National Cattlemen's Beef Association
Federation of State Beef Councils Division Investment Schedule

Renewing State Beef Council (SBC) organizations must sign and return a Federation of State Beef Council Investment Worksheet, provided by NCBA's Accounting Department, indicating projected investment amount and preference about how payment will be made. The Federation of State Beef Council Division of the Board of Directors will review and take appropriate action.

Federation of State Beef Council Members
Beef and Veal
State Beef Council Members are SBCs qualified by the Cattlemen's Beef Promotion and Research Board pursuant to the Beef Promotion and Information Act and Order (including state beef boards, commissions, foundations and associations), responsible for a state's beef checkoff program and conducting its beef promotion, research and information programs. Such members may earn beef or veal Federation Division Board of Director and committee seats based on the following investment schedule. SBCs must identify and designate checkoff investment and representation as beef or veal.

The Investment Schedule shall be based on a rating system which takes into account three circumstances, the average of which produces a rating for each SBC, scored as follows:

State Checkoff Collections

Amount	Score
Highest 15 states	3
Middle 15 states	2
Lowest 15 states	1

State Population

Amount	Score
Highest 15 states	1
Middle 15 states	2
Lowest 15 states	3

Per Capita Consumer State Checkoff Spending

Amount	Score
Highest 15 states	3
Middle 15 states	2
Lowest 15 states	1

The investment required for each seat shall be based on the rating as follows:

Beef & Veal	Rating 1	Rating 1.3	Rating 1.67	Rating 2.0	Rating 2.3	Rating 2.67	Rating 3.0
1st seat	$14,000	$17,000	$20,000	$23,000	$26,000	$29,000	$32,000
2nd	$14,000	$17,000	$20,000	$23,000	$26,000	$29,000	$32,000

seat							
3rd seat	$14,000	$17,000	$20,000	$23,000	$26,000	$29,000	$32,000
4th & 5th seats	Per seat, an additional 2.5% of all beef and veal checkoff funds received by the Federation Division of NCBA from SBCs during the prior year (does not include investment for previous seats).						
6th seat & greater	Per seat, an additional 5% of all beef and veal checkoff funds received by the Federation Division of NCBA from SBCs during the prior year (does not include investment for previous seats).						

Any state beef council that contributes ten percent (10%) or more of the Federation Division's total beef and veal Checkoff contributions (based on prior fiscal year) shall be entitled to one seat on the Federation Section of the Executive Committee.

If a state beef council's checkoff revenue from the 50¢ it retains is less than $140,000 it will have a seat (beef or veal) on the Federation Division of the Board by investing a minimum of 10% of the state's share of annual checkoff receipts.

Each director will be assigned to a checkoff-related program committee. However, Veal directors will be automatically assigned to the Joint Veal Committee. Representation is based upon prior fiscal year total (unrestricted and prioritized) SBC investments.

Unrestricted Investment: These funds are allocated through the budgeting process that includes input from industry committees, industry leadership, the budget committee and state beef council staff. Ultimate approval is by the Federation Division of the Board of Directors. These funds support a coordinated national plan. Investors receive credit toward Board representation for such investments.

Prioritized Investment: These funds are prioritized for a specific program area, such as international marketing, nutrition research, retail marketing, advertising, etc. The prioritization is done by the investing organization and may or may not be consistent and supportive of the budgeting process. Investors receive credit toward votes in the Federation Division of the Board for such investments.

Earmarked Investment: These funds are specifically designated for a project or activity. This is done by the investing organization and may or may not be consistent and supportive of the budgeting process. Earmarked funds for NCBA projects do not count toward representation in the Federation Division of the Board. With respect to international marketing; however, these earmarked funds are dues to United States Meat Export Federation and count toward representation on USMEF's Board of Directors. Each director seat at USMEF is $8,600.

Federation Initiative Fund: This fund provides an opportunity for large cattle population states with small people populations to support the efforts of states with low cattle populations and high people populations. Like earmarked funds to USMEF, these independent efforts will not count toward investments in the Board.