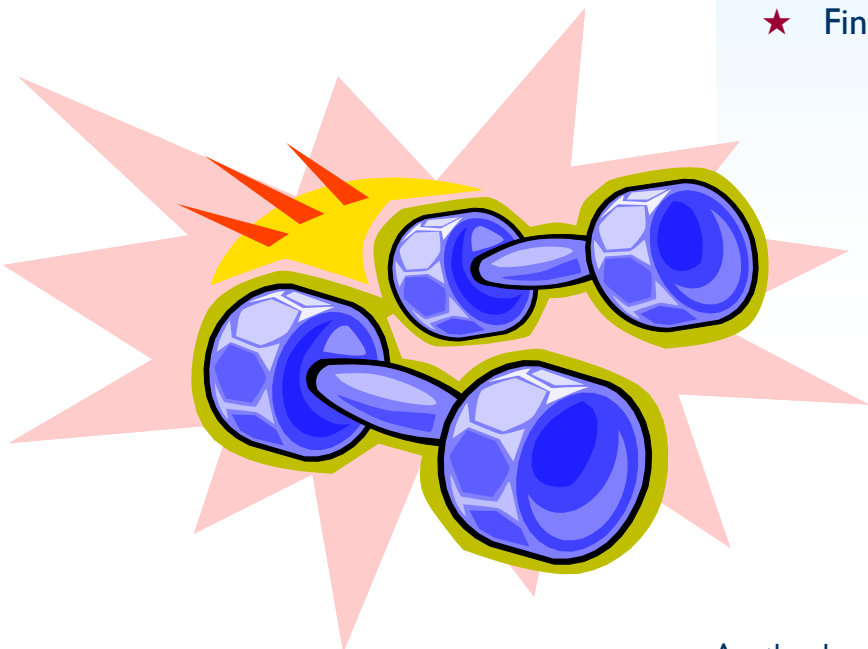


# The **POWER** Workbook

## What's Inside...

- ★ Funding Fitness:  
Flexing Your Financial Muscles 4
- ★ The Byway Relay:  
Building Your Organization's  
Endurance 29
- ★ Assessing Your Resources:  
Creating a Workable  
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- ★ Final Activity 69



Another learning opportunity  
brought to you by



## Welcome to the *Power Workshops: Strength Training for Byways!*

Sustainability is the focus of this workshop and much of the work of America's Byways Resource Center. Based on comments from the byway community and our research, we have determined that sustainability of local organizations around the country is critical to the healthy future of the National Scenic Byways Program. The purpose of this workshop is to increase your knowledge and strengthen your abilities so that you can then go home and improve your byway's sustainability.

The National Scenic Byways Program is moving into a new phase of its existence. We started with the challenge of beginning the program, encouraging state programs, initiating the designation of the collection of significant byways and encouraging the preparation and implementation of corridor management plans.

Today we face many questions:

*How do these dozens of byways stay organizationally and fiscally fit into the future?*

*How do they become more efficient resource managers and effective community developers?*

*How do they communicate and realize a clear and compelling vision?*

*How do current leaders maintain their effort as well as find and develop emerging leaders?*

### **What you'll learn:**

During this workshop, we will focus on three sustainability components and the associated questions:

#### **Funding**

How do individuals and byway groups make and implement effective, long-term funding plans and promote those plans to potential funders?

#### **Organization**

How do byways develop and maintain strong, resilient, long-lived organizations made up of people who are strong proponents for byways?

#### **Resources**

How do individuals and leaders hold both a broad vision for their byways' resources and pursue practical efforts to protect and promote those resources?

In our effort to encourage sustainability, we have developed a set of *sustainability indicators* to support you, your byway group and the overall program. These indicators tie directly to the workshop content in each of the three topic areas of organization, resources and funding.

At the end of this workshop you will complete an assessment of your byway using these indicators. You can use this tool to assess the health and sustainability of your byway and then lay out a path of action to increase your sustainability score over time.

### **How you'll learn:**

Finally, this is a *skills* workshop. While we will provide you with much information, the objective of the program is for you to integrate the information into action.

# INTRODUCTION

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This workshop will focus on two core sets of skills:

**1. Tell a compelling story.** You and your fellow byways members will be catalysts, and you will be effective at convincing people to be involved in your projects. You will learn ways to support the byway politically, to secure funding, and to involve stakeholders. This ability is closely tied to effective communication skills. You will practice these skills in each of the three sessions, but from different perspectives.

**2. Hone your analytical skills.** You will improve your ability to analyze group process (e.g., decision making, leadership, conflict management) and your ability to assess organizational needs (e.g., legal structure, grassroots support). You will learn ways to assess funding strategies, to recruit supporters and to develop resource management strategies.

Participate in this approach and you will leave the workshop in better shape than ever—ready to do the heavy lifting and run the race that leads to a lifetime of fitness for all byways.

WORKSHOP STRUCTURE			
<b>DAY 1</b>	12:00-1:00 PM	Introductory Session	Welcome
<b>DAY 1</b>	1:00-5:00 PM	Session 1	Concurrent trainings on organizational development, funding and resource management
<b>DAY 2</b>	8:00 AM-12:00 PM	Session 2	Concurrent trainings on organizational development, funding and resource management
<b>DAY 2</b>	1:00-5:00 PM	Session 3	Concurrent trainings on organizational development, funding and resource management
<b>DAY 3</b>	8:00 AM-12:00 PM	Concluding Session	Required presentation of your byway's compelling story and core problems/challenges for group analysis

## Training Objectives:

By actively completing these training sessions, participants will be able to:

- Clearly describe the current status of the sustainability of their byway
- List possible actions that will increase the sustainability of their byway
- Understand and effectively communicate with, persuade and work with their byway supporters, community groups and other stakeholders
- Identify root causes of problems, possible solutions, and analyze best options for action
- Transfer new knowledge and skills to other members of their byway group

# PROGRESS WORKSHEET

## Chart your progress:

The following table provides space to measure and evaluate your individual learning from these training sessions. In the column labeled “pre-answer,” write a short answer to each question. A few phrases and concise ideas will work great—no need for complete essays.

<b>FUNDING</b>		
<b>Question</b>	<b>Pre-Answer</b>	<b>Post-Answer</b>
1. What is/are the most important funding issue(s) a byway faces for continuing its existence?		
2. What are the standard components of a good funding/grant proposal?		
3. What are the five most effective ways to reach a potential donor for your byway?		
<b>ORGANIZATION</b>		
<b>Question</b>	<b>Pre-Answer</b>	<b>Post-Answer</b>
1. What are the most important actions to obtain and retain good people in an organization?		
2. What are the factors to consider when deciding on an organizational structure for a byway?		
3. What threatens the organizational sustainability of a byway?		
<b>RESOURCES</b>		
<b>Question</b>	<b>Pre-Answer</b>	<b>Post-Answer</b>
1. What are the essential ingredients that enable any byway to tell a compelling story?		
2. How can a byway best prepare for unexpected developments or future events that may threaten the assets of the byway?		
3. How can a byway adapt to inevitable growth and change without relinquishing core values?		

# Funding Fitness: Flexing Your Financial Muscles



Building a strong financial foundation is an important goal for all byways. Fundraising success is directly linked to other success factors—a clear vision, a healthy organization, active partnerships and sound planning. Byways need information, strategies, tools and muscle to move ahead.

Before we begin, ask yourself the following questions:

- ✓ Do your byway's group members know how to create a budget that supports the long-term plans for your byway, as well as a work plan and a contingency plan?
- ✓ Do your byway's group members have the skill and ability to recognize a strong grant proposal?
- ✓ Has your group identified potential funding sources beyond those of the National Scenic Byways Program?
- ✓ Do the leaders have a clear understanding of federal funds requirements and administrative responsibilities associated with these funds?
- ✓ Has your group developed a comprehensive, multi-year financial plan?

<b>WORKSHOP OVERVIEW</b>		
<b>Topic</b>	<b>Learning Objective</b>	<b>Time</b>
Introduction and Overview: <i>Keys to Fiscal Sustainability</i>	Students will be able to relate how strong fundraising planning and execution contributes to byway and organizational sustainability.	10 minutes
Section 1: <i>Developing and Writing Successful Grant Proposals</i>	Given a standard outline for grant proposals and the key elements of effective proposal development, students will be able to 1) write a strong introduction to their organization; 2) compose a compelling <i>problem</i> or <i>need</i> statement for funding a byway project; 3) identify strengths and weaknesses of sample statements/proposals; and 4) site three sources where they can find information on grant sources.	55 minutes
	<b>BREAK</b>	15 minutes
Section 2: <i>Effective Methods for Requesting Donations</i>	Provided a list of potential donors in a hypothetical community and the most effective means of soliciting funding, students will be able to prioritize the approaches for seeking donations, complete a community donor assessment and make a pitch to a hypothetical donor.	60 minutes
Section 3: <i>Multi-year Work Program and Financial Planning</i>	Provided a list of potential funding methods and some key principles of nonprofit budget development, students will be able to list critical steps in developing a fundraising plan. Given some typical SWOT analysis questions, students will also be able to outline the <i>strengths, weaknesses, opportunities</i> and <i>threats</i> facing their byway and/or organization. They will also be able to outline an annual plan (with contingencies) of what needs to be accomplished and how the plan will be funded.	55 minutes
	<b>BREAK</b>	15 minutes
Section 4: <i>Being Fiscally Accountable and Responsible</i>	Given the reporting requirements for administering a scenic byways grant (FHWA or State) and the basic principles of nonprofit financial management, students will be able to 1) outline at least five key elements of a financial accountability strategy for a nonprofit; and 2) list five components of effectively managing a grant program.	20 minutes
Conclusion: <i>Fundraising Sustainability</i>	Review session objectives and reference list, and complete the sustainability indicators.	10 minutes

# FUNDING

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## SECTION 1: DEVELOPING AND WRITING SUCCESSFUL GRANT PROPOSALS

### A. WRITING AN INTRODUCTION AND CREDIBILITY STATEMENT

Almost all grant proposals, long or short form, include these major components:

- ✓ Summary
- ✓ Introduction
- ✓ Problem/need statement
- ✓ Goals and objectives
- ✓ Methods
- ✓ Budget
- ✓ Evaluation
- ✓ Attachments

#### The Introduction...

- Establishes **who** is applying
- Describes applicant's **purpose and goals**
- Lists applicant's **programs and activities**
- Describes applicant's **clients and constituents**
- Provides **evidence of accomplishments**
- Offers **quotes and endorsements**
- Supports **qualifications or expertise** in the program area that will be funded
- Leads logically to the **problem/need statement**
- Is as **brief** as possible
- Is **interesting**
- Is **jargon-free**



#### EXERCISE 1.1

*Instructions:* Using some of the above suggestions of content, draft a credibility statement of four to five sentences/bullets for your byway organization. Be prepared to share it with the workshop participants and provide feedback on how to improve others' statements.

*(5 minutes to draft statement; 15 minutes to report and critique)*

## B. WRITING A PROBLEM/NEED STATEMENT

The keystone of the proposal is writing a strong *problem/need statement*:

**Problem** = a situation to be eliminated

**Need** = a model project to enhance community

### Identify the exact problem or need:

- Constituents
- Symptoms
- Causes
- Secondary effects
- Conditions and influences
- Localize time and geography

### Good statements are written as compelling stories:

1. Have a clear external focus
2. Define the context of the situation
3. Prove the problem or need (documentation)
4. Exemplify with real events (experiences)
5. Often use quotes from experts or individuals facing the problem
6. Avoid circular reasoning
7. State the bad results

*What will happen if a problem is left alone?  
Problems have **bad** endings!*



### EXERCISE 1.2

*Option A:* Working in teams, identify a situation area related to a team member's byway that is a problem to be resolved or a need to be fulfilled.

*Option B:* Working in teams, rewrite a scenic byway grant project description into a compelling need or problem statement.

Statements should be six to eight sentences/bullets and incorporate the teaching points provided. Be prepared to report to the group and provide feedback on how the statements of others could be improved.

*(10 minutes to draft statements; 15 minutes to report)*

# FUNDING

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## SECTION 2: EFFECTIVE METHODS FOR REQUESTING DONATIONS

### A. RECRUITING AND RETAINING MEMBERS

#### Where does the money come from?

Money can be raised from all sorts of places and in many different ways. One challenge facing your group is to identify which options will work best given your local community and byway situation. Regardless of which avenues you choose, you'll want to focus your greatest energies on the following:

1. Developing a well-organized \_\_\_\_\_.
2. Raising funds from individuals. Individual donations comprise \_\_\_\_\_ to \_\_\_\_\_% of funds received by nonprofits, compared with seven percent (7%) from \_\_\_\_\_. Individuals donate more each year through bequests (6.8%) than corporations, who give about five percent (5%) of all nonprofit dollars!

#### Two guiding principles:

1. Spend \_\_\_\_\_% of your fundraising time on \_\_\_\_\_.
2. Focus your energy on the small portion of donors (\_\_\_\_\_% ) who contribute the largest portion (\_\_\_\_\_% ) of funds to your organization. You'll spend less time and get more money than if you focus on the larger portion of donors (70%) who contribute only a small amount of funds (\_\_\_\_\_%).

#### To attract members...

- Package your message
- Know your constituents (hot list, warm list, cold list)

#### Tools for attracting members:

- |    |     |
|----|-----|
| 1. | 6.  |
| 2. | 7.  |
| 3. | 8.  |
| 4. | 9.  |
| 5. | 10. |

How much for dues? \_\_\_\_\_

#### Advantages of dues:

- |    |    |
|----|----|
| 1. | 4. |
| 2. | 5. |
| 3. | 6. |

#### Tools for keeping members:

## B. MOST EFFECTIVE WAYS TO REACH DONORS



### EXERCISE 2.1

*Instructions:* Rank the following ten approaches to reaching donors. **1** is the most effective and **10** is the least effective.

- \_\_\_\_\_ Impersonal telephone call (telemarketing)
- \_\_\_\_\_ Fundraising benefit or special event
- \_\_\_\_\_ Face-to-face request (team of two askers)
- \_\_\_\_\_ Impersonal form letter (repeated direct mailings)
- \_\_\_\_\_ Media / advertising (paid TV ads, radio, etc.)
- \_\_\_\_\_ Personal letter on personal stationery
- \_\_\_\_\_ Door-to-door canvassing (with paid canvassers)
- \_\_\_\_\_ Personalized form letter (hand-signed with note)
- \_\_\_\_\_ Face-to-face request (one asker)
- \_\_\_\_\_ Personal telephone call

**Notes:**

# FUNDING

## C: RESPONSIBILITIES

WHO SHOULD DO THE ASKING?			
DEVELOPMENT DIRECTOR	EXECUTIVE DIRECTOR	BOARD MEMBERS	VOLUNTEERS
Draft fundraising goal, budget, plan	Review and revise goal, budget, plan	Review, revise and approval goal, budget, plan	----
Create and manage fundraising calendar	Understand fundraising calendar	Understand fundraising calendar	----
Donate money	Donate money	Donate money	Donate money
Identify prospects; coordinate and complete prospect research	Identify prospects	Identify prospects	Identify prospects
Prepare fundraising letters	Approve and sign letters	Sign letters	Sign letters
Coordinate solicitors; solicit prospects	Solicit prospects	Solicit prospects	Solicit prospects
Thank donors; coordinate thank you letters	Thank donors	Thank donors	Thank donors
Oversee donor database	Know how to use donor database	----	----
Coordinate fundraising events	Participate in fundraising events	Organize fundraising events	Organize fundraising events
Manage fundraising expenses	Oversee fundraising budget/ expenses	----	----
Conduct proposal research; manage funder relations; write proposals	Participate in funder relations; oversee proposals	Participate in funder relations; approve grant-funded projects	----

Prepared by Andy Robinson for TREC Project, 1/99

### Notes:

## D: BEYOND THE BASICS: MAKING MEMBERS MAJOR DONORS

If you develop a good system to get and keep members, you'll set the stage for building a list of ardent supporters—people who are willing to make major investments in your organization. Similar to your membership program, a major donor program takes some thought and planning. If you decide to create a major donor program, see Klein's book, *Fundraising for Social Change* (1996). She goes into great detail on how to identify and nurture these donors.

### To get started:

1. Determine what constitutes a major donation.
2. Set up your dues structure to allow for high-end donations.
3. Set up a good \_\_\_\_\_.
4. Say "thank you."
5. Decide how you want to keep in touch with major donors and \_\_\_\_\_.
6. Know your major donors.
7. Provide a wide \_\_\_\_\_.
8. Ask!
9. Keep in personal contact with your donors.
10. Plan \_\_\_\_\_ to recognize major donors.

### Finding major donors:

You will want to reach within and outside your membership for major donations. Klein (1996) describes three characteristics of donor prospects (p. 157):

1. They have the ability to give.
2. They \_\_\_\_\_ your cause.
3. They have \_\_\_\_\_.

The most important of these is \_\_\_\_\_.

To identify prospects, start with who you know. Your board might brainstorm about all the folks they know who might be willing to donate something. Once you have the list of names (often called *suspects* at this point), discuss each one and ask if \_\_\_\_\_.  
If so, keep them on the list. For those you are not sure about, discuss ways you might find out (other contacts who could give you the information you need).

### How much should you ask for?

Next, determine if the suspects on your list have the ability to give—are they prospects? If you decide that they do have the ability to give, discuss the amount you might ask for. At this point, you may need to do some research. For example, you can review annual giving reports from other organizations for your prospects' names.

*Don't worry about asking for too much. You'll just flatter your potential donor!*

# FUNDING

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**Here are some guidelines from Klein (1996):**

**\$50-\$500**

Someone employed in a job paying more than minimum wage and not supporting many other people.

**\$\_\_\_\_\_ to \$\_\_\_\_\_**

You'll need to know more about your prospect to ask for this amount. *Are they married? Do they have a well-paying job? Do they have a small or large household? Do they believe?*

**\$\_\_\_\_\_**

This gift generally comes from people who are already donors and can be asked to upgrade their gifts. Rarely will someone start giving to a small organization with a gift of this size.

## E. REQUESTING DONATIONS

You have a prospect. You'd like to ask for a donation, but you're not sure where to start. Here are some basic suggestions to improve your chances:

**Make a personal donation.** It is awfully hard to ask for a donation from someone if you haven't made a contribution yourself. The amount of your contribution doesn't matter, but it needs to be significant for you.

**Leave your fears at home.** First of all, the odds are good. You have a \_\_\_\_\_% chance that the person you ask will say "\_\_\_\_\_." And, the worst that could happen is that the prospect will \_\_\_\_\_. You need not be offended if people say "no." People have lots of reasons for not giving—it's not personal. Maybe they just bought a new car or sent their kid off to college. But, if you do your homework, you will know their situation before approaching them.

**Approach your prospect.** There are a few basic steps to follow. (*Note: Depending on the person, one or more of these steps may not be needed.*)

- ✓ Send a one-page letter that describes the organization, states that you are seeking their support, and requests a meeting with them. The letter introduces the idea that you will be asking for a donation, and that you want the opportunity to briefly describe why the gift is needed and why you think they will be interested in giving.
- ✓ Make a phone call to set the meeting date and time.
- ✓ Meet to solicit the gift. If you get to this step, your prospect is considering saying "yes." The Institute for Conservation Leadership suggests the following process for the meeting:
  1. Establish \_\_\_\_\_.
  2. Seek out \_\_\_\_\_.
  3. Make \_\_\_\_\_.
  4. Ask for the gift. Always ask for \_\_\_\_\_ amount or \_\_\_\_\_ of donation.
  5. Respond to objections. Anticipate these and have responses ready.
  6. Complete the visit. If the prospect asks for time to consider, \_\_\_\_\_.
  7. If s/he needs more information, \_\_\_\_\_, or offer \_\_\_\_\_.
  8. Say, "Thank you for your time."
- ✓ Send a thank-you note within \_\_\_\_\_ to \_\_\_\_\_ hours. Thank the donor for his/her time and for the donation. Send a note even if the prospect says "no" to your request! You never know when the next opportunity will arise. If you leave a good impression and make a compelling case, your prospect may say "yes" the next time or they may \_\_\_\_\_.

# FUNDING

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## EXERCISE 2.2

*Instructions:* See the list of *Our Town Community Member Profiles*. Review the list for potential donors to Scenic Byway SR 96. Select one prospect to approach for a donation. Use the guidelines and principles provided, set an amount to ask for, and develop your “pitch” for the prospective donor. You may be the asker or the donor—play out the role.

*(15 minutes to select and prepare; 25 minutes of one-on-one)*

1. **Dr. Usta B. Botanist** - A former botanist and college professor, Dr. Botanist is recently retired and energetic. A dedicated individual, he is looking for a hobby. He is also considering running for County Commissioner to supplement his income.
2. **Professor Forrest** - A forester by interest and a college professor by occupation. Dr. Forrest is conservative by nature, and generally opposed to development. He is an avid fisherman and is concerned about the agricultural runoff polluting the water. He is considering moving to the neighboring town of Williamsville to escape “creeping urbanism.”
3. **Commissioner Headstart** - The Commissioner is pro-growth and tries to attract new businesses to the area. A long-term commissioner, Mrs. Headstart is considered the best candidate for County Chairperson in the next election. As a mother of six children, her platform emphasizes increased funding to public education.
4. **Mrs. Olsen** - Mrs. Olsen owns her own business, Dottie’s Coffee, an importer and distributor of coffee. Quite successful, she is now able to be a philanthropist and is looking for a cause that will protect endangered species.
5. **Lotta Bucks** - Perhaps the richest woman in town, Ms. Bucks’ father owned the land on which the town was originally built. She has sold most of it, but still retains forest land at the edge of town. Because of her wealth, she has never needed to do anything with it. She is a major donor to Commissioner Headstart’s campaign committee.
6. **Winnar Olvays** - A Swedish immigrant, Mr. Olvays is dismayed at the tourist business in the area, and remembers fondly the way things were when he arrived in Old Town 20 years ago to start his very successful bakery. He wants to contribute to making a change, but doesn’t know how to go about it. He has never been active in politics or comprehensive planning.
7. **Verkin Tomuch** - A real workaholic, Mr. Tomuch manages a local factory, sits on the Planning and Zoning Commission, is a deacon at his church, and is active in the Kiwanis Club. He has been instrumental in gaining the support of fellow church members for various causes. He just heard about this Scenic Highways Program and is curious.
8. **Dr. Greenleaves** - Owner and operator of the local nursery, Dr. Greenleaves earned her Ph.D. in History but followed her true love as far as work is concerned - plants. She is a purist, motivated by selling the best or most unique plants. When not at work, you can find her in her greenhouse lying in her hammock reading history books on ancient Native American burial grounds.

9. **Justa Pierson** - President of the Ladies Auxiliary, Mrs. Pierson is a housewife who loves the outdoors. Although unassuming,, most of the townspeople are always ready to rally behind Justa for whatever cause she is supporting this month.
10. **Sheila Shyton** - A CPA by profession, Sheila has been a frugal investor for most of her adult life. Born in Florida and convinced of its uniqueness, she has always invested in orange processing and is committed to donating her CPA services to local organizations. She was recently nominated to the Florida Citrus Commission.
11. **Mr. Konsultant** - A successful landscape architect and engineer, he has enlarged his business to the point that he wants to now give back to the community, but doesn't know where to begin. His wife is encouraging,, but would also like his help in opening a bed and breakfast in Williamsville.
12. **Nimby Phouever** - Mr. Phouever has been a city commissioner with an anti-growth platform. He inherited two city blocks with the family home squarely in the middle. As a widower with no children, he spends most of his time with his attorney developing lawsuits against his neighbors who are one by one getting their properties rezoned for commercial use. His hobby is growing native Florida orchids in his backyard.
13. **Mr. A. Turney** - Mr. Turney is a successful real estate attorney who has made his personal fortune amassing land holdings in the area. For instance, except for one parcel owned by the State DOT, he owns virtually all the property along SR 96 between the power line easement and Southwood Plantation Rd. He is considering rezoning the property to build condominiums, but his wife wants him to donate it to Preservation 2000 with the provision that no development ever be permitted there.
14. **Ms. Daisy Clubber** - President of the Garden Club, Daisy's biggest success has been the establishment of the City's Adopt-a-Median Program. Ms. Clubber is the widow of Granite T. Clubber, making her the "Sugar Cane Heiress." Not a young woman, Daisy is interviewing not-for-profit organizations prior to revising her will.
15. **Dr. Land** - Doc Land is owner and operator of the biggest tree farm in Florida (Parcel B).The farm has been in his family for over a century and would like for his granddaughter to run the family business. His educational training is in archaeology. In his spare time, Doc is writing a book. He was approached by Mr. Turney with an offer to buy his land, and is seriously considering it so he will have more time to work on his book.
16. **Ann T. Cipation** - A visionary in her times and an activist for responsible land planning,, Ann is Chairperson of Scenic Vision 2020. After battling lung cancer, Ms. Cipation relocated here from Los Angeles ten years ago and is committed to quality of life.
17. **Mayor Rich** - The Mayor is also manager of the most successful department store downtown. The store is considering relocating to the edge of town, but so far Rich has been successful in keeping the downtown location profitable. A new mall is being considered, but they need Rich's department store as an anchor if the mall is to be a success. Contrasting with this, the City Council is considering expanding the role of the mayor to a full-time position which the Mayor finds flattering.
18. **Mr. M. T. Nest** - Mr. Nest, a widower, is employed as an editor at the Old Town Times. Seldom seen around town but often quoted, Nest is regarded for his worldliness from the small town perspective. Nest is also President of the Institute for the Preservation of Small Towns and has been successful in getting grants to implement many of their goals.

# FUNDING

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19. **Phoenicia A. Landholder** - Granddaughter of John Walton, Phoenicia is considering an offer to buy two acres on State Road 96 for construction of a new store. Mr. Nest and she are dating. She also owns a property referred to as “The Dump,” rumored to be the real location of Margaret Mitchell’s authorship of *Gone with The Wind*.
20. **John Q. Public** - John is Manager of Old Town Dry Cleaners. His three children are in middle school, where his wife is the principal’s secretary. John’s hobby is fishing. Most weekends, you’ll find him on Little Lake in his fishing boat.
21. **Commissioner Doright** - The Commissioner runs a local bookstore and is also the Commissioner of Parks. His last campaign platform was “greenspace for everyone.” With his campaign finances and local support firmly established, Commissioner Doright will soon decide if he will run again or retire.
22. **Mrs. Wasa Doter** - Until last year, Wasa worked for DOT as a permit engineer. Now retired, she frequently goes on long drives and points out to her friends all the violations along the City roadways. She has formed a committee that opposes the development of a landfill along SR 96 (Parcel A).
23. **Mrs. Blockbuster** - Manager of the newest video business in town, Mrs. Blockbuster needs to expand her parking lot. To do so, she wants to tear down a very old property referred to as “The Dump,” but local historians believe it has national significance. In response to the opposition she is considering running for Commissioner.
24. **Iwana Greenway** - Ms. Greenway works for the Department of Environmental Protection and is on the Board of Directors of “Greenspace for Everyone.” A real activist for the environment, she has received awards for her professional and civic work.
25. **Maida Phyasco** - Maida is a professional chef, and desserts are her specialty. A brilliant woman, but she has never owned a car and has seen very little of the world. She is often seen on early morning walks with birdwatchers. Despite her reclusive lifestyle, she has published cookbooks. Her latest publication is on the best sellers list, and she is known worldwide for her Navel Orange Chiffon Cake.
26. **Mr. C. T. Planner** - A graduate of the Urban Land Institute and now the Old Town City Planner, he is singlehandedly trying to convince the City Commission to adopt a planning amendment that provides for transit-oriented development. Planner has been successful in writing grant applications for Federal and State money, and most recently won \$350,000 for the City for an enhancements grant to build a bikeway alongside SR 96 just east of town.
27. **Mrs. Seevic** - Perhaps the grand matron of all city politics, Mrs. Seevic was once Mayor of Old Town and a few years ago was on the ticket to become Lieutenant Governor. She is frequently solicited for her opinions for what will be best for Old Town.
28. **Professor Plum** - The professor teaches music at the community college. He chairs the “Adopt a Highways” program for the college. Considered strange by some, he recently published a book about the effect of music on forest animals. Plum usually travels to work on roller blades.

*CREDIT:  
Prepared by Carter-Burgess, Inc. for the Florida Scenic Highways Program.  
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## SECTION 3: MULTI-YEAR WORK PROGRAM AND FINANCIAL PLANNING

### A. SWOT ANALYSIS

In any organization, it is imperative that the organization be its own worst critic. A SWOT analysis (*strengths, weaknesses, opportunities and threats*) forces an objective analysis of an organization or business's position, vis a vis its competitors and the marketplace. Simultaneously, an effective SWOT analysis will help determine in which areas a company or organization is succeeding, allowing it to allocate resources in such a way as to maintain those successes and create new opportunities. SWOT analysis is a tool for auditing an organization and the environment it exists within and reacts to. It is the first stage of planning a budget strategy and helps organizations to focus their funding efforts to acquire the right resources to address the organization or business's key issues.

Once key issues have been identified, they feed into organizational objectives and its business and financial plan development. It is a very popular tool with marketing and business management students because it is quick and easy to learn, yet very practical and useful.

A **strength** (internal) could be:

- Your byway's intrinsic qualities; marketability
- A new, innovative product or service you developed
- Uniqueness of your byway's/business's location
- Organizational quality (in structure, processes or procedures)
- Any other special aspect of your organization that adds value to your product or service

A **weakness** (internal) could be:

- Undifferentiated products and services
- Location of your byway and the communities to draw from
- Poor quality goods, services, organization membership or operations
- Damaged reputation; poor performances in the past.

An **opportunity** (external environment) could be:

- Expansion or growth of communities along the byway
- Moving into new business practices that offer improved profits
- Gaining a new property/area or renovating an existing one
- Sudden upturn in local economy

A **threat** (external environment) could be:

- A new city ordinance which is unfavorable to your byway
- A similar byway nearby has a new, innovative product or service
- Competitors have superior access to market/distribute their product/services
- Federal Highway Administration scenic byway funding is reduced or eliminated

# FUNDING

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## EXERCISE 3.1

*Instructions:* After reviewing the nature of the SWOT business questions, think through your situation at home and make a list of strengths, weaknesses, opportunities and threats for your byway or organization's situation. Place your responses to those questions in the table provided below.

*(10 minutes to record and 15 minutes to report)*

MY BYWAY	
<b>Strengths</b>	<b>Weaknesses</b>
<b>Opportunities</b>	<b>Threats</b>

## B. IMPLEMENTING YOUR PLANS AND BUDGETS

Developing a spreadsheet for your operating expenses and income, along with a strategic list of contingencies of what can be done if projected revenue or income fails to develop, is an important step toward financial planning and sustaining an your byway's future. Your group will also want to have a number of different, but related, plans to assure your organization's viability, including the following:

*Strategic Plan:* \_\_\_\_\_

*Annual Plan:* \_\_\_\_\_

*Fundraising Plan:* \_\_\_\_\_

*Public Relations Plan:* \_\_\_\_\_

### Planning a budget:

Developing a budget is an important part of planning. Budgeting helps you be realistic about how much you can accomplish in a given period. It also sets the work program and helps make those hard decisions about what will and will not be funded. All budgets need to have contingencies.

Wolf (1990) suggests an eight-step process for budgeting.

1. Make a wish list. \_\_\_\_\_
2. \_\_\_\_\_
3. Consider income. \_\_\_\_\_
4. \_\_\_\_\_
5. Set \_\_\_\_\_.
6. Adjust and \_\_\_\_\_.
7. Approve after full discussion and review by the board/membership. \_\_\_\_\_
8. Monitor and \_\_\_\_\_.

### Creating a fundraising plan:

1. Analyze the group's income sources and trends over the past few years. Look at: \_\_\_\_\_.
2. Project your program's goals and \_\_\_\_\_ for the next year or two. Determine \_\_\_\_\_ and expected income from three perspectives: \_\_\_\_\_, \_\_\_\_\_, and \_\_\_\_\_.
3. Decide on ways the group can diversify its fundraising programs and sources and how you can involve more people in the fundraising activities.
4. Set an annual or monthly goal for income and create a \_\_\_\_\_ for fundraising tasks. Take into account membership renewals (\_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_).
5. Develop systems for \_\_\_\_\_. By creating these systems, you'll have information readily available for creating your fundraising plan each year.

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## CASE STUDY: SCENIC BYWAY SR 96 INTERPRETIVE PROJECT IN OLD TOWN

In Old Town (pop. 10,000), byway volunteers have helped develop a \$1 million interpretive project with leveraged funding from over 30 sources. As research for this project, byway committee members reviewed nationally designated byways in other states to learn about visitor centers, marketing, and interpretation. What began as a small project to increase tourism and tell the story of the Old Town and the surrounding vicinity has now developed into a \$1 million project that includes interpretive sites, numerous map panel locations and a visitor center.

*What are their funding secrets?*

- ✓ **Having a clear vision:** The byway developed a comprehensive Corridor Management Plan, which provided direction to market the byway, evaluate future needs and identify potential interpretation/visitor amenities.
- ✓ **Attracting committed partners:** Identifying partners with the appropriate complement of resources and talents to get things done have been critical to its success. Over 75 strategic partnerships continue to progress with numerous local, regional, state and federal agencies committed to enhancing the byway corridor and the surrounding area.
- ✓ **Funding diversity:** Funding for the project was leveraged from over 30 different sources. Sources ranged from standard local, state and federal entities, to a substantial contribution from the private sector, to the levying of local sales taxes.
- ✓ **Leveraging in-kind donations:** The byway creatively leverages in-kind donations, as well as funding. For example, the U.S. Army National Guard and court-identified offenders in a community service program have provided labor for site work and manually intensive projects.
- ✓ **Sharing expertise:** The group initiated a Grant Writers Roundtable to identify grant sources and coordinate grant applications. At monthly meetings, representatives from a wide range of community organizations (the byway, education, health care, city government, nonprofits, etc.) exchange ideas and information about funding sources, preparing grants, and success stories. If a funding source doesn't fit one organization, it may work for someone else.
- ✓ **Actively involving the community:** The development of Scenic Byway SR 96 is truly a product of the resident's efforts in the counties and communities through which it travels. Local residents have been actively involved in the selection of byway routes, the design fabrication and installation of signs, and the preparation and distribution of marketing materials. Additionally residents had a hand in the planning, development and funding acquisition efforts throughout the corridor.

# FUNDING

FUNDING SHARE AND SOURCES	DOLLARS	SUBTOTAL	PERCENT
<b>State Government Share and Sources:</b>			
State DOT - <i>Grant</i>	\$14,000		
State Tourism Department - <i>Grant</i>	\$5,000		
State Department of Natural Resources - <i>Grant</i>	\$5,000	<b>\$24,000</b>	<b>2%</b>
<b>Local Government Share and Sources:</b>			
City of Old Town - <i>Food &amp; Beverages Sales Tax</i>	\$200,000		
City of Old Town - <i>General Funds</i>	\$6,000		
City of Old Town - <i>Visitor Center Parking Lot Revenue</i>	\$50,000		
City of Old Town - <i>1% Sales Tax</i>	\$5,000		
Old Town Parks and Recreation Department - <i>Grant</i>	\$2,000		
City of Williamsville - <i>Grant</i>	\$2,000		
Archaic County Jobs Development Authority - <i>Grant</i>	\$7,000		
Archaic County - <i>Economic Development Mill Levy</i>	\$2,500		
Regional Development Commission - <i>Grant</i>	\$1,500	<b>\$276,000</b>	<b>23%</b>
<b>Private Sources:</b>			
Old Town Area Chamber of Commerce, Cash	\$17,500		
Archaic County Development Corporation	\$80,000		
Old Town National Bank - Cash	\$2,000		
Old Town Fire Department - Cash	\$500		
Old Town Area Convention and Visitors Bureau - Cash	\$150,000		
Old Town Kiwanis Club - Cash	\$8,000		
Dotties Coffee - Cash	\$1,500		
Great Southern Atlantic Railroad - Cash	\$2,500		
Institute for the Preservation of Small Towns - Cash	\$1,500		
Konsultant, Inc (Engineering Firm) - Cash	\$1,500		
Bucks Family Memorial - Cash	\$3,500		
Scenic Vision 2020 - Cash	\$750		
SR 96 Fundraisers - Cash	\$12,250		
Old Town Downtown Preservation Council - Cash	\$2,000		
Archaic County Natural Conservation District - Cash	\$35,000		
Archaic County Electric Cooperative - Cash	\$4,500		
Old Town Historical Society - Cash	\$1,500		
Private Donations - Cash	\$16,000		
Volunteer In-Kind Hours - Labor	Invaluable		
Value of Material and equipment discounts	Invaluable	<b>\$340,500</b>	<b>28%</b>
<b>Federal Government Sources</b>			
National Scenic Byways Program Grant - <i>Seed Grant</i>	\$20,000		
National Scenic Byways Program Grant - <i>Interpretive Grant</i>	\$180,000		
Transportation Enhancement Grant - <i>Interpretive Grant</i>	\$78,000		
Transportation Enhancement Grant - <i>Historical Grant</i>	\$250,000		
USDA Forest Service - <i>Grant</i>	\$15,000		
National Recreational Trails - <i>Grant</i>	\$12,000		
US Army Corps of Engineers - <i>Grant</i>	\$6,000	<b>\$561,000</b>	<b>47%</b>
<b>TOTAL COST</b>	<b>TOTAL COST</b>	<b>\$1,201,500</b>	<b>100%</b>

Prepared by America's Byways Resource Center

**Credit:**

1. *Old Town* references developed by Carter-Burgess, Inc for the Florida Scenic Highways Program
2. The Road Beckons—Best Practices for Byways. Leveraging Resources: The Sheyenne River Valley Scenic Byway—Hidden Treasures of the Great Plains, May 2003.

# FUNDING

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## EXERCISE 3.2

Instructions: Review the Old Town Scenic Route SR 96 leveraging case study and look over the SWOT analysis for your byway. Then complete a rough outline of the components for a 1) work plan, 2) fundraising or revenue plan, and 3) budget to complete the work and fundraising plans. Be sure to have contingencies listed for potential shortfalls. Use the columns provided below to list your components. Not all spaces need to be filled in under each column.

*(15 minutes to prepare, 15 minutes to report)*

ANNUAL WORK PLAN	FUNDRAISING PLAN	BUDGET COMPONENTS	CONTINGENCIES

**Notes:**

## SECTION 4: BEING FISCALLY ACCOUNTABLE AND RESPONSIBLE

### A. GRANT MANAGEMENT

- Have a purpose. Do not go after funding just because it's there!
- Discuss with the leadership and the partners the implications of receiving the grant.
- Have an organizational policy on grants.
- Match external funding opportunities with:
  - ✓ Existing plans
  - ✓ Organizational initiatives
  - ✓ Cost-benefit values of proposed projects
  - ✓ Budget process
  - ✓ Time available

*Be careful what you wish for. You just might get it!*

#### Take care of the legal aspects:

- A letter of notification does not make the deal final. And sometimes, neither does a contract!
- Be sure to review the contract with appropriate staff.
- Don't begin any work until you have a fully executed agreement and a notice to proceed.

#### Prepare the hall monitors:

- Inform the administrative staff and partners of the terms and conditions of funding. Let them know how they can help make things run smoothly.
- Be sure to document partnerships. Have Memorandums of Understanding (MOUs) and assistance agreements in place.

#### Find the right people for the job:

- Get a little help from your friends.
- Find partners.
- Share the work load.
- Use contractors (build the cost into the grant application).

#### Maintain checks and balances:

- Set up proper accounting practices.
- File necessary reports on time and accurately. Keep a file.
- Keep your promises. Do what you said you would do, and do it on time.
- Audit your projects and your organization regularly.
- Remember what your mom taught you: Always say "please" and "thank you."
- Celebrate your accomplishments
- "Sharpen the saw!"

# FUNDING

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## **B: FINANCIAL MANAGEMENT**

One of the first steps to creating and sustaining an organization is deciding how you will handle money. From the start, an organization needs foolproof systems for banking, spending, recording and reporting its finances. These systems become increasingly important as you raise more funds and seek larger contributions; your donors will want to know that they are contributing to an organization that can handle their money responsibly. The systems are also necessary for reporting to the IRS and your state's corporation commission or board. A list of the components of managing the financial affairs of a nonprofit organization would include a task list of the following:

1. Decide on a fiscal year that will allow for meaningful financial comparisons between one year's activities and the next.
2. Develop a budgeting system that will allow you to analyze the comparative costs of programs and activities.
3. Develop a cash reserve fund.
4. Develop a budget process that allows for board member input and is conservative enough to prevent unintended deficits at the end of the year.
5. Plan multi-year budgets to allow for long-range planning.
6. Create a chart of accounts that provides sufficient detail to allow for necessary financial analysis of performance.
7. Decide on a regular review system to analyze your cash flow.
8. Decide on a method of accounting that will be most appropriate for your needs (i.e., cash basis, modified cash basis, or accrual).
9. Develop systems that allow you to have a properly prepared balance sheet and income statement that together will accurately report your organization's net worth and fiscal year's financial activity.
10. Develop a regular procedure for monitoring income and expenditures and amending your annual budget.
11. Establish proper controls over check writing, dealing with incoming money, and handling cash in your organization. Protect the organization against financial loss through bonding.
12. Establish systems so that you can file required financial forms and provide necessary forms to employees and independent contractors in a timely manner.
13. When in doubt, you should hire or contract with a bookkeeper, accountant, lawyer, financial management specialist or nonprofit organization management company to set up these systems and to handle these very important affairs.
14. Educate your board members on these issues and make sure that every board member can read and understand the financial statements, understand your accounting system, and be able to readily assess the group's financial status!

## RESOURCES

### Web Sites

**Foundation Center Online:** <http://www.fdncenter.org/>

Links to many foundations, corporate funders and federal programs.

**Foundations.org:** <http://www.foundations.org/index.html>

Provided by Northern California Community Foundation, this site provides a directory of foundations and grantmakers.

**GuideStar:** <http://www.guidestar.org/search/index.jsp>

Searchable by name, keyword, field of activity, location or revenue, this site provides grantseekers information on finances and programs of more than 660,000 charities and nonprofit organizations.

**IdeaList:** <http://www.idealists.org/>

Searchable database of 10,000 nonprofit Web sites worldwide. Database is also searchable by keyword and location.

**Internet Nonprofit Center:** <http://www.nonprofits.org/>

Divided into four main sections, this site is one of the premier locations for information on nonprofits on the Web. The four sections are the library, serving as a repository for publications, information and data about nonprofit organizations; the gallery of organizations provides links to nonprofit home pages; the parlor provides information on the Internet Nonprofit Center and other related topics.

**National Scenic Byways Program:** <http://www.bywaysonline.org>

Provides guidance and application forms for National Scenic Byway Program grants.

**NonProfit Times:** <http://nptimes.com>

Provides monthly electronic articles on nonprofit management.

**Transportation Enhancements Clearinghouse:** <http://www.enhancements.org>

Provides information on transportation enhancements funding from the federal government.

**Catalog of Federal Domestic Assistance:** <http://www.cfda.gov/>

Provides a searchable index to the CFDA, which contains all federally sponsored programs.

**Federal Register:** <http://www.gpoaccess.gov/topics/grants.html>

Daily publication where new federal grant programs and guidelines are announced. Database is searchable from 1995+.

**Federal Web Locator:** <http://www.infoctr.edu/fwl/>

Comprehensive search engine that uses keywords or "federal quick picks" to find an agency or organization.

**Government Printing Office/GPO Access:** <http://www.access.gpo.gov/index.html>

Provides online access to many databases such as the Federal Register, House and Senate bills, and public laws.

**Grants Web:** <http://www.srainternational.org/newweb/grantsweb/index.cfm>

Created by the Society of Research Administrators, this comprehensive site highlights government grantmaking areas with links to federal agencies, funding programs and application forms of specific agencies.

**Office of Management and Budget (OMB):** <http://www.whitehouse.gov/omb/>

Provides online access to OMB Circulars which govern all aspects of the federal grant process. Grantseekers may access circulars, regulations under review, etc. at this site.

**Note:** *As with all information on the Internet, sites change over time.*

# FUNDING

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## Reference List (Books and Periodicals)

Amherst H. Wilder Foundation. (1997). *Strategic planning workbook for nonprofit organizations*. St. Paul: Author.

Dalsimer, John Paul. (1996). *Understanding nonprofit financial statements: a primer for board members*. National Center for Nonprofit Boards.

Dubois, Barbara R. (1999, Summer). Recruiting and retaining friends. *Friends Flyer*, 2, (1).

Flanagan, Joan. (1995). *The grass roots fundraising book: how to raise money in your community*. Chicago: Contemporary Books.

Kiritz, Norton, J. (1985, May/June). The Grantsmanship Center's Guide to Proposal Writing. *The Grantsmanship Center News*.

Klein, Kim. (1996). *Fundraising for Social Change* (3<sup>rd</sup> ed.). Berkley: Chardon Press.

Olenick, Arnold J. and Philip R. Olenick. (1991). *A nonprofit organization operating manual: planning for survival and growth*. New York: The Foundation Center.

Robinson, Andy. (1996). *Grassroots grants: an activist's guide to proposal writing*. Berkley: Chardon Press.

Seltzer, Michael. (1987). *Securing your organization's future: a complete guide to fundraising strategies*. New York: The Foundation Center.

Schaff, Terry & Schaff, Doug. (1999). *The fundraising planner-a working model for raising the dollars you need*. Jossey-Bass Publishing.

Wolf, Thomas. (1990). *Managing a nonprofit organization*. New York: Simon and Schuster.

## Publications

The Chronicle of Philanthropy, PO Box 1989, Marion, OH 43306-2089.

The Grassroots Fundraising Journal, 3781 Broadway, Oakland CA 94611. Telephone: (888) 458-8588; [www.grassrootsfundraising.org](http://www.grassrootsfundraising.org)

The Non-Profit Times, PO Box 403, Hopewell, NJ 08525-0408. Telephone: 609-466-4600.

The Road Beckons—Best Practices for Byways, Leveraging Resources: The Sheyenne River Valley Scenic Byway—Hidden Treasures of the Great Plains, May 2003.

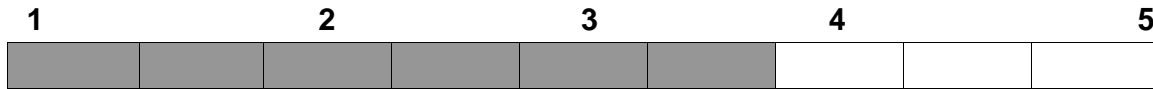
## Videos

Klein, Kim. *Grassroots Fundraising Series*. Headwaters Fund, 122 W. Franklin Ave, Suite 518, Minneapolis, MN 55404. Telephone 612-879-0602. Excellent video covering a wide variety of fundraising topics for nonprofit groups. Cost is 0.1% of your annual budget (range \$25 - \$400).

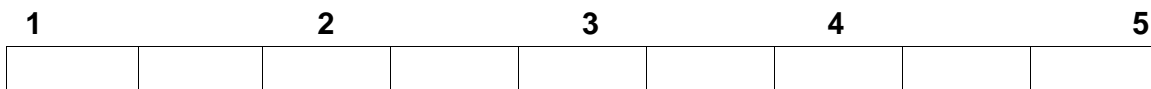
## Scenic Byway Health Assessment Sustainability Indicator

**Instructions:** Read the range of stages for each sustainability factor and decide where on the bar chart your organization presently ranks. Color a dark line from the left to a point on the bar chart that indicates your assessment of the relative health of your organization on each factor. The line may stop at any point on the chart.

Example:

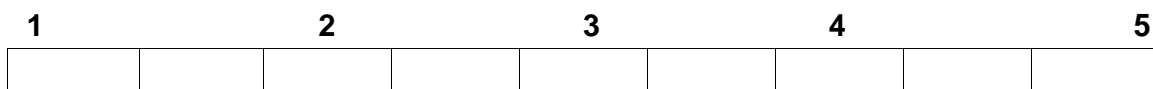


**1. Strength of Fundraising** (a systematic approach to developing volunteers and funding contacts)



My byway has a few active members and has made a list of byway stakeholders or compiled a list of contacts (organizations and individuals) from which it might obtain volunteers or secure funding. We have asked for money from at least one source.	My byway has conducted an analysis of the skills needed for fundraising and managing the fiscal affairs of the byway, has started seeking volunteers and requesting funding and has a small group of volunteers and some funds.	My byway has members who have the ability to recognize the components of strong fundraising program, the skills to make a compelling story and has obtain funding from a local source.	My byway has developed a core of five to ten funding “friends,” has a systematic strategy to do fundraising, and has a strong cadre of trained volunteers who are capable of maintaining the volunteer base and developing attractive funding proposals.	My byway has a strong volunteer recruitment staff, a fundraising strategy, has developed successful fundraising proposals and has core of five to ten reliable trained grant writers, fund-raisers, and/or donors.
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**2. Funding Flexibility & Agility** (the diversity of funding sources and the degree to which an organization has a plan for adjusting if sources of funding are eliminated)



My byway knows that the FHWA gives grants, currently operates with a small core of volunteers, donated space but has not raised money.	My byway has five or more active volunteers, a dependable place to meet or operate from, and has received funding from at least one source since it started.	My byway has the same ten people (STP) volunteering, has a dependable place to meet or operate from, and receives funds annually from one dependable source.	My byway has ten or more active volunteers, regularly gets new volunteers, has access to more than one place to meet or operate, and receives funds from at least two or more sources annually.	My byway has 20 or more active volunteers, gets new members regularly, has good volunteer turnout for special events/ projects, has donated space and multiple dependable funding sources.
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# FUNDING

3. **Fiscal Vigor** (the extent to which an organization has funding levels and resources to stay in business and protect byway resources over a long period of time)

1	2	3	4	5
My byway has some cash somewhere controlled by someone. We are thinking about raising some money from somewhere to do something.	My byway has an annual cash flow and a checking account managed by an elected or appointed official. The funds we have, or raise, are sufficient to cover the cost of doing business or projects we have sponsored.	My byway has a regular a reliable cash flow, a checking account, some investments or a savings account, and has received one or more grants or donations in the past three years for a total of \$10,000+.	My byway has a dependable cash flow, a checking account, some investments or a savings account, receives donations or grants every years for a total of \$10,000+, and/or holds conservation easements or deeds to byway properties and has had sufficient funds to maintain a paid staff for the past three or more years.	My byway has a dependable cash flow, a checking account, some investments or a savings account, receives one or more grants or donations every other year totaling \$10,000+, holds conservation easements and deeds to byway properties, has raised funds to preserve byway properties, has had sufficient funds to maintain an executive director or paid staff for the past five or more years.

4. **Financial Endurance** (the active parts of planning and managing the fiscal affairs of a byway organization)

1	2	3	4	5
My byway has a annual budget, a work plan and a person who has volunteered to collect and distribute our funds.	My byway has a multi year (two or more years) budget plan that relates logically to our work plan, a fundraising committee, and a competent volunteer doing our financial planning and managing our accounts.	My byway is a nonprofit corporation or has a nonprofit partner, has a multi year (two or more) budget plan that relates logically to our work plan, a fundraising strategy and committee, contingency plans and a competent appointed or elected fiscal officer.	My byway has corporation status (nonprofit and/or for profit), a multi year budget plan that relates logically to our work plan, a fundraising strategy and committee of fundraisers, contingency plans and a competent appointed or elected fiscal officer who fills required fiscal reports.	My byway has corporation status (nonprofit and/or for profit), a five-year budget plan that relates logically to our work plan, a fundraising strategy and trained team, contingency plans, a paid trained fiscal officer who fills required fiscal documents and we have audits conducted on a regular basis.