

WPWA Organizational Planning Retreat January 21st 2017

RETREAT NOTES AND OUTCOMES

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WITH ASSISTANCE FROM

MARK AMARAL

LIGHTHOUSE CONSULTING GROUP, INC.



Purpose of this Report

This report is for the Wood-Pawcatuck Watershed Association (WPWA). It outlines a number of strategies and actions to help ensure WPWA remains sustainable – both financially and institutionally-- in the face of changing times. The plan captures the outputs from a one day discussion retreat for the board of directors and the Executive Director. The one day event was guided by an agenda that was shaped over several weeks by the consultant, Chair and Executive Director.

Key elements of the discussion and, thus, this report include:

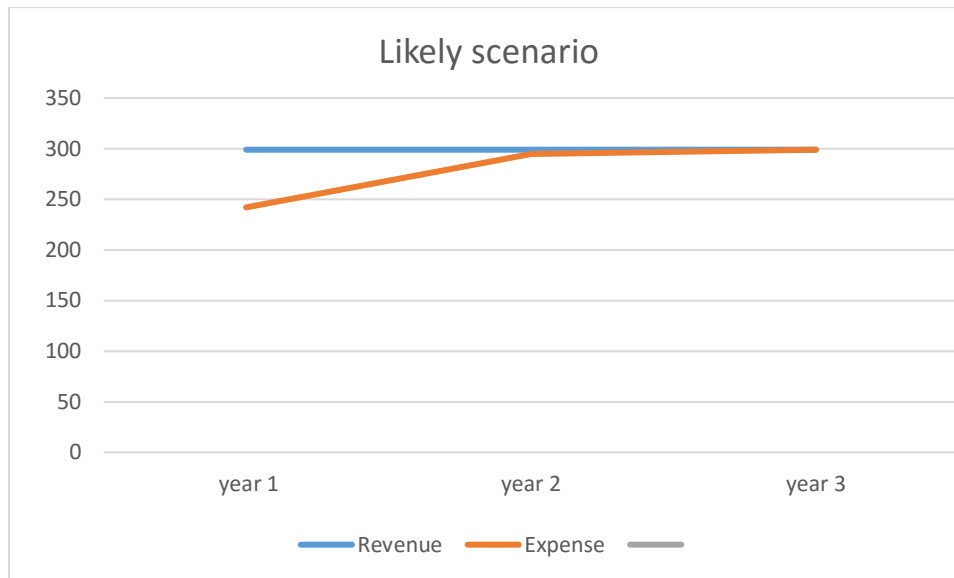
1. Develop three funding scenarios and drivers and implications for each.
2. Based on these scenarios, discuss how much new funding is needed and possible sources. Develop these ideas into a 12 month action plan.
3. Agree to the changes that need to be made to the existing governance structure and process to support WPWA's funding scenario and funding goals.
4. Design and agree to a succession process that can be used successfully by WPWA to ensure lasting leadership and the expansion of its bench strength. As part of this discussion, develop a plan that can implemented in the event of the unexpected departure of its Executive Director.

Each one of these discussions and the outcomes are captured below.

1. Review Income scenarios

This was a group process to chart three different scenarios (worse, likely and best) and identify drivers expense implications for each. The goal of this exercise is to understand each of these scenarios and how to position WPWA for each, as necessary. Existing budget projections were used to develop these scenarios.

Likely revenue scenario and expense implications¹



Drivers : (what are the major forces behind the revenue and expense projections).

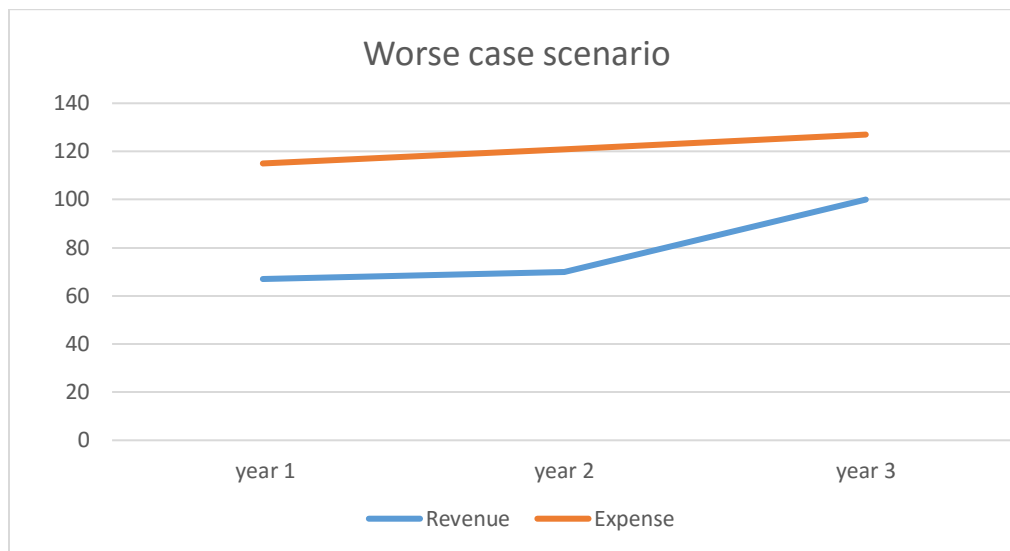
- Membership growth based on history; no major new membership initiative
- Steady state all other revenue areas
- Success with family foundations at \$60/\$70,000
 - Latner Year 1 = \$25,000
 - Latner Year 2=\$60,000
- Expense increase at a minimal rate of 0-5%

Implications:

- No new staff
- No funding for facility/capital expenses
- No new initiatives
- Marketing budget gets capped at \$4,000
- Includes \$20,000 for water quality monitoring, a key priority for WPWA
- Close the variance with strategies outlined below

¹ These graphs are meant only to show trends based on known budget estimates and known drivers. They were originally hand drawn and transposed here.

Worse case revenue scenarios and expense implications



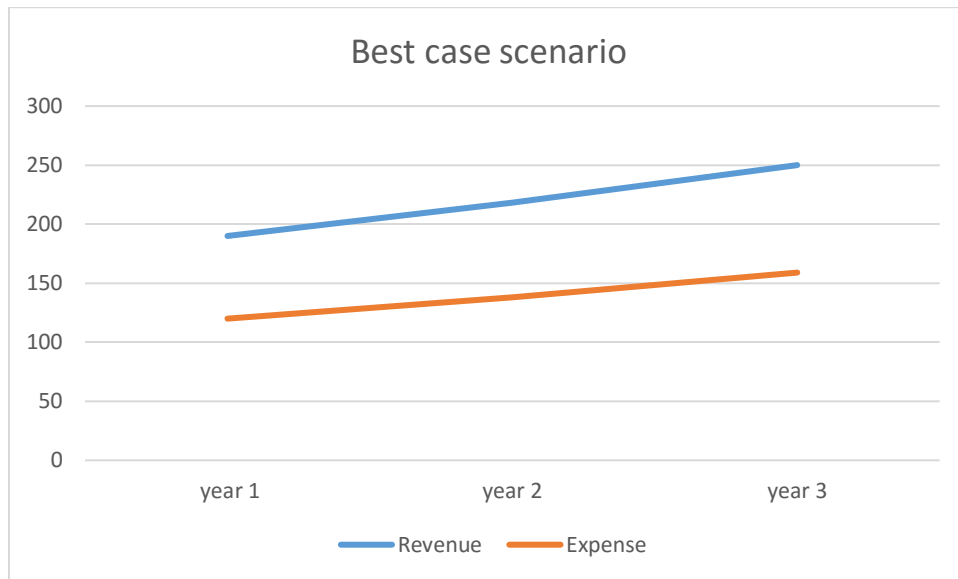
Drivers

- No Foundations funding
- No Grants and therefore no overhead impact
- 5% expense growth
- 5-10% membership growth

Implications

- Chris only employee; focus on membership/donations, plus minimal weekend welcome center staff.
- Maintains accountant as contractor, but could be cut if bookwork becomes minimal.
- Water quality monitoring (\$20,000) is the last big budget item included in this scenario and is critical to the membership and organization. This should be cut absolutely last and, the board agreed, it would be better to draw out of reserves over the short term than cut.
- If water quality monitoring is cut, organization could/may have to evolve into a different type of company that focuses on fishing and kayaking becoming an “outfitter” instead of watchdog/monitoring group.
- Close the variance with strategies outlined below

Ideal revenue scenario and expense implications



NOTE: For this scenario, only the overhead impact of grant funds is included in the revenue line, not the actual grant revenue and expenses because the group assumes these to be just pass through (revenue equals expenses) and both lines would rise equally.

Drivers

- \$85,000 from Foundations
- Enough grant money to produce \$30,000 overhead impact
- \$80,000 unrestricted

Implications

- One more staff, paid out of grant (not overhead from grant).
- Allows pursuit of staff priorities as outlined below.
- Increase marketing budget to find more big donors. Work with RI Foundation to help identify and perhaps help hire a development person.
- Move towards a goal of having reserve principal generate enough interest to pay core costs. This would require an estimated reserve of \$1.2 million.

2. Strategies for increasing funding:

Based on these scenarios, the group identified where additional funding is needed and where does it come from. For each action we defined: What, when, who, cost.

What is action	Who	When	Cost
Increase funding by higher givers (those that give \$1-5,000) by \$10,000. There is an existing list that needs to be reviewed, added to and called by directors	Current Board	Next 12 months	\$0
Develop partnership with Westerly businesses such as Grey Sail, Malted Barley, and Bridge with a goal of \$5,000 this year. <ul style="list-style-type: none"> Attend Chamber after hour event (maybe host) Host event on-site if possible Have organizational information available Jen needs business card, brochure and PowerPoint 	Jen start process. Chris	Feb 8 Commerce Meeting	\$0
Seek Corporate sponsorship with Washington Trust. A 50% change of success of \$5,000 this year.	Jen and Chris	March first report	\$0
Begin and support an endowment campaign to get to raise \$800,000. This is a long term priority. <ul style="list-style-type: none"> Confirm ED Wood's give year giving plan; what does this mean RI Foundation – how can they help develop an endowment campaign 	Alan	By February meeting	\$0
Crowd source/go fund me initiative supported by social media campaign. Goal is to raise \$5,000 in year one, \$10,000 in year two, and \$15,000 in year three <ul style="list-style-type: none"> Report to board on likelihood and how to approach. What is being done, what could be done? Initial social media plan that would support a crowd source initiate. 	Chris (crowd sourcing) & Brenda (social media)	March	TBD
Explore options or using the facility for team building rentals by partnering with companies that provide these types of events/training. <ul style="list-style-type: none"> Who does this, can we partner with them? 	Jen (Joe may have a contact)	March	\$0 to explore
Increase number of rental fees this FY by \$2,000 by increasing marketing and web presence.	Chris,	after new web site is up and running	\$0
Seek the support of a national foundation.	Jen	April	\$0

<ul style="list-style-type: none"> Key word search to identify possible foundations to may be able to provide long term funding. Key words may include: conservation, water, rivers, water quality monitoring, river runs, and outdoor access for kids. 			
Review current investments to make sure they are being leveraged as much as possible. Check on fees. Goal is to increase impact of these funds by \$2,000	Jen	May	\$0
A plan to offer facility to short-term renters in the area, (i.e., for a onetime fee, multiple day access to facility). Goal is to raise an additional \$1,000.	Chris	April	\$0
Other ideas: <ul style="list-style-type: none"> Raffle Steak Fry Donations from business on select day (i.e., 10% of gross profit on Earth day). Lower cost of monitoring by decreasing monitoring days or stations. (Chris reports that WPWA is already enjoying the lost cost possible and decreasing stations or days affects credibility of data). 			
Continue to use volunteers to save on staffing costs <ul style="list-style-type: none"> Explore changes that can be made to existing process and system to better support volunteers 	Brenda and Chris	April	

3. Building and managing staff resources

This discussion set priorities for additional staff as resources become available. It also addressed the questions of unexpected departure of its Executive Director and what can be done in advance of such an event.

Building staff resources

- First priority –once organization is at breakeven-- is to decide if WPWA needs:
 - Membership coordinator/administrative support. This would free up Chris to do other fund raising/business development activities. Cost is approximately \$20,000
 - Development specialist solely dedicated to raising funds for organization.
- Long term priority is to have a full time education director.
 - Start part time
 - Has a master's in outdoor recreation
 - Would need an additional \$60,000 for this, which is possible under ideal scenario, with a goal of having it self-sustaining within two years.
 - This would slow the organization's ability to contribute to its capital reserve fund
 - Also need a cadre of volunteers to support this position

- Need to continue to use volunteers who assist with programs, do routine maintenance, etc.
 - a) Requires someone to coordinate them
 - b) Shift in culture that accepts that they are not full time or paid
 - c) What systems or processes could be put in place what would support use of volunteers? See strategy above.

Unexpected executive director departure:

- Increase priority of hiring membership/administrative support. Include in job description that they would be responsible over the short term if something were happen to the Executive Director. This places a higher priority on hiring this position instead of development person as outline above.
- Until this person is onboard, Denise would provide Band-Aid help over the short term until a longer solution can be identified. This should be discussed with her. She would be supported by board support. Longer term help would be, ideally, found in the network until a new Executive Director could be hired.
- Immediate follow-up
 - a) Chris review and revise his job description, present to Board; Board embellish with a summary of those characteristics that would be required to fit into the WPWA culture.
 - b) Chris write job description for membership/administrative support, present to the Board.
 - c) Chris develop a list of core tasks that must get done on a monthly basis across the organization (not just his responsibilities).
 - d) Board create a list of people in the network that could provide short-term help.
 - e) Chair meet with Denise to review this plan.

4. Succession planning

In this section, the board was challenged to design and agree to a succession process that can be used successfully by WPWA to ensure lasting leadership and the expansion of its bench strength. It is divided into two major sections. First, how new directors will be recruited and on boarded. Second, how the ascension process will ensure a regular of flow qualified directors onto the executive team.

Identifying and onboard new directors

- Each director is responsible for bringing possible candidate's names and bios to the board for consideration. This director is called candidate's mentor.
- If the board agrees that the candidate is potentially good fit, mentor arranges for candidate to attend a board meeting.
- If, after this initial meeting, candidate and board are mutually interested the mentor reviews with candidate board's expectations (i.e., need for engagement and participation).
- If, after this final review with candidate and assuming s/he is still interested, board votes to accept or reject candidate. Mentor communicates result. This is done on a rolling basis.

- Once candidate becomes a director, the mentor will check in periodically for the first year, but not less than every other meeting, to ensure new director is comfortable with their role and answers their questions about the board and the organization's strategy and direction. If concerns are raised by new director, board should be committed to addressing and correcting any problems.
- The vice chair should be responsible for ensuring that this process is discussed at each board meeting and to propose changes as necessary. The vice chair should maintain the master list and status of each candidate. The list should also keep track of board needs by characteristics (i.e., marketing). Eventually, this responsibility should shift to the past-president as noted below.
- Once the board grows in size, this responsibility should shift to the chair of the nominating committee.
- Seek new directors that are: Younger/tech savvy (to help with social media), well connected, have access to dollars, experience in development, legal, and marketing and will be committed and engaged (participate on committees, complete assigned follow-up)

Executive team development

Propose the following process be instated and tested. If successful over several years, consider formalizing into the by-laws, though not required.

- Each officer position (chair, vice chair, secretary and treasurer) can only be held for one year, up to a maximum of three years.
- However, although three, one year terms are allowed, seek to rotate each position in two, one year terms. This allows the flexibility for three years, but puts emphasis on moving individuals every two years. It also allow a director to move through all four positions in eight years (2 years per position x 4 positions).
- Overtly follow a succession trajectory, wherein the secretary moves to treasure, treasure moves to vice chair and vice chair moves to chair.
- Be clear to those joining the board and executive team that this is the expected process. Individual must be able to reasonably commit to this process.
- After one year, identify the best candidate from the new director pool (those who have joined within last year) to join the executive team. When searching for directors, in addition to previously mentioned characteristics, look or those that have leadership attributes who could be appointed to executive team.
- Add a past president position as a member of the executive team with the primary responsibility of facilitating the nomination process described herein. The past president can have termed out as director (i.e., exceed their nine year) and still remain on the board serving as past president.

5. Other changes need to be made to the existing structure and process?

Given these funding scenarios and strategies to increase funding, we need:

- Add variances to budget and previous year and be able to easily print. Do not need to have separate reports from projects.
- Add to the board agenda sections on nominating update and review strategies and actions for raising funds.