

## INTENT TO FUNDRAISE FORM

### MEMBERSHIP AND ANNUAL PARKING PASS PROGRAM

Final May 28, 2014

1. **Project Name:** Foundation Membership and Annual Parking Pass Program
2. **Purpose of Fundraising:** Establish a base of general donations that creates a regular flow of financial support for non-priority state park improvement projects and programs.
3. **Type: (e.g., Capital or Programmatic Priority Campaign, General Donation Initiative)** General Donation Initiative
4. **Scope of Work:** This program is designed to establish the Foundation membership program in order to create a base of support for our work to raise funds for Oregon State Parks. The program will be ongoing beginning in 2014. The base membership proposition is that if one joins the Foundation at the \$45 level, the member will receive an introductory annual Oregon State Parks pass. In subsequent years, the membership fee will be \$60 to receive the pass. We project a membership of 1,000 after the first year of the program; membership is projected at 10,000 in year 10. During its initial years, the program will utilize the funds received to pay for Foundation membership program expenses. As the program becomes self-sustaining, hopefully by the end of its third year, funds will be generated for general OPRD programs. The target list for the membership program is initially the 130,000 campground, yurt and cabin reservation emails that OPRD obtains annually. The Foundation intends to communicate with this list via email approximately eight times each year: Four of these emails will be

Foundation newsletters with content geared toward visiting and utilizing state parks. Two or more of these emails will be “action alerts” such as an invitation to a First Day hike or a statewide volunteer work party. Two of these emails will be specifically focused on soliciting membership. Based upon the success of the program we may expand its scope in future years. For instance, we have held an initial conversation with AAA Oregon about promoting membership through their magazine. We might in the future turn to the 40 million visitors to state parks each year who have not made a reservation, perhaps by initiating a summer canvas program at state parks along the Highway 101 corridor. Based upon our success, we will expand the scope of our program. These programs would be undertaken in a future modification of this Intent to Fundraise Form.

- 5. Projected Value of Donation:** The Foundation will offer a basic first-time membership at an introductory rate of \$45 and an annual renewal rate of \$60; with this donation, the new or renewing member will receive an annual state parks parking pass. Higher membership levels will be offered with increasing membership premiums on a sliding scale up to \$1,000 or more. Through this membership structure, the Foundation will be able to cover a portion of its operational budget and will be able to pursue other Capital or Programmatic Priority Campaigns. Following year one, if the Foundation meets its projected goal of 1,000 members, revenue will be \$50,000 (1,000 members at an average donation of \$50). This revenue will be used to support the Foundation’s cost to develop and maintain the program. By year 10, when we project to have 10,000 members, we will have a revenue stream of \$500,000 at which time revenue to

OPRD will account for \$375,000, with administrative support of the program at the Foundation accounting for the remainder. In the years between year 1 and year 10, and especially during years 1-3, the Foundation will be investing heavily in marketing and promoting our work in order to rapidly grow and solidify the membership base.

- 6. Administrative Charge:** Funding from this program will not be transferred to OPRD until such time as the membership program is self-sustaining. At the time that the Foundation elects to transfer funds to OPRD, we will retain 25% administrative charge of all funds raised to that point to cover the staffing and maintenance of the membership system.
- 7. Department Resources Requested:** OPRD will continue to provide the Foundation with its current reservation list of all customer emails and will refresh this list on an annual basis. Also, the Department will make available annual passes to the number of donors who become members. No transfer of funds will be made to pay for these passes. Rather, these funds will be accounted for on the Ledger that is called for in the Master Agreement with OPRD.
- 8. Estimated Value of Department Resources:** We project that in the first year of the program we will grow our membership to 1,000 members; thus, the value of Department resources would be \$25,000 for the annual passes that were distributed in exchange for parks publicity via our newsletter. The e-mail list provided does not have a value that has been calculated at this time.
- 9. Target Net Donation (e.g., projected Donation less value of Department Resources received):** Our projection is to grow the Foundation membership to

10,000 members over the next 10 years. This would imply that at an average donation of \$50 we would generate an income of \$500,000 in year 10. The Foundation would retain an administrative fee of \$125,000 and the cash donation to OPRD would be \$375,000. It will take many years to build the membership to this level and will entail a strong administrative effort to maintain this membership. In addition, the newsletters and action alerts that are a part of this program have a value to OPRD. This value is calculated at four newsletters per year at \$ .02 each.

**10. Strategy:** Our program strategy is based upon the proposition that Oregonians are passionate about state parks and will support them through the Foundation when properly approached. Add to this the value proposition of obtaining a park pass in exchange for a membership donation of \$45 and we believe we have a compelling program. Integral to this strategy is our desire to create a relationship between the member and the Foundation by offering compelling newsletters, a field trip program and special opportunities to get “up close and personal” with state parks. The base membership program will provide the underpinning for all other Foundation fundraising — upgrading member’s level of donation, compelling them to make an additional gift to a special appeal, participation in volunteer programs, estate planning, etc. The relationship of the members to state parks also will provide strong support for traditional capital campaigns and a strong voice for influence on state park issues.

**11. Fundraising Budget:** The budget for the first three years of the program is attached..

**12. Foundation Staff Time:** In year one of the program, we believe we can service the program by increasing our Communications and Office Manager's effort to full time. She presently works halftime. In year two, when we are at 1,000 members, we anticipate that we will need to add a full-time membership assistant who will service membership requests, renewals and fulfillment. In subsequent years, the base program at the Foundation will consist of a Communications and Office Manager devoted to the membership program half time and a Membership Assistant at full time.

**13. Department Staff Time:** Departmental staff time for this program will be minimal. With the email list is provided, the Foundation will contract with an email service provider for distribution of materials. We will make use of the abundant interpretive and promotional materials that OPRD already has available in the production of our four times per year newsletter. Regarding state park passes, we do not anticipate that the marginal increase of 1,000 new park pass holders in year one will impact OPRD staffing. By year 10, with 10,000 passes in member's hands, there will be some as-yet uncalculated increase in use at OPRD facilities.

**14. Fundraising Timeline:** Time is of the essence in initiating this program. Because of the critical nature of the Foundation's budget, it is important that we begin our flow of newsletters in spring/summer 2014 with an appeal to membership and annual passes to be launched not later than fall 2014. Once the initial membership push has been completed, focus will then be on membership renewals and further membership recruitment in following years by use of the following year's list.

**15. Phasing/Gateways/Milestones:** The program is expected to recruit 1,000 new members each year. By the end of Year 2, the foundation should be deriving stable revenue from 3,000 new and renewing members. Once we have two years of data in hand, we will be more able to specifically calculate the revenues from the program and therefore more accurately estimate the return to OPRD. It is recommended that when more specific milestones are created, the funding to be transferred to OPRD be strategically deployed to OPRD programs that are highly visible to our membership and the public as well as highly leveraged. In this way, the benefit to members will be real and tangible.

**16. Essential Components / Anticipated Costs:** This program is based on the premise that we will have full access to OPRD email lists and that an annual state parks parking pass will be offered as a premium to be billed as a Ledger expense. Both of these components are deemed essential to the program's success. It is also essential that the Foundation have equipment (computers, email service provider, staffing) adequate to renew the member and provide annual passes in a timely manner. The Foundation is actively seeking grant funding to subsidize the first three years of this program.

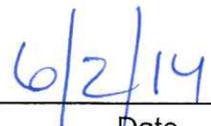
**17. Reach Components / Anticipated Costs:** None

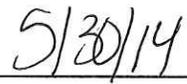
**18. Special Considerations:**

**19. Reporting Requirements:** We recommend that the Foundation report membership numbers, membership revenues and membership program costs to the Department on an annual basis.

**20. Date of Reconciliation:**

**21. Signatures:**

   
\_\_\_\_\_  
John Hoffnagle Date  
Executive Director, Oregon State Parks Foundation

   
\_\_\_\_\_  
Lisa Van Laanen Date  
Director, Oregon Parks and Recreation Dept.

MEMBERSHIP PARK PASS BUDGET PROJECTION  
DRAFT April 25, 2014

	2013	2014	2015	2016	Notes
	(Base year)	(Year 1)	(Year 2)	(Year 3)	se over Base
<b>REVENUE</b>					
Membership-direct mail (less than \$1,000)	24,471	27,481	30,481	33,481	9,010 existing average at \$50
Membership - email (less than \$1,000)	-	45,000	55,000	70,000	70,000 email average at \$45
Member Renewals from direct and email	-	-	32,616	38,466	38,466 .30 renewal rate at \$75
<b>TOTAL REVENUE</b>	<b>\$ 24,471</b>	<b>\$ 72,481</b>	<b>\$ 118,097</b>	<b>\$ 141,947</b>	<b>\$ 117,476</b>

<b>EXPENDITURES</b>					
<b>DEVELOPMENT</b>					
Communications Office manager .5 fte	0	17,300	19,050	20,877	20,877 .5 fte time
Development Associate	0	0	24,000	25,200	25,200 beginning 2015
Email expenses	751	8,251	9,000	10,000	9,249
Website/Technology	2,497	9,947	6,000	7,000	4,503
Direct mail expenses	4,240	10,140	16,140	19,140	14,900 increasing number mailed
Fulfillment	1,092	9,092	11,250	14,000	12,908
Administrative expenses	2,576	9,740	14,526	16,683	14,107 .15 of program cost

<b>TOTAL EXPENDITURES</b>	<b>\$ 11,156</b>	<b>\$ 64,470</b>	<b>\$ 99,966</b>	<b>\$ 112,900</b>	<b>\$ 101,744</b>
<b>NET PROGRAM REVENUE</b>	<b>13,315</b>	<b>\$ 8,011</b>	<b>\$ 18,131</b>	<b>\$ 29,047</b>	

<b>REVENUE TO OPRD</b>					
Program Revenue to OPRD		8,011	18,131	29,047	
Marketing benefit		15,000	15,000	15,000	at .02 per email 5x 150,000

<b>EXPENSES TO OPRD</b>					
Provide Park Passes		40,267	53,612	64,562	passes at \$25 per

<b>NET REVENUE TO OPRD</b>	<b>\$</b>	<b>(17,256)</b>	<b>\$ (20,481)</b>	<b>\$ (20,515)</b>	
----------------------------	-----------	-----------------	--------------------	--------------------	--