St. Mary’s River Watershed Association

FUNDRAISING PLAN

2007 – 2010
St. Mary’s River Watershed Association

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A good fundraising plan is
-- a plan,
-- within a plan,
-- within a plan.

Fundraising Committee Members

Richard Holden, Chairperson
 Joe Anderson
 Bob Lewis
 Roger Stone
 Joan Poor

With the help of Dr. Salvatore Meringolo

Adopted by the Fundraising Committee September 19, 2007
Date

Richard Holden, Chairperson
Signature

Adopted by the Board of Directors October 6, 2007
Date

Joseph F. Anderson III, President
Signature
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Map of the St. Mary’s River watershed

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Maps courtesy of St. Mary’s College of Maryland and the St. Mary’s River Project.
Summary

Overview of Process

The Fundraising Committee met four times in the development of this plan. The process was launched in the winter of 2007 with an initial meeting with Dr. Salvatore Meringolo, Vice President of Development for St. Mary’s College of Maryland. Dr. Meringolo is well versed in fundraising and he is a founding member of the Association. He provided the committee with fundamental principles of a good fundraising plan and with unwavering support for the Association’s strategic planning thus far.

Beginning with the choice of two simple models from which to build the foundation of the Association’s plan, the committee weighed the positive and negative aspects of each model with particular attention being paid to the predictability of funding.

After choosing a model, the committee developed a list of potential activities for the Association to pursue, again with attention being paid to the predictability as well as the productivity in terms of funding. Activities, such as membership (dues) recruitment and retention, were then prioritized by predictability in funding and by labor requirement for execution—with membership dues and member donations winning the committee’s unanimous support as the most important activity for all Board members to become engaged in over the next three and a half years.

Recognizing the value of outside scrutiny, the committee debated the pros and cons of soliciting help with the plan prior to submittal to the Board. Weighing the urgency for a fundraising plan and the need to begin immediately on execution of a plan, the committee chose to recommend to the Board the contracting of consultant services in late 2007 for the purposes of further refining the Association’s Strategic Plan, developing a companion implementation plan, and further refining the Fundraising Plan.

A strategic plan is an organization's blueprint for carrying out its mission statement. It is initiated, implemented, and periodically reviewed by an organization's staff and board. The Executive Committee just completed the first review of the Strategic Plan (July 6). Likewise, the fundraising plan provides the means for the organization to fund the execution of its strategic plan—hence carrying out the mission statement.

Mission Statement

To Protect, Improve, and Promote the well-being of the St. Mary's River Watershed through the collaborative efforts of economic, agricultural, environmental, social, cultural, and political stakeholders in the community.


Readiness & Budgetary Goals

The committee’s first step was to evaluate the organization’s readiness to receive funding. In March of 2005, the Association was duly incorporated in the State of Maryland; and in March of 2006, the Association’s received Internal Revenue Service designation as a 501 (C) (3) non-profit. These two steps are fundamental to becoming recognized as a charitable organization—an organization lawfully suited to seeking charity. This past spring, the Association filed with the Secretary of State of Maryland for certification to solicit up to $100,000 annually. Prior to 2006, the organization had filed a request and received exemption from this formality since its anticipated revenues were less than $25,000 annually.

As part of the Association’s readiness to receive funding, on February 3, 2007, the Board of Directors adopted a budget for 2007. As a part of this plan, the committee submits a three-year revenues-only budget (Appendix A), which is meant to be a living document in concert with the Strategic Plan. The drafting and adoption of this Fundraising Plan thereby follows on the heels of the readiness evaluation and designation of the Association as “ready” to receive funding.

Ideology

The committee addressed two opposing models for consideration as the foundation of the fundraising plan. In Figure 3, model A depicts an organization relying on a substantial part of their funding coming from foundation and public grants and service contracts. Model B represents the organization relying on membership donations as the principle funding means.

All committee members, as well as Dr. Meringolo, felt that Model A would not be suitable for the Association for several reasons including the need for more staff to research, apply, and track grants; the restricted nature of funding from grants; and the lack of predictability of funding from grants.

Predictability of funding and freedom in spending are unquestionably preferred. It should also be noted that tracking memberships and a volunteer base is also quite labor intensive and will require significant financial resources.

Fig. 3 – Model of funding sources
Recognizing these two importance features, the committee took an in-depth look at the major funding sources with regards to the level of restrictions that funders and donors placed on funding and the predictability of funding from the major sources. Charted below on the vertical axis is reliability, or predictability, of each major funding source. Note that membership renewal dues are the most predictable funding source. On the horizontal axis, the chart depicts the flexibility in spending. Unrestricted funding is most beneficial to the Association’s pursuit of its mission. Figure 4 below concurs with the committee’s findings.

![Fig. 4 – Predictability vs. Flexibility](Courtesy River Network)

The predictability of funding combined with spending flexibility form the basis for the following action plan and hence the priority activities that this plan will outline.

The committee’s research on organizational fundraising success tells the story of Board member dedication and significant Board member contributions—both in service and monetary. To be a successful individual at soliciting funds, one must be willing to set an example for others to emulate. In light of this the committee has adopted the following creed:

*There is no greater strength in a fundraising campaign than a Board ready and willing to lead.*

*There is no greater weakness than one that sees fundraising as someone else’s responsibility.*
Action Plan with Objectives and Milestones

Basic Strategy

1. Create a board of directors able and willing to make significant contributions and to solicit others for major contributions.
2. Maximize the amounts contributed by donors.
3. Create the largest possible effective base of individual donors, corporate donors, and foundation donors.
4. Create the largest possible effective base of volunteers.
5. Expand RiverFest fundraising potential.
6. Formulate new ideas and pursue additional fundraiser events.
7. Create a line of merchandize for sale.
8. Augment these programs with grant funds.

Tactics

1. Establish and maintain a development committee of the Board of Directors—consider renaming the committee from Fundraising Committee to Development Committee.
2. Institute programs to identify, rate, evaluate, and prioritize prospects, especially those who have the ability to make major contributions, both within the ranks of current support constituencies and from lists of prospective donors.
3. Identify major prospects that may find it attractive to underwrite or sponsor a specific program, service, or department on an annual, ongoing, or one-time basis.
4. Encourage Directors to maximize their donations.
5. Encourage Directors to solicit prospects with which they have influence and leverage.
6. Assist Directors in developing a volunteer network of community leaders and executives who will solicit for the organization.
7. Establish and maintain a development staff and/or train existing Directors and staff to help direct and staff all fund-raising initiatives.
8. Develop compelling written materials that effectively communicate the organization's funding requirements to the board, other volunteers, and the public.

Initiatives

1. Plan, initiate, and produce an endowment campaign and deferred giving program to provide income in perpetuity to support programs and services.
2. Plan, initiate, and produce other appropriate campaigns: i.e., annual, capital, underwriting and sponsorship.
3. Institute a communication program to maximize awareness of the organization's value to the community.
4. Institute a recognition program to honor major donors or to utilize recognition ceremonies as fundraisers.
Objectives and Milestones

§ Recruitment of Skilled Fundraisers

Recognizing that some people excel in the area of fundraising and enjoy this work, it is important that the Association make every effort to recruit such gifted people to serve on the Fundraising Committee and Board of Directors.

Objectives with Assessment Metrics
1. Recruit at least one, and preferably two members with fundraising skills and experience to serve on the Fundraising Committee.

Critical Input Milestones
1. Recruit one new Board member specifically skilled in fundraising who will serve on the Fundraising Committee.
   Beginning: 08/2007        Completion: When two are recruited
2. Recruit an additional Association member or members specifically skilled in fundraising or who is willing to learn and be involved who will serve on the Fundraising Committee.
   Beginning: 08/2007        Completion: Ongoing

§ Board of Directors & Staff Development

The Board of Directors can be the greatest asset in the Association when it comes to fundraising. While it is important that every Board member participate in fundraising, having several Board members who excel in this endeavor and who are willing to work on an ongoing basis is paramount to the success of the Association and the fulfillment of its mission. Likewise, staff can prove to be invaluable assets, and organizational support for staff training and recruitment should be ongoing.

Board member commitment to the Association, through their personal financial donations, is key to successful grant writing.

Objectives with Assessment Metrics
1. All Board members to contribute significant financial donations to the extent that is reasonable and never burdensome. The goal shall be to have 100% of the Board making a financial contribution every year.
2. Expand the fundraising knowledge base and resources of Board members and staff through training and recruitment.
3. Formalize organizational expectations of Board members, staff, and committee members by developing an Organizational Plan. Whenever possible, provide further understanding and clarity with effective written materials, periodic updates on successes and shortfalls, and informal discussions in small groups of three to five people.
Critical Input Milestones

1. Strongly encourage every Board member to donate financially every year in an amount that stretches their charitable capacity.
   
   Beginning: 2007  Completion: Ongoing

2. Each year, provide financial support and send a minimum of four Board members and staff to attend the Chesapeake Bay Funders Network (CBFN) fall watershed forum—as well as other training opportunities—having at least two people focus on the fundraising track.
   
   Beginning: Fall 2007  Completion: Ongoing

3. For each CBFN event, at least one Board members and one staff attend and at least one person focus on fundraising training opportunities.
   
   Beginning: 01/2008  Completion: 06/2010

4. Provide biannual reports on Board member fundraising initiatives, successes, and failures with the goal of enhancing Board willingness and effectiveness.
   
   Beginning: 06/2008  Completion: Ongoing

Membership Recruitment and Retention

Predictability in generating funding and flexibility in spending of member donations underlies the importance of membership recruitment. While studies indicate that environmental organization can attain a membership up to 1% of the resident population, current trends may indicate that an increasing percentage of people are willing to make environmental matters a household priority hence setting the stage for recruiters to meet goals greater than 1%. The St. Mary’s River watershed is home to approximately 45,000 residents, therefore a realistic goal for membership is 450, possibly higher.

Objectives with Assessment Metrics

1. All Board members to participate actively in recruitment of new members one-on-one, volunteering tabling events, and ad hoc—and by carrying one or two brochures with them at all times.

2. All Board members, in teams of two or three, to hold membership recruitment house parties with the support of staff and the membership committee, and funded by the organization.

3. Membership Committee and staff to provide resources to Board members for fulfillment of the above two objectives.

Critical Input Milestones

1. Encourage Board members to work individually and collaboratively to recruit four new members on average each year.
   
   Beginning: 08/2007  Completion: Ongoing

2. Strongly encourage each Board member to collaborate in membership recruitment such as house parties.
   
   Beginning: 08/2007  Completion: 12/2010
3. Provide Board members with informative publications and staff support in order to facilitate membership recruitment house parties.  
   Beginning: 08/2007   Completion: Ongoing as needed

4. Increase regular membership per the Strategic Plan, from 200 members to 450 by the end of 2010.  
   Beginning: 08/2007   Completion: 12/2010

§  Corporate Sponsorship

Corporate giving is on the rise throughout the country and locally. Reliability of annual giving is quite high and, generally, more than half of corporate donations will be repeated the following year. Additionally, corporate donations are typically unrestricted in spending making them ideal for fundamental organizational expenses—expenses that are typically not funded through foundations and grants.

St. Mary’s County is host to hundreds of satellite offices for large corporations who specialize in the defense, technology, and security industries. Moreover, many of these offices are located with the St. Mary’s River watershed and should be more likely to support the Association’s mission.

Objectives with Assessment Metrics

1. Expand and grow relationships with current corporate donors through effective and informative solicitation and thank you letters, public recognition campaigns and letters to the editor, and/or direct service to employees. Corporations who receive this attention will be more likely to give annually.  
2. Increase the number of corporate members/donors each year by soliciting new corporate sponsors, as well as encouraging renewals.

Critical Input Milestones

1. Actively seek corporate membership/sponsorship renewals year after year with the goal of retaining 60% as ongoing annual donors.  
   Beginning: 08/2007   Completion: Ongoing

2. Increase corporate membership by three each year raising the total from the current 20 to 30.  
   Beginning: 08/2007   Completion: 12/2010

§  Major & Foundation Donors

Major donors and foundations can be valuable sources of programmatic funding, and in rare cases, sources of operational funding. Whenever Association goals and pursuits are compatible with foundation grant programs, every effort should be made to apply for funding. While foundation funding does, from time to time, come to the Association unsolicited, members should be encouraged to continually ask about opportunities and to periodically look for new sources of foundation support.
Currently, the Chesapeake Bay Funders Network provides funding for operations, planning, and training—through a three-year funding program Capacity Building Initiative. This funding is essential to the Association’s continued growth.

**Objectives with Assessment Metrics**
1. Continue to research and identify opportunities for programmatic funding from foundations and trusts whenever funding is compatible with Association programming and mission, such as the WRAS.
2. Continue to meet the goals and objectives of the Chesapeake Bay Funders Network Capacity Building Program.

**Critical Input Milestones**
1. Encourage Board members and staff to research grant opportunities on an ongoing basis with the goal of getting one or two grant awards annually.
   - Beginning: 08/2007
   - Completion: Ongoing
2. Comply with Chesapeake Bay Funders Network contractual requirements by applying, reporting and executing contractual deliverables.
   - Beginning: 06/2007
   - Completion: 06/2010

§ **Events & Activities**

Fundraising events can provide a substantial percentage of the overall organizational budget. RiverFest 2007 is being approached as an informative and celebratory event—and as a major fundraiser. This year a raffle program will provide a venue for Board members, staff, and members to become involved in the Association’s overall fundraising.

While fundraising events are labor intensive, there is great need for a second major annual fundraising event. Opportunities to partner on fundraisers abound and could serve the Association ways other than funding.

**Objectives with Assessment Metrics**
1. Grow the RiverFest event annually and move it to a venue that will accommodate a larger attendance.
2. Retain raffle prize donors with effective recognition and praise, and seek to sell more tickets each year.
3. Research and evaluate the possibility of adding a second major fundraising event each year.
Critical Input Milestones

1. Expand RiverFest attendance – both exhibitor/vendors and attendees.
   Beginning: 09/2007   Completion: 09/2010

2. Increase raffle program net revenue by 20% annually.
   Beginning: 09/2008   Completion: 09/2010

3. Research and evaluate adding a second annual fundraising event.
   Beginning: 01/2009   Completion: 12/2010
# Appendix A - Revenues Budget Goals 2008-2010

## BUDGET - YEAR 2008 - 2010

<table>
<thead>
<tr>
<th>REVENUES</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
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<tbody>
<tr>
<td>Individual Membership Dues (320, 440, 500)</td>
<td>11,200.00</td>
<td>15,400.00</td>
<td>17,850.00</td>
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<td>Individual Donations</td>
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<td>12,500.00</td>
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<td>Government Grants</td>
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<td>10,000.00</td>
<td>10,000.00</td>
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<tr>
<td>Foundations and Trusts (mostly program funding)</td>
<td>40,000.00</td>
<td>40,000.00</td>
<td>40,000.00</td>
</tr>
<tr>
<td>Corporate Donations (16, 20, 24 - ave. $500/ea.)</td>
<td>8,000.00</td>
<td>10,000.00</td>
<td>12,000.00</td>
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<tr>
<td>Fundraiser RiverFest Raffle</td>
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<tr>
<td>Other Fundraisers</td>
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<tr>
<td>Sales</td>
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<td><strong>Total</strong></td>
<td>110,200.00</td>
<td>131,900.00</td>
<td>150,700.00</td>
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</tbody>
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### Planned Funding Profile 2008

- Individual Membership Dues (320, 440, 500) 37%
- Individual Donations 10%
- Government Grants 7%
- Foundations and Trusts (mostly program funding) 9%
- Corporate Donations (16, 20, 24 - ave. $500/ea.) 5%
- Fundraiser RiverFest Raffle 16%
- Other Fundraisers 5%
- Sales 7%

![Pie Chart for 2008](image)

### Planned Funding Profile 2009

- Individual Membership Dues (320, 440, 500) 30%
- Individual Donations 12%
- Government Grants 9%
- Foundations and Trusts (mostly program funding) 8%
- Corporate Donations (16, 20, 24 - ave. $500/ea.) 26%
- Fundraiser RiverFest Raffle 19%
- Other Fundraisers 5%
- Sales 10%

![Pie Chart for 2009](image)

### Planned Funding Profile 2010

- Individual Membership Dues (320, 440, 500) 26%
- Individual Donations 12%
- Government Grants 7%
- Foundations and Trusts (mostly program funding) 10%
- Corporate Donations (16, 20, 24 - ave. $500/ea.) 20%
- Fundraiser RiverFest Raffle 5%
- Other Fundraisers 12%
- Sales 12%

![Pie Chart for 2010](image)