



Executive Summary Report to Washington State Parks Foundation



Washington State Parks



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EXECUTIVE SUMMARY

OVERVIEW

Significant reductions in the Washington State general fund have widespread implications for state departments and their budgets, including Washington State Parks (WSP). Prior to the Great Recession that started in 2007, a significant portion of WSP's operations and maintenance budget came from the state general fund. WSP is preparing to be self-supporting as early as 2013 and is evaluating the potential of various revenue-generating initiatives.

The fundraising arm of WSP, Washington State Parks Foundation (WSPF), engaged The Collins Group (TCG) in November 2011 to conduct a fundraising assessment for *Virtual Ranger*, an interactive technology-based tool to engage people with the WSP system and its individual parks. *Virtual Ranger* was identified by the WSPF Board and the Washington State Parks and Recreation Commission's Revenue and Efficiency Task Force as a new initiative worthy of further focus because it could potentially:

- Generate philanthropic support to cover most, if not all, of the expenses to develop it
- Secure ongoing sponsorship revenue after its launch to support its own operating costs plus generate additional revenue that could help offset park system operations
- Help to reduce operating expenses because of its innovative and cost-effective way of providing park interpretive services

The fundraising assessment focused on the appeal of *Virtual Ranger* as a philanthropic investment and the perception of its appeal for sponsorships. The assessment did not test other potential initiatives for philanthropic support identified by WSP and the WSPF.

Please refer to the full report for an overview of the methodology applied to complete the assessment. Over 200 constituents provided input during the process, including philanthropists with a history of giving leadership-level gifts to similar projects, executives of outdoor recreation businesses, parks supporters, WSP professional leaders, and WSPF board members.

ANALYSIS OF FINDINGS IN ESSENTIAL ELEMENTS FOR SUCCESSFUL FUNDRAISING INITIATIVES

Organizational Strength

The perception of the value of WSP and the system's importance in making our community an attractive place to live is positive and widespread. Awareness that WSP is threatened by budget cuts is not widely known outside of the state park system. While the parks in the WSP system are seen as incredible assets, widespread understanding that private support is needed to maintain the existing park system is lacking. Public support for parks is taken for granted.

The potential for philanthropic investment in WSP to preserve the existing park system or to develop the attractive and innovative *Virtual Ranger* is limited until more people grow to appreciate that the burden for maintenance and operations is moving from the public to the private sectors. As long as state parks is perceived to be the responsibility of government, the community sees no responsibility for their



financial upkeep and further innovations and WSPF will be limited in how far reaching its base of support will become.

The strategic direction for WSPF is evolving. During its first decade, it focused on securing restricted gifts for specific projects, but is now needed to raise support for WSP basic operations and maintenance. The strategic plan for WSPF and specific goals and objectives will need to be in alignment with new expectations.

Case for Support

Virtual Ranger is appealing to supporters and potential donors for its cost effective interpretive services, innovative platform, and the promise that once built it will serve as a highway for multiple forms of revenue generation for WSP. The \$2 million investment to get the platform up and running is perceived as too expensive if the ultimate benefits will be only cost-effective interpretive services, a park user focus, and a “cool” innovative platform. The case for cost-effective interpretive services has appeal, but at a lower cost.

The community is not convinced that *Virtual Ranger* will play the pivotal role in significantly stepping up the level of sponsorships for WSPF.

Leadership

The WSPF Board is relatively small for a foundation board with fundraising responsibility. The board members are committed to the mission of WSPF and to advancing WSP and have not yet been asked to take on significant fundraising roles. While some members are passionate about the prospects for the proposed initiative as a fundraiser and revenue generator, the board is not unified in its view.

Fundraising initiatives benefit from strong professional and volunteer leadership that is focused, committed, well connected, and passionate. The depth of leadership interested and ready to take on this initiative is light.

Giving Potential

Several business entrepreneurs interviewed who are also philanthropists expressed interest in learning more about the initiative and how it could generate revenue for the long term. It is possible that with more detailed business plan information available, that interest in making significant gifts up front could be developed. However, no one participating in the study indicated an interest in taking the lead in making this initiative a reality and in encouraging others to join them. It was ranked as a “medium” or “low” philanthropic priority by interviewees known for their wealth and philanthropy.

Internal Readiness

Today WSPF is not prepared to take on a major fundraising initiative that requires multiple lead donors collectively giving \$1 million or more and hundreds, if not thousands, of donors giving at all levels.

During its first decade WSPF has effectively raised restricted gifts for specific projects within WSP, and started to knit together grassroots Friends organizations advocating for specific parks. While it has



accepted gifts, it has lacked the resources to build its capacity for a wide-ranging program to raise unrestricted gifts. Other state park systems, especially California's, provide an example of what can be accomplished as a result of investing in a membership program focused on engagement and giving.

CONCLUSION

WSP's 115+ parks are regarded as essential assets, and continued access to them is important. Most residents are not yet aware that state funding for ongoing operations and maintenance of WSP is at risk and that this has wide-reaching impacts on communities throughout the state. Stakeholders realize that other state park systems and other entities that have been publicly funded are reinventing themselves. WSP is not alone in needing to do this.

There is interest in innovative, technology-based tools to help interpret parks, but skepticism that *Virtual Ranger* can be successfully developed for the \$2M budget proposed or that sponsorships would provide ongoing revenue within the next several years to provide a good return on investment and ongoing source of revenue to support WSP.

Many believe that website improvements could help increase revenue from user fees, especially for vacation home rentals and other sales. A navigation mascot/icon, perhaps a sage grouse or salmon (but not the eager beaver) could be helpful. Setting up the improved website so it is easily viewed on mobile devices can accomplish many of the perceived benefits of *Virtual Ranger*.

Potential donors and parks supporters identified cost-effective interpretive services as the top benefit of the proposed *Virtual Ranger* initiative.

Many are willing to consider gifts to help WSP, but giving to parks is not yet a high philanthropic priority and major gifts of \$25,000 and more have not yet been developed. While many are skeptical that *Virtual Ranger* would deliver on all of its promises, gifts and grants to support innovative and cost-effective interpretive services are a good possibility.

The WSPF is not sufficiently resourced to build its capacity as a successful and sustainable fundraising program to generate consistent revenue to support WSP operations and maintenance. Successful examples from other state park systems provide hope and confidence that similar success could be experienced in Washington State.

RECOMMENDATIONS

The Collins Group recommends that WSPF not move forward with a major fundraising initiative to develop *Virtual Ranger* as planned. With an upfront cost of \$2 million, the value of the perceived benefits is not commensurate with the cost. Confidence that the initiative would achieve all that it promises is lacking, and only limited interest from philanthropists and potential sponsors has been identified.

WSPF has other opportunities to achieve its mission and to help generate revenues for WSP operations.

- WSP and WSPF are encouraged to partner with others and take advantage of technologies that are available to offer some, if not all, of the benefits promised in the *Virtual Ranger* concept.



- WSPF can explore opportunities to raise grants and gifts to support technology-based, cost-effective interpretive services. With start-up costs significantly less than what was tested for *Virtual Ranger*, it is reasonable to expect philanthropists and supporters to respond positively.
- In partnership with WSP:
 - Identify cost-effective ways to enhance the website, with a focus on providing user friendly access to reservations and additional posted information
 - Design a marketing campaign strategy and to build awareness of private fundraising as an essential part of future success
- Develop a strategic plan for WSPF that will result in building the capacity of the organization over time so that it can become a reliable and significant source of private support to enhance WSP operations and special projects for decades to come. This effort, successfully completed, will provide the direction for how to expand the board and develop a sustainable annual giving and major gifts program. To build the loyalty of supporters, a membership program is recommended, and continuing to knit together Friends organizations and offer resources to them for their own capacity building.

CLOSING

We enjoyed conducting this assessment for Washington State Parks Foundation. Your mission matters and your work is important. This report represents our professional assessment of the level of philanthropic support for *Virtual Ranger* and the conditions needed to conduct a successful fundraising initiative as of April 10, 2012.

The Collins Group

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