

SUMMIT



FOR MTNA LEADERSHIP

September 5–7, 2025 • Cincinnati, OH



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MTNA LEADERSHIP TOOLKIT:

**Practical Strategies for
MTNA Affiliates**

VOLUNTEERISM BEST PRACTICES



POINTS TO CONSIDER

- Job Description
- Mission-Driven Ask
- Appoint with Intention

THE FOUR LOVE LANGUAGES OF LEADERSHIP

- Words of Affirmation
- Acts of Service
- Receiving Gifts
- Quality Time
- (and fifth for your private life—Physical Touch)

BYLAWS AND GOVERNANCE



TWO IMPORTANT DOCUMENTS

- Articles of Incorporation
- Bylaws

ARTICLES OF INCORPORATION

- Give the association its individual, legal, corporate status
- **Contract** between state and association
- Mainly statement of **purpose** and how it will be governed
- “**Primary Law**” of the association

BYLAWS

- **Contract** between the association and its members
- Rules adopted and maintained by association to define and direct its **internal** structure and management
- Bylaws are subordinate, but complementary, to Articles of Incorporation
- “**Secondary Law**”

BYLAWS

- The bylaws should only give general guidance or set minimal requirements...
- especially in matters that can change during the life of the association...
- e.g. dues structures, titles and functions of staff, program chairs, committee mission statements, operational rules and processes, etc.

BYLAWS

- Decisions reserved for the membership are enumerated in the Bylaws
- If it is not enumerated in the bylaws, the Board has the right, obligation, and legal duty to act
- Bylaws should also dictate the process to amend them

DISPUTES?

- Follow your Articles of Incorporation
- Follow your Bylaws
- Follow any policies and procedures that are in place for programs, grievances etc.
- Follow Robert's Rules of Order for disputes and/or discipline

BYLAWS RESOURCES

- *MTNA's Guide for Drafting Bylaws for State and Local Music Teachers Associations*
- Available on the MTNA website under the “Connect” tab under “Local Associations”

BOARD RESPONSIBILITIES



BOARD RESPONSIBILITIES

(SOURCE: TECKER INTERNATIONAL)

- Set organization's direction
- Ensure necessary resources
- Provide oversight

SET ORGANIZATION'S DIRECTION

- Engage in strategic thinking and planning
- Set the organization's mission and vision for the future
- Establish organizational values
- Ensuring alignment of operational or annual plans with the strategic plan

ENSURE NECESSARY RESOURCES

- Ensure adequate financial resources
- Promote positive public image
- Ensure the presence of a capable and responsible Board

PROVIDE OVERSIGHT

- Oversee financial management
- Determine acceptable risk
- Measure progress on strategic plan
- Monitor programs and services
- Provide legal and moral oversight

GOVERNANCE

- Three fiduciary responsibilities of Boards:
 - Duty of Care
 - Duty of Obedience
 - Duty of Loyalty

DUTY OF CARE

- Be informed and ask questions.
- The duty of care describes the level of competence that is expected of a board member and is commonly expressed as the “duty of care that an ordinary prudent person would exercise in a like position and under similar circumstances.”
- This means that a board member owes the duty to exercise reasonable care when he or she makes a decision as a steward of the organization.

DUTY OF OBEDIENCE

- Requires board members to be faithful to the organization's mission.
- They are not permitted to act in a way that is inconsistent with the central goals of the organization.
- A basis for this rule lies in the public trust that the organization will manage donated funds to fulfill the organization's mission.

DUTY OF LOYALTY

- Show undivided allegiance to the organization's welfare.
- A standard of faithfulness; a board member must give undivided allegiance when making decisions affecting the organization.
- A board member can never use information obtained as a member for personal gain and must act in the best interest of the organization.
- Board members must comply with policies regarding code of conduct and ethical behavior.

FINANCE FOR AFFILIATES



NONPROFIT MYTH

You can't make a profit as a nonprofit....right?

WRONG!

BUDGETING

- A nonprofit budget is a planning document used to predict expenses and allocate resources for your affiliate. It details both the costs that your association will incur as well as the revenue you expect to receive over a set period of time.
- It's a dynamic document and will change
- Don't make it complicated!

BUDGETING

- Take a look at your revenue streams from the past and itemize them (e.g. dues, competition and festival entry fees) and the approximate amounts you have historically brought in past.
- Take a look at your expenses from the past and itemize (e.g. judges fees, guest speaker honoraria)

BUDGETING

- Put all of this, as well as your best guesses for next year into an Excel sheet. (or find a template online)
- Create columns for last year, year to date and next year and track throughout the year
- Use this as the basis for your financial reports to members and for developing next year's budget
- Make sure your Board approves your budget

MAXIMIZE YOUR SAVINGS

- Remember, it's ok to make a profit as a nonprofit and have reserves!
- Make your reserves work for you!
 - High interest money market accounts (most liquid and lowest risk)
 - Certificates of Deposit (less liquid, but low risk)
 - Investments (least liquid, higher risk, higher return over time)

TRANSPARENCY

- Provide regular financial reports to the Board and membership
- Have multiple signers on your accounts
- Establish an audit procedure
 - Bylaws might include audit procedures (MTNA's do)
 - Don't have to have an outside professional audit. An audit committee can also ensure transparency and protect officers from accusations of wrongdoing

AFFILIATE SERVICES



WHAT IF EVERY AFFILIATE HAD TO:

- Do its own dues billing and processing?
- Provide its own event liability insurance?
- Pay its own performance licensing fees?
- Pay all costs for 501(c)(3) tax exemption?
- Find additional volunteers or pay staff to handle these things efficiently and effectively?

That would cost affiliates
almost \$600,000 a year!

ECONOMY OF SCALE

The national association can provide all these services

- **More efficiently**
- **More effectively**
- **More economically**

DUES BILLING AND PROCESSING

- Membership renewal and membership card mailings for affiliates (\$70,000)
- Processing fees for affiliates (\$30,000)
- Headquarters staff to answer member questions and take payments over the phone and process and mail rebate checks (priceless)

P.S. Make sure you cash those rebate checks!!!

GENERAL LIABILITY EVENT INSURANCE

- General Liability Insurance (\$500 per year/per affiliate)
 - Coverage is automatic
 - Certificate of insurance request form

PERFORMANCE LICENSING FEES

- Special agreement with (ASCAP), granting MTNA and affiliates a blanket license to publicly perform copyrighted music (\$500 per year/per affiliate)
- Send 1 copy of each program by June 30 each year to mtnanet@mtna.org
- Attendance figures are not required
- Does not apply to individual's recitals or performances

501(C)(3) GROUP EXEMPTION

- MTNA has been authorized by the IRS to maintain a group exemption roster for its affiliate organizations (\$500-\$5,000 to file legal paperwork and attorney fees)
 - Not required for MTNA affiliates
 - Must file a tax return to remain in the program

WHAT DOES THIS MEAN?

MTNA can do what would cost
affiliates almost \$600,000 for
approximately \$130,000

WHY DOES THIS MATTER?

THE LONG ANSWER TO AGE OLD QUESTIONS AND COMMENTS

“Why do I have to be a member of the national association when I only want to be involved with my local association?”

“The national dues are so expensive!”

“Really, what does the national association do for me?”

THE FTC AND YOU



MTNA CONSENT DECREE WITH THE FTC

- First Contact March 2013
- Code of Ethics violated Antitrust laws
- Settlement April 3, 2014
- 22 Obligations (including annual training that's no longer required)
- Concludes April 3, 2034
 - MTNA has and always will be responsible for following antitrust laws, hence this presentation today 😊

SEVEN IMPLICATIONS FOR AFFILIATES

BUSINESS ISSUE DISCUSSIONS

- Don't discuss current prices
- Don't encourage retaliation or boycotts of suppliers

MEMBERSHIP APPLICATION BENEFITS AND EXPULSION

- “Rule of Reason” if a member is denied membership
 - Membership not required to teach music (compete)
 - Membership rules objective and consistent (e.g. geographic boundaries)
- Nonmember access to benefits
- More scrutiny of expulsion than denial of membership
- Due Process

CODE OF ETHICS

- Appropriate
- Avoid imposing anti-competitive restrictions
 - Cannot restrict teacher recruitment

PRICE SURVEYS

- Collection by independent third party preferred
- Historical data
- Anonymity of participants

CERTIFICATION PROGRAMS

- Open to nonmembers
- Objective criteria
- Consistent and fair adjudications

TEACHER REFERRAL SERVICES

- Permissible
- No prices
- No recommendations

COMPETITIONS AND FESTIVALS

- Festivals may be limited to members
- Competitions must be open to non-members
- Student recruitment may not be restricted
- Exception: the conduct of judges may be regulated!
- Nonmembers may be charged a fee or higher fee, but not so high as to compel joining

TWO KEY TAKEAWAYS

- Do not prohibit or restrict the recruitment of students
- Do not discuss current prices among yourselves

RESOURCES

- *MTNA Compliance Guide for State and Local Music Teachers Associations*
- Available on the MTNA website under the “Connect” tab under “Local Associations”
- Contact me at 513-421-1420 or bshepard@mtna.org

AVOIDING SCAMS



TYPES OF SCAMS

- Phishing
- Spear Phishing
- Check Scams
- Fake Donation Scams

QUESTIONS?




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