

# Appendix 6-L

## Audubon Society of Rhode Island<sup>1</sup>

*Over 100 years of education, conservation and advocacy*

### **Strategic Plan • 2007–2010 (January 1–December 31)**

Adopted by the Board of Directors at its November 2006 meeting

Developed under contract with Joyaux Associates, Simone P. Joyaux, ACFRE

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#### **Table of Contents**

Introduction and overview of planning process	2
Our values	3
Our purpose	3
Today's reality	4
Our vision for the future	5
Goals and key performance measures	6
1. Develop an environmentally literate and motivated local populace that supports and promotes sustainable living and stewardship of our natural resources. <i>(Page 6)</i>	
2. Bring together diverse constituencies in order to build a broader and more effective coalition for environmental advocacy with local, state, federal, and private sector partners. <i>(Page 7)</i>	
3. Enhance land protection and stewardship in order to preserve natural systems in Rhode Island. <i>(Page 7)</i>	
4. Create the necessary infrastructure within ASRI to assure excellence and adaptive capacity in all areas of operation. <i>(Page 8)</i>	
5. Enhance financial sustainability to assure the continuity of ASRI's programs and services. <i>(Page 10)</i>	
6. Planning, monitoring progress, and defining annual priorities and performance outcomes	12
7. Financing	15

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<sup>1</sup>Courtesy of the Audubon Society of Rhode Island, [www.asri.org](http://www.asri.org).

# Introduction and overview of planning process

In June 2005, the Audubon Society of Rhode Island (ASRI) launched a strategic planning process. In January 2006, initial planning process was expanded to include a comprehensive capacity building<sup>2</sup> process. This work is funded by a grant from the Rhode Island Foundation.

Specifically, the planning and capacity building process focused on the following:

1. Establish sound values and a mission-based framework for the organization.
2. Assure ASRI's relevancy to the community through strategic planning, and defining vision and key directions for the future.
3. Create an adaptive organization that uses strategic thinking and planning to advance its mission, vision, and values.
4. Enhance philanthropic participation by strengthening the fund development program.
5. Strengthen management and governance to support mission and vision.
6. Assure appropriate programming and maximize revenue.

Management used the results from the June 2005 retreat to address operating issues. Ongoing consulting assistance through Joyaux Associates continues to provide advice and recommendations regarding fund development, governance, communications, and general management. It is likely that this work will continue into the first quarter of 2007.

The strategic planning process continued with the information-gathering phase in the first two quarters of 2006. Information gathering included the following activities:

- Personal interviews with key community leaders including policymakers, ASRI donors, and leaders of environmental organizations. Board members conducted these interviews.
- Anonymous self-administered written survey distributed to ASRI donors.
- Focus groups with volunteers, ASRI program attendees, environmental educators, schoolteachers/administrators. Simone Joyaux, Joyaux Associates, conducted these focus groups.
- Compilation of relevant articles regarding the environmental sector and philanthropic sector.

Joyaux compiled and analyzed the research results and prepared a comprehensive (and uncensored) report, for review by all participants in the June 2006 planning retreat. Staff and committees will use this information for implementation.

June 2006 planning retreat attendees identified the key areas of focus for the next three to five years. The summary of this retreat was used to draft goals for the period 2007–2010. The Board of Directors endorsed these goals at its September 2006 meeting, authorizing the management team and consultant to draft the strategic plan.

The management team worked with the consultant to draft the goals and strategies and to identify key performance measures. The Executive Committee reviewed a draft of the strategic plan, prior to distribution to the Board for discussion and action at its November Board meeting. The plan was formally in fall 2006.

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<sup>2</sup>Capacity building strengthens an organization's ability (e.g., capacity) to carry out its mission. Capacity includes human and financial resources, space and equipment, infrastructure, and so on. The process of capacity building includes training, consulting advice, and so on.

## Our values

Our values describe the way we treat people and the way we do business. These values guide our decisions and actions. These values belong to everyone in the organization.

### **Natural world**

Nature contains a web of complex relationships. We value the integrity and connectedness of the natural world, and appreciate its biodiversity. We recognize that preservation of the natural world is essential for human life.

### **Good science and sound knowledge**

Objective empirical science sets the standard for the preservation of natural systems. We promote good science and sound knowledge. We believe that people deserve to be fully informed.

### **Civic engagement, community and action**

Civic engagement—acting individually and collectively—is essential to sustainable development and global stewardship of the earth’s resources and the environment. We recognize human responsibility to the global environment. We believe in collaborative action in order to live in harmony with nature.

### **Excellence and permanence**

Integrity, trustworthiness and quality are essential to permanence. We pursue excellence in every area of our work. We successfully adapt due to our external focus, network connectedness, inquisitiveness, and innovation. We are committed to future generations, passing on a strong organization and a sustainable environment.

### **Respect, diversity, and access**

The earth and all living organisms deserve respect. Our world and its people are rich in diversity. We embrace inclusion and access regardless of race, ethnicity, culture, language, gender, age, socioeconomics, physical challenges, sexual orientation, or any other difference. We embrace inclusion and access regardless of differences in background or life experience. We welcome ideas and provide opportunities to our guests, donors, volunteers, and employees.

### **Tradition and accomplishments**

The past provides important perspective and insight for today and tomorrow. We respect our history, honor our accomplishments, and embrace change for the future.

## Purpose of ASRI

The purposes of the Audubon Society of Rhode Island are:

- To foster conservation of wild birds and other animal and plant life
- To conserve wildlife habitat and unique natural areas through acquisition or other means
- To carry out a broad program of public conservation education
- To focus public attention on natural resource problems
- To provide leadership when action on natural resource problems is necessary
- And to do all other things necessary to foster better management of the natural environment for the benefit of humans and all other life.

## Today's reality

- Preservation of the natural world is essential for human life—but the natural world and human life continue to be threatened by environmental degradation.
- National opinion polls indicate that more than 70 percent of Americans think we as a society should do “whatever it takes” to protect the environment. Yet Americans continue to be leaders in pollution and energy consumption.
- Our nation’s gap between the rich and poor projects an apparent disinterest in environmental issues on the part of the poor. Over and over, environmental leaders say we must reach out and engage diverse and culturally distant constituencies by using plain language to focus on their needs and interests. Movement leaders recognize that reaching out more means facing issues of race and class.
- In Rhode Island the essential land use question has become whether to stay on the current course, one that embraces practices that consume land at unparalleled rates, or do we return to a more efficient mode of land use inspired by traditional models of development that have served the state so well for over 300 years.
  - Land use in Rhode Island has historically been more efficient and prudent than in many other parts of the country. A striking characteristic of RI’s overall land use pattern is that it retains a strong distinction between historic urban centers and more rural surrounding areas.
  - RI’s population and housing densities—1,003 persons and 420 housing units per square mile—are among the highest in the country. Yet, the state also ranks very highly in percentage of land that is forested (nearly 60 percent).
  - Much of RI’s heavily developed urban and suburban core was in place prior to the 1970s. But recent decades—1970 to 1995—have brought some dramatic changes. Whereas it took 334 years to develop the first 20 percent of the state’s land, within a mere 25 years, we added nearly half again as much land—another 9 percent of the state—in developed use.
  - Development increased nearly nine times faster than the population grew. Residential land increased 55 percent, as the state added four units of housing for every one new addition to the population.
  - Population continued to migrate toward rural parts of the state. Employment centers expanded away from central cities. Commercial land use virtually doubled, and industrial land use increased dramatically and moved farther into the suburbs. The amount of land dedicated to transportation increased.
  - About 30 percent of the undeveloped land in 1995 has been built upon. In more rapidly developing communities, this recent activity consumed as much as 75 percent of the developable land that was identified as vacant in 1995. Water withdrawal for human use is now draining streams (which contain wildlife) dry in the summer, in a state that gets generous annual rainfall.
  - This highly sprawling urbanized region has a relatively small residual of unfragmented open areas. Important resources including farmland, critical natural areas, existing protected lands, and large forest tracts are highly susceptible to development impacts, given the wide dispersion of future development activities. The proliferation of developed uses across watersheds constitutes increased risk for contamination of wetlands and water bodies, including potable water supply sources.
  - On a more optimistic note, development of vacant land in the urban and urban fringe communities appears to be reversing decades of disinvestment. Decades of pioneering historic preservation efforts are coming to fruition in traditional centers and neighborhoods throughout the state. And, between 1992 and 2003, major investment has added nearly 7,000 acres to the state open space system: 1,857 of threatened farmland preserved and 3,115 acres of local open space have been protected.

(Source: Rhode Island’s *Land Use Policies and Plan*)

# Our vision for the future

## **World view**

The Audubon Society of Rhode Island envisions a world where humans live sustainably within natural systems. Human beings understand these complex relationships, effectively steward the earth's resources, to promote a sustainable living environment.

We recognize that our dream for the future may take generations to achieve, and we are committed to ensuring the perpetuity of ASRI to do this work.

## **For ASRI**

ASRI's vision is clear: By 2010, we will be recognized as Rhode Island's leading example for best practices that foster better management of the natural environment for the benefit of humans and all other life.

ASRI will achieve this vision by focusing on the following goals:

1. Developing an environmentally literate and motivated RI populace that supports and promotes sustainable living and stewardship of our natural resources.
2. Bringing together diverse constituencies in order to build a broader and more effective coalition for environmental advocacy with local, state, federal, and private sector partners.
3. Enhancing land protection and stewardship in order to preserve Rhode Island's natural systems.
4. Creating the necessary infrastructure in order to assure excellence and adaptive capacity in all areas of ASRI operation.
5. Enhancing financial sustainability to assure the continuity of ASRI's programs and services.

ASRI is well positioned to move into the future. These five goals build upon ASRI's strengths and define areas of maximum opportunity.

The goals create an integrated whole and produce the synergy essential to improve the environment, advance the environmental movement, and strengthen ASRI itself.

Based on the strategic planning process (information and retreats), goals #4 and #5 require particular emphasis during this planning time period of 2007–2010.

# Goals and key performance measures

The five goals to achieve ASRI's vision are presented below. Each goal is followed by the following components:

- Strategies to carry out the goal and anticipated timeframe (*noted in parentheses in italics*)
- Key performance measures (how ASRI will measure progress and results)

Actual performance outcomes (the actual results ASRI seeks, whether qualitative or quantitative) will be established annually, based on the preceding year's performance and other criteria. See section entitled "Planning, monitoring progress, and defining annual priorities and performance outcomes."

## **1. Develop an environmentally literate and motivated local populace that supports and promotes sustainable living and stewardship of our natural resources.**

Rhode Islanders recognize that everything is connected—from economic development to stewardship of natural resources. Young and old promote sustainable living.

### **Strategies:**

- A. Assure proper integration of educational focus with ASRI advocacy and conservation focuses. (*Ongoing*)
- B. Design quality educational experiences relevant to our target audiences, and responsive to their changing finances. Specifically:
  - Provide authentic, investigative, hands-on learning experiences. (*Ongoing*)
  - Develop place-based educational experiences for use in urban, suburban, and rural schools, and ensure interface with RI curriculum standards. (*Ongoing*)
  - Refine current programs to assure that they are place-linked and relevant. (*Initiate in 2007. Maintain thereafter.*)
  - Develop public programs that educate, entertain, and motivate. (*Ongoing*)
- C. Ensure teaching and learning excellence. (*Ongoing*)
- D. Improve program quality on a continuous basis. (*Ongoing*)
- E. Promote understanding of environmental issues and how these affect the local populace. (*Ongoing*)
- F. Educate local constituencies so they can effectively solve local problems. (*Ongoing*)

### **Key performance measures** (performance outcomes will be developed annually.)

- A. Program participation trends
- B. Satisfaction rate
- C. Repeat business
- D. Environmental literacy trends
- E. Advocacy participation trends

**2. Bring together diverse constituencies in order to build a broader and more effective coalition for environmental advocacy with local, state, federal, and private sector partners.**

By working locally, talking plainly, identifying solutions, and working with diverse stakeholders, ASRI leads the fight against the threats to our collective future.

**Strategies:**

- A. Provide scientifically based advocacy expertise through ASRI professional staff. *(Ongoing)*
- B. Enhance communications with diverse constituencies (members and donors, volunteers, program participants, etc.) to ensure their understanding of the relevance of environmental issues in their own communities and lives, and enable them to be better advocates for themselves. *(Initiate in 2007. Maintain thereafter.)*
- C. Provide proactive leadership to Rhode Island's environmental movement. *(Ongoing)*
- D. Support and interact with local movements to solve local problems. *(Ongoing)*
- E. Select annual and multi-year priorities for advocacy and determine when ASRI is proactive or reactive. *(Initiate in 2007. Maintain thereafter.)*
- F. Grow the local environmental movement's base of support and increase political power through sustained local organizing among diverse partnerships. *(Initiate in 2007. Maintain thereafter.)*
- G. Position ASRI as the "go to expert resource" for the media and diverse constituencies when they want information and answers about environmental issues. *(Initiate in 2007. Maintain thereafter.)*

**Key performance measures** (performance outcomes will be developed annually.)

- A. Activism trends (e.g., informed citizens who advocate for the environment and their own sustainable, healthy communities; action trends; etc.)
- B. Responsible environmental public policy
- C. Member/donor trends in support of advocacy and grassroots activism
- D. Sustainable environmental trends in local corporations and governments
- E. Effectiveness of collaboration

**3. Enhance land conservation and stewardship in order to preserve natural systems in Rhode Island.**

Land of statewide significance is protected and stewarded well.

**Strategies:**

- A. Inventory the natural and cultural features of each ASRI property, identify conservation goals, develop a management plan, and steward properties accordingly. *(Ongoing)*
- B. Through acquisition and other means, focus land protection efforts on areas that contain natural habitat, are adjacent to already-protected areas, and are of statewide significance. *(Ongoing)*
- C. Evaluate and, as appropriate, refer or transfer properties to qualified land conservation agencies. *(Ongoing)*
- D. Help shepherd conservation projects for Rhode Island land protection. *(Ongoing)*
- E. Provide leadership to and support of RI's land trust movement including technical assistance, coordination, and secondary easements / division of interest. *(Research and plan in 2007.)*

**Key performance measures** (performance outcomes will be developed annually.)

1. Compliance with Land Trust Alliance Standards and Practices by all RI land trusts including ASRI
2. Effectiveness of RI land trusts
3. Use of RI Natural Heritage Program information for stewardship decisions
4. Limited encroachments around ASRI refuges and protected areas
5. Reduced fragmentation of remaining open space areas
6. Improved local land use planning to promote sustainable living

**4. Create the necessary infrastructure within ASRI to assure excellence and adaptive capacity<sup>3</sup> in all areas of operation.**

ASRI is recognized for its operating excellence, leadership, and capacity to adapt to an ever-changing marketplace.

**Background:**

Infrastructure refers to the systems and processes that support the ASRI mission. Infrastructure includes the elements listed below, along with goal #5, enhancing financial sustainability.

ASRI recognizes that strengthening infrastructure and adaptive capacity, and enhancing financial sustainability require special emphasis during this strategic plan, 2007–2010.

Planning retreat participants noted that integration is critical to strengthening ASRI. From mission to infrastructure elements, all is interrelated, and cannot be separated one from the other, called systems thinking<sup>4</sup> in management theory.

**Key elements of infrastructure: focus for ASRI capacity building, 2007–2010**

Together, these interrelated elements constitute effective management and operations. Each of these elements was raised during the strategic planning process. ASRI is committed to improvements in order to achieve its mission. (These elements, as identified during the planning process, are organized in alphabetical order.)

- A. Accountability
- B. Adaptive capacity (making change)
- C. Communications (both internal and external)
- D. Continuous quality improvement to assure excellence in mission and infrastructure
- E. Diversity and cultural competency
- F. Employee recruitment and development
- G. Financial planning and management
- H. Governance/oversight
- I. Information management and analysis
- J. Integration/systems thinking
- K. Management
- L. Physical plant and mechanical assets
- M. Planning and evaluation
- N. Strategic alliances/partnerships
- O. Technology

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<sup>3</sup>*Adaptive capacity* means the skill to respond to and initiate change. Specifically, an adaptive organization can make adjustments for improved performance, relevance and impact. The organization is reactive, responding to the need for change. But more importantly, the organization is proactive, generating change because of its external focus, network connectedness, inquisitiveness, and innovation.

<sup>4</sup>Systems thinking means seeing interrelationships rather than linear chains. The Board and staff see a whole whose parts relate and operate for a common purpose. Systems thinking means that nothing in the organization—a department or goal or anything else—exists independently of another.



**Strategies** (organized in alphabetical order):

- A. Accountability: Establish standards and mechanisms in all areas of operation, measure performance accordingly, and hold the staff, Board of Directors and its individual Board members, and other volunteers accountable. *(Ongoing.)*
- B. Adaptive capacity: Develop a high level of adaptive capacity (defined as external focus, network connectedness, inquisitiveness, and innovation) to ensure an effective organization that can anticipate and meet changing needs and demands. *(See Carl Sussman article "Making Change: How to Build Adaptive Capacity." Initiated in 2005 through capacity building grant and continued in 2006. Ongoing process.)*
- C. Communications—internal: Improve internal communications—within management and governance—to reinforce adaptivity and improve performance. *(Initiated in 2005 through capacity building grant from the Rhode Island Foundation. Further enhancements in 2007. Ongoing process.)*  
  
Communications—external: Strengthen external communications to nurture relationships, expand participation, and produce action in support of environmentalism. *(Initiated in 2006 with grant from the Rhode Island Foundation. Further enhancements in 2007.)*
- D. Continuous quality improvement: Improve quality in mission and infrastructure on a continuous basis. Recognize that ASRI is a service organization, not just an environmental organization. Achieve the highest levels of customer service. *(Ongoing)*
- E. Diversity and cultural competency: Increase participation of diverse constituencies (e.g., members/donors, volunteers, program participants, staff, etc.) by developing ASRI's cultural competence, and proactively reaching out. *(Focus in 2007 and thereafter)*
- F. Employee recruitment and development: Recruit and retain the best employees by using a comprehensive staffing needs assessment, assuring adequate compensation, providing ongoing professional development, and requiring performance that supports the strategic plan. Strengthen leadership and supervisory skills. *(Multi-year plan for compensation adjustments initiated in fiscal year 2006. Launch comprehensive training program in 2007.)*
- G. Financial planning and management: Improve financial management systems and the integration across all areas of operation, especially fund development. *(Initiated in 2006 through capacity building grant. Further enhancements in 2007.)* Establish policies related to socially responsible investment standards and shareholder activism. *(2007)*
- H. Governance: Strengthen governance through specific interventions within the Board of Directors, its role, accountabilities, recruitment, performance, and so on *(Initiated in 2006 through capacity building grant from the Rhode Island Foundation. Complete groundwork in 2007 and then maintain.)*
- I. Information management and analysis: Enhance the quality of decision-making by securing the right information, analyzing trends and implications, and ensuring strategic dialogue. *(Initiated in 2006 through capacity building grant from the Rhode Island Foundation. Complete groundwork in 2007 and then maintain.)*
- J. Integration and systems thinking: Enhance integration throughout the organization to achieve optimum synergy. Specifically: design, delivery and content of the three mission areas; elimination of functional silos in operations and enhanced teamwork. *(Focus in 2007 and thereafter)*
- K. Management: Ensure the necessary systems, policies and procedures, and competencies required to manage the corporation at the highest level of excellence. *(Initiated with new Executive Director. Complete groundwork in 2007 and maintain thereafter.)*

- L. Physical and mechanical resources: Improve residential, office, and public spaces. Improve equipment and purchasing to maximize efficiency, effectiveness, and environmental sustainability. *(Begin groundwork in 2007 and create phased plan. Significant financial investment deferred until 2008, unless special funding is obtained.)*
- M. Planning and evaluation: Improve planning by gathering the appropriate information and analyzing trends and implications, defining goals annually and for multiple years, establishing performance measures and outcomes, monitoring progress, and evaluating results. Incorporate organized abandonment of programs and activities as necessary. Assure ongoing strategic dialogue within staff and Board to build understanding, increase learning, and make change. *(Initiated with strategic planning process. Focus in 2007 and maintain thereafter.)*
- N. Strategic alliances / partnerships: Develop strategic alliances with diverse constituencies – including corporations, government, and environmental organizations – to produce greater results. *(Ongoing)*
- O. Technology: Improve technology—hardware and software, training and application—to support information management, planning, and communications both internally and externally. *(Initiated in 2006 with support from Fujitsu—no cost—and with upgrade in donor management software and training. Complete work and function optimally by end of 2007. Maintain thereafter.)*

**Key performance measures** (performance outcomes will be developed annually):

- A. Adherence to ASRI values.
- B. Adherence to accountability standards (e.g., Land Trust Alliance Standards and Practices, commonly accepted governance and management standards, etc.).
- C. Cohesive integrated institution that operates effectively and efficiently with a systems thinking approach.
- D. Adaptive capacity.
- E. Organizational culture.
- F. Staff and departmental behavior: better integration and coordination; all for one and one for all; working for the greater good.
- G. Employment/employee trends (e.g., retention, morale, skills and knowledge, job performance).
- H. Diversity trends (e.g., age, ethnicity, socioeconomics, urban/suburban, etc.) in all areas (e.g., educational activities, advocacy, volunteerism, governance, management, donors/members, etc.).
- I. Satisfaction trends within diverse ASRI constituencies including program participants, alliances/partners, members/donors, volunteers, and employees.
- J. Communications audit compared to commonly accepted standards.
- K. Maintenance of structures, equipment, and other tangible assets.

**5. Enhance financial sustainability to assure the continuity of ASRI's programs and services.**

Stable revenue and charitable contributions assure a balanced mix of income. Significant endowment assets, balanced with operating excesses and cash reserves, ensure that Audubon's work continues in perpetuity. Our donor-centric fund development program nurtures a broad base of diverse donors who protect the environment through investment in ASRI.

**Strategies:**

- A. Strengthen financial planning by using the appropriate criteria to project income goals, analyzing trends and implications, projecting for multi-year intervals, and engaging in strategic dialogue. *(Initiated in 2006 through capacity building consultancy. Maintain thereafter.)*
- B. Assure accurate financial reporting, and consistency between goals and financial allocations. *(Ongoing)*
- C. Fund depreciation. *(FY 2008 and thereafter.)*
- D. Increase the endowment by limiting the draw down and reinvesting, and through fundraising, including the possibility of a future capital campaign for endowment. *(Initiated limit to draw down in 2005. Strengthen fund development over a two- to three-year period and then investigate endowment campaign readiness.)*
- E. Establish and build a formal cash reserve fund—with borrowing and replacement specifications—by generating excess operating revenue and public support over expense annually. *(Outline cash reserve criteria in 2007 and strengthen fund development to establish and build reserve.)*
- F. Revenue
  - Increase revenue by carefully managing the prices of programs, the number of attendees, and the cost/benefit ratio. *(Ongoing)*
  - Diversify revenue by exploring service opportunities (e.g., by providing technical assistance and other services). *(Initiate in 2007. Maintain and expand as appropriate thereafter.)*
- G. Charitable contributions
  - Build a culture of philanthropy throughout the organization. *(Initiated in 2006 through capacity building consultancy. Focus in 2007 and maintain thereafter.)*
  - Institutionalize the process of fund development throughout ASRI. *(Initiated in 2006 through capacity building consultancy. Focus in 2007 and maintain thereafter.)*
  - Nurture philanthropic relationships to build loyalty and maximize lifetime value. *(Initiate formal plan in 2007 and maintain process thereafter.)*
  - Develop a balanced mix of charitable contributions sources and solicitation strategies. *(Ongoing)*
  - Enhance the quality of decision-making by securing the right information, analyzing trends and implications, and ensuring strategic dialogue. *(Initiated in 2006 through capacity building consultancy. Focus in 2007 and maintain thereafter.)*

**Key performance measures** (performance outcomes will be developed annually.)

- A. Staff and Board member behaviors that represent a culture of philanthropy
- B. Return on investment for revenue and charitable contributions
- C. Participation rates of Board members and other ASRI supporters in helping with fund development activities
- D. Diversity of constituency reflective of a diverse community
- E. Donor-centric operation
- F. Donor/member loyalty trends (active versus passive loyalty)
- G. Donor/member participation trends (e.g., retention rates, gift frequency, upgrade rates)
- H. Donor/member acquisition trends, especially repeat giving following acquisition.
- I. Satisfaction trends of fundraising volunteers, donors / members, event participants.
- J. Application of well-established research and practice in fund development and fundraising communications.

# Planning, monitoring progress, and defining annual priorities and performance outcomes

This strategic plan provides general direction to the Audubon Society of Rhode Island for the multi-year period 2007–2010. Ongoing planning and evaluation may produce modifications to strategies and performance measures. ASRI will extend the plan and may modify the time period of the plan.

ASRI uses the strategic plan to establish annual priorities and define performance outcomes (the results ASRI wants) for the fiscal year. The fiscal year budget is based on the annual priorities and performance outcomes.

The general time frame for annual planning is:

<u>Time frame</u>	<u>Activity</u>	<u>Accountability and process</u>
<b>September</b>	Define priorities for new fiscal year.	Management team, in dialogue with staff <i>(preparation for Board dialogue)</i>  Board/management team dialogue, with formal Board action
<b>October</b>	Prepare preliminary budget for fiscal year.	Management team
<b>November</b>	Finalize budget.  Prepare operating / implementation plans. (For review and use by staff only.)	Management team, Finance Committee  Department heads, in dialogue with staff and management team
<b>December</b>	Define performance outcomes for fiscal year.  Adopt budget and fund development plan for new fiscal year.	Department heads, in dialogue with staff and management team—with formal Board action.  Board of Directors
<b>January</b>	Fiscal year begins.	

ASRI recognizes that it must strengthen its ongoing planning and evaluation. The key performance measures presented in this plan help ASRI focus its evaluation activities and strategic thinking. Performance measures may be adjusted as time passes.

The annual planning process is based on the multi-year strategic plan, and the actual performance outcomes (results) of each year.

Performance outcomes—sometimes called benchmarks or results—are both qualitative and quantitative. As effective planners and strategic thinkers, ASRI pays attention to multiple criteria—both internal and external—when defining its annual performance outcomes and analyzing its results, trends and implications. For example:

- Available staff and volunteer resources to help do the work
- Analysis of multi-year ASRI trends and their implications
- Use of established and researched best practice
- Economy
- Societal issues such as available leisure time
- Government laws and regulations
- And other issues

The challenge in planning and monitoring progress is to assure the appropriate balance between governance and staff roles. Staff—through the Executive Director and management team—provide leadership and guidance so that the Board of Directors and its committees can fulfill their obligations. Staff is responsible for implementation.

The Board of Directors is legally and ethically accountable for the health and effectiveness of the Audubon Society, and that includes the progress on the strategic plan. Board committees may engage in preliminary conversation—facilitated by staff—prior to full Board discussion.

Committee and Board meetings are designed to focus attention on the strategic plan, its progress, and its challenges and opportunities. At least quarterly, the Board of Directors discusses a progress report prepared by the Executive Director and management team.

Progress on the strategic plan is a critical element of the Executive Director's annual performance appraisal. Progress on the strategic plan is also a critical element of the annual performance appraisal for all members of the management team.

Staff prepare operational and implementation plans that reflect the multi-year strategic plan and annual priorities and performance outcomes. These plans belong to staff and are not reviewed by the Board of Directors or its committees.

### **Goals for fiscal year 2007**

The first year of this plan—fiscal year 2007—focuses on low-cost/no-cost strategies. These strategies target infrastructure, the area that requires the most attention to move ASRI into the future. These infrastructure enhancements also impact programs and services.

#### In summary, for the first year of this plan, FY 2007

- *Goal #4: Create the necessary infrastructure to assure excellence and adaptive capacity in all areas of operation.* (See pages 8–10 of this plan.) Specifically:
  - Accountability
  - Adaptive capacity (making change)
  - Communications (both internal and external)
  - Continuous quality improvement to assure excellence in mission and infrastructure
  - Diversity and cultural competency
  - Employee recruitment and development
  - Financial planning and management
  - Governance
  - Information management and analysis
  - Integration and systems thinking
  - Management
  - Planning and evaluation
  - Space, equipment and other tangible resources
  - Strategic alliances/partnerships
  - Technology

- *Goal #5: Enhance financial sustainability to assure the continuity of ASRI's programs and services.* (See pages 11–12 of this plan.) Specifically, strengthening fund development through the following strategies:
- Build a culture of philanthropy throughout the organization.
  - Institutionalize the process of fund development throughout ASRI.
  - Nurture philanthropic relationships to build loyalty and maximize lifetime value.
  - Develop a balanced mix of charitable contributions sources and solicitation strategies.
  - Enhance the quality of decision-making by securing the right information, analyzing trends and implications, and ensuring strategic dialogue.
- In addition to program enhancements accomplished through the infrastructure work, ASRI will pursue selected strategies in each of the three program areas, as outlined in those sections of the strategic plan.

For subsequent fiscal years, the annual planning process will define the scope of work.

# Financing

## Financing

The Audubon Society will develop multi-year financial projections based on this strategic plan. The management, Finance and Fund Development Committees, and Board of Directors will use the multi-year financial projections as a planning tool.

ASRI will continue its budgeting process for each fiscal year, in accordance with the general calendar outlined in the previous section “Planning, monitoring progress, and defining annual priorities and performance outcomes.” Regular review of actual compared to budget—coupled with the analysis of trends and implications—supports strategic dialogue at the management and Board/committee levels.

As described in the previous section, annual priority setting forms the basis for the budgeting process. The budgeting process uses multiple criteria to estimate income projections.

ASRI recognizes that budget projections do not depend solely upon the dollars needed and prior year financial results. As a philanthropic organization, ASRI depends on effective fund development. And effective fund development depends on such criteria as:

- Internal
  - Level of participation of Board members in the relationship building and solicitation process
  - Effectiveness of relationship building program that is donor-centric, mission focused, and emphasizes retention and lifetime value
  - Donor participation rates related to retention, multiple gifts per year, and upgrades
- External, which includes the economy, leisure time, government regulation, and so forth

ASRI establishes realistic budgets based on multiple criteria, analyzing the trends and implications of results.

ASRI will strengthen its financial sustainability through three key elements:

1. Annual operations: Produces excess revenue/public support over expense as often as possible, in order to build the cash reserve.

ASRI plans to strengthen its fund development program through key strategies outlined in this plan. ASRI also plans to begin budgeting for depreciation within the next several years.

2. Cash reserve: Grows based on annual operating excess. The cash reserve serves as an internal line of credit to compensate for annual operating losses and R & D funds. Cash reserve guidelines stipulate how ASRI can borrow from its own reserves and the payback requirements.

ASRI plans to establish a cash reserve as soon as possible, and build the reserve as the missing piece of its three-legged financial picture.

3. Endowment: Grows based on earnings, Board directed allocations from annual operations, cash reserve and special gifts (e.g., bequests), and through special campaigns.

Through Board action, ASRI current limits its draw down to 5 percent per year. The intent is to remain at this level or reduce draw down to 4.75 percent.

Unless designated by the donor, the Board of Directors will decide how to allocate all bequests (e.g., to endowment, special projects, reserves, etc.).