next year.

Membership Plus individuals rarely leave the program voluntarily (death or moving out of the area are the typical reasons). Usually, the Village has a waiting list for the program.

Funding for the program is provided by three private foundations and restricted donations from the annual appeal.

Brandywine Village, Wilmington, DE

The Brandywine Village Membership Plus program's eligibility requirements include an income of less than 200% of poverty and that the individual be at least age 50. Income verification requirement must be documented by a Social Security award letter, Social Security check, or income tax form. No verification is required for age. Approximately 35% of current members are in Membership Plus.

Full dues are \$600 per person. The supported membership dues are on a sliding fee scale with persons commanding incomes over 200% of poverty paying full dues. Membership Plus dues may be paid in quarterly installments.

The Membership Plus members are about the same age as regular members, but with a lower health and functional status reflected in a high incidence of mental health issues.

The Village is searching for funding to continue the supported membership program. There is no plan to increase the dues for three years.

Capitol Hill Village, Washington, DC

Capitol Hill Village has a total membership of 372 individuals from 273 households. Of these, 34 members receive assistance in paying their dues. The Census data show the percentage of low-income seniors as 20%.

Regular dues are \$530 for an individual and \$800 for a household. Dues cover 65% of the operating budget. The persons who receive a subsidy for their dues must have an income less than \$40,000 for an individual and \$50,000 for a household. The individual's dues are reduced to \$100 and the household dues to \$200. Income is verified by reviewing the person's most recent income tax form. Occasionally the supported person is allowed to pay the \$100.

Eligibility is re-certified annually by asking each recipient if her income level has changed. Documentation is not required.

In addition to the reduced dues, the individual has access to an emergency fund of \$250 per year. These funds may be used for minor home repairs, utility bills, and other items necessary for health and safety. Village staff may approve emergency funds up to \$250 per year. If the individual's need exceeds \$250, the staff may request the board to approve a higher amount. For an extreme health and life safety need, the board may authorize spending a \$1,000 or more. Some members who received emergency funds repaid them over time. Repayment is not required or suggested. Most do not repay the funds.

Originally, an allowance of \$250 was available to enable the supported person to participate in Village activities requiring a fee. If the individual did not use all of the allowance, the balance was rolled over to the next year. Over time, this grew to become a large, unfunded liability on the balance sheet. The board discontinued the allowance and instituted the emergency fund. While each supported member could receive emergency funds, unspent amounts are not rolled over to the next year.

The money for the membership fee subsidy and the emergency fund are in a separate account called the Rogers Fund. This fund is named after one of the Village founding members. Fundraising for this account is conducted separately from regular Village fundraising. This separation of funds and the clarity of their use are effective and influential with potential donors and makes fundraising easier. Donors, grant makers, and foundations know their donations will not be used to support activities for a group of “rich white persons.”

Elder Help of San Diego, San Diego, CA

Elder Help is a private non-profit with a staff of 11,500 volunteers and 240 members. The organization has three programs: Home Share, Concierge Club, and Senior A-Go-Go. The agency has a sliding fee scale:

Renters:	\$20,000 or less, no fee
	\$21,000 to \$49,000, \$25 per month
Home Owners:	\$13,000 or less, no fee
	\$14,000 to \$49,000, \$25 per month
	Incomes of \$50,000 or more, \$250/per month

Fifty-seven percent of the members pay no fee. Non-financial eligibility requirements include:

- Age 60 or older and live within the service area
- Safe home environment
- No unmanaged mental health condition
- If living alone, no dementia or Alzheimer's disease

The enrollment process includes an in-depth 26-page assessment. To verify income, an income tax return, Social Security award letter, or a retirement/pension plan award letter are required. Age documentation is not required. The income verification is conducted annually. However, if finances change, an interim determination can be made.

Services include daily check-in, preferred provider discounts, field trips, lunches, newsletters, and emergency grocery gift cards.

Staff salaries are paid through grants (most from private foundations) and fundraising. The Home Share program is funded by a government grant from the city Housing Commission.

The average stay in the program is 917 days. People that leave the program have moved to assisted living, moved out of the service area, or died. The average age of the villagers is 74.

Gramatan Village, Bronxville, NY

The Gramatan Village reduced fee (special members) eligibility requirements are a minimum age of 60, an adjusted gross income of \$50,000 or less, and residence in the three zip code service area. In addition, the applicant must not have a cognitive impairment or Alzheimer's disease. The process includes an in-person interview with each applicant.

Income documentation required is the most recent tax return unless the applicant receives Medicaid. Age verification may be a driver's license, birth certificate, or similar document. Eligibility is re-determined annually, and the complete application process is repeated.

Special members receive all village services and pay a reduced rate for events with a fee. When the special membership program started fee-required events were free for special members.

All Villages have strong confidentiality provisions for staff and board members. Often the board of directors does not know who receives the reduced fee. Gramatan Village goes one step further requiring the recipient to maintain confidentiality. A recipient who reveals to others that (s)he is getting a reduced fee is removed from the program.

The Village has 250 members with 25% getting a reduced fee. The full membership fee is \$400/individual and \$530/household. The reduced fee is \$50/individual and \$75/household.

In comparison with standard members, special members have more complex needs which require more volunteer and staff time. The most used services are rides, household chores, and assistance with finding/calling service agencies.

The Village estimates special membership costs are approximately \$80,000, 33% of total Village expenditures.

Monadnock at Home Village, Jaffrey, NH

Monadnock At Home has funding for up to ten supported members. At the time of the interview, it had six. The Village has a total of 100 members. Full membership fees are \$450/individual and \$600/household. The supported membership fee is \$200/individual and \$200/household. The Village allows members to pay the fee in installments. The program is funded through grants from local foundations.

To be eligible, a person must be age 62 and have an income of \$30,000 or less. There is some flexibility in the financial eligibility depending upon extenuating circumstances. For income eligibility, the individual must provide the most recent federal income tax

return. Documentation for age is not required due to the IRS imposed age requirement for village membership during the 501(c) (3) process. The executive director determines the individual's eligibility for supported membership. Eligibility is re-determined annually with the most recent federal income tax return for documentation.

The Supported Membership program does not include any additional benefits in addition to the reduced membership fee. There is very little turnover in the supported membership. Individuals leave the program due to death or relocation.

The Village partnered with New Hampshire Catholic Charities for start-up costs. Among the resources provided by Catholic Charities were meeting space, a social worker, and the administration of payroll.

North Shore Village, Evanston, IL

The reduced fee membership program is quite flexible. There is no defined eligibility requirement. In light of financial hardship, the director makes the determination. The individual is then asked what they can afford to pay. Some pay no fee, some pay 33-50% of the membership fee, and some pay as little as \$10 per month. At renewal, these members are asked what they can afford to pay at that point.

About 10% of the North Shore members are subsidized (excluding the individuals with life memberships). All are women living alone with a disability. Demographically, the subsidized members have the same characteristics as those members paying the full fee.

In addition to the subsidized memberships, the Village has an affiliate membership for those who do not require services.

The Village has a healthy balance sheet due to start-up assistance from Mather LifeWay that provided office space and the executive director's salary and benefits. The Evanston Community Foundation has provided a grant to start an endowment.

The Village's regular dues have not changed for three years.

Pasadena Village, Pasadena, CA

The Pasadena Village has a two tier scholarship program. The first tier is funded from a special grant from a foundation. The eligibility requirement for this scholarship is an income of less than \$32,000 for an individual and less than \$38,000 for two. The second tier is funded by the "founding friends" unrestricted funds. Eligibility for this scholarship is an income of less than \$50,000.

Standard Fees:	\$720/individual and \$960/household
Foundation Scholarship:	\$120/individual and \$180/2 persons
Founding Friends Fund:	\$360/individual and \$480/household

Income verification is the most recent income tax return. Each following year, the scholarship recipient is asked if their income has changed. In addition, if the recipient has not used services the scholarship is reviewed. If a person needs more help than the Village can provide, the scholarship is discontinued.

In addition to the scholarship, recipients receive a stipend of \$250 per year. The stipend cannot be used for a social event.

The Village has a membership manual that is reviewed with anyone joining the Village.

The Village has a grant to pay the salary of one full-time equivalent employee. The grant may be extended to a second year if the Village meets its goals.

The Village is planning a fund-raising campaign to support the low-income scholarships. Approximately 25% of its members are low-income.

Sacramento Mountain Village, Ruidoso, NM

The Sacramento Mountain Village is located a small rural community where everyone knows everyone. It has 65 members with a membership fee of \$100 per couple. Twenty of the members have an income of less than \$30,000. Of these 15 pay the membership fee in quarterly payments and five are assisted with a “scholarship.” No income documentation is required as they know them all.

The Village receives two grants from the State of New Mexico and one from a local foundation. Other money raising activities include providing car tours (\$7/person) and selling items made by members. The items include jewelry, paintings, hats and wooden benches. In the past, the Village has provided 1,200 car tours.

San Francisco Village, San Francisco, CA

The San Francisco Village offers a reduced fee membership to a limited number of individuals each year based on what has been budgeted. Interested parties are required to complete an application and provide proof of need before a scholarship is awarded.

Eligibility requirements include:

- An annual adjusted gross income of \$40,000, or less, for an individual or \$50,000, or less, for a two person household;
- Ability to pay the reduced fee of \$100/year (\$8.33/month) for an individual or \$150/year (\$12.50/month) for a two-person household;

- A brief explanation of why the applicant is applying for Reduced Fee Membership;
- Photocopy the first page of the applicant's most recent IRS tax form 1040 showing the adjusted gross income.
- The San Francisco Village final determination will be sent to the applicant in writing.

Santa Barbara Village, Santa Barbara, CA

Santa Barbara Village has specifically raised funds from donors and foundations to support scholarship members.

For the initial year of the program, the Village is partnering with the local housing authority. Some members from a particular housing authority "development" and others from individual Section 8 housing, which will allow it to compare usage, effectiveness, and need during the year.

Since these participants will already be qualified by being housing authority tenants, the Village does not have to specifically vet them for income levels; however, the Village retains the right to vet participants since it has asset limitations to enforce. This is being done at the encouragement of one scholarship committee member who has been active with Habitat for Humanity.

There is one subsidized level.

These memberships are subsidized with funds garnered from a local foundation, a few gifts or contributions, and a family foundation. However, the Village expects each participant to contribute \$10/month. A small cash pool is being created so that when

scholarship members need something that costs money, there is a reserve or reservoir to draw from.

Appendix 2

Membership Plus Program Readiness Assessment Tool

The following list of questions can be used to assess your interest in developing a Membership Plus funding category to achieve economic inclusiveness in your Village. It is a tool that can be used to start a dialogue about the relationship between sustainability and Membership Plus Programs. How to determine the financial viability of your Village and its readiness for a Membership Plus Program will require education and the input of the Village leadership as well as a close look at current expenditures and savings.

The questions below can be used as a part of Village leadership discussions, formal retreat or serve the basis for the creation of an ad hoc committee to explore the implications of establishing a Membership Plus Program for your Village.

1. Outline the current fee structure for your Village. Include all categories used currently and any new ones that are anticipated (individual, household, sustaining, and associate)
2. Establish eligibility requirements for the Membership Plus Program (age, income, geographic boundaries, for example).
3. Identify financial documentation that you will require to approve Membership Plus Program participation (income tax forms, Social Security benefit award notice, driver's license, for example).

4. Decide if an eligibility redetermination process will be required to continue the Membership Plus status (verbal confirmation, and review of new tax documents). And, if so, what would be the frequency of this process (annually, every two years, every five years).
5. Explore implementing additional features of the Membership Plus Program to create a package (an annual allowance that supports health and safety, stipend for inclusion in activities that cost an additional fee, reduced fees for cultural arts programs, waived fees for educational and exercise programs, and an emergency fund for unexpected expenses).
6. Discuss the implications of the investment and the potential turnover of those in the Membership Plus fee category. Some possible questions to ask include: how will turnover affect your initial investment, are their long term financial concerns, are their safeguards needed to sustain members in this category, what is the relationship between investment, turnover and sustainability of the Village.
7. Analyze the cost benefit of a new Membership Plus Program. Determine if you will establish a percentage of Membership Plus slots as a ratio to the total membership. To do this, review all membership fee categories. Discuss all categories that include subsidy and those that do not. Explore the usefulness of establishing an actual cost of a membership (this cost may exceed the amount of dues you establish as a full dues fee). Is the actual number a reliable one, does it factor in paid and volunteer staffing, space, programs, discounts, free program benefits that the Village covers, technology, and other operational costs. This step may require the additional support of a financial team to generate fiscal reports, develop formulas, and establish ratios.

8. Discuss distinguishing characteristics of all members (age, functional status, mental health status, social inclusiveness/isolation) and their relationship to time investment for a quality experience in the Village.
9. Think about new policies, procedures, and activities that will be developed with the implementation of a Membership Plus Program (funding, eligibility, redetermination, publicity and marketing, fundraising, and limits on slots). What strategic planning will be needed to account for time with new activities generated to promote visibility of the new program, develop partnerships for funding, etc.
10. Review opportunities for funding a Membership Plus Program that might include establishing a specific fund, approaching potential funders such as foundations, corporations, government, private companies, etc. Consider creating a Membership Plus fundraising strategy that can be incorporated into your overall work plan.

ⁱ Greenfield, Emily, et al. "A Tale of Two Community Initiatives for Promoting Aging in Place: Similarities and Differences in the National Implementation of NORC Programs and Villages." *The Gerontologist*, Oxford Journals. Web. April 26, 2011.

ⁱⁱ Scharlach, Andrew, et al. Abstract of *The Village Model: A Consumer-Driven Approach to Aging in Place*. *The Gerontologist*, Oxford Journals. Web. August 25, 2011.