

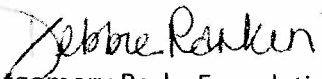


MCPB Agenda Item 3- January 9, 2014

January 2, 2014

MEMORANDUM

To: Montgomery County Planning Board

From: Debbie Rankin, CFRE   
Executive Director, Montgomery Parks Foundation

Cc: Mary Bradford, Director of Parks  
Mike Riley, Deputy Director  
John Nissel, Deputy Director  
Joe Isaacs, President, Board of Trustees, Montgomery Parks Foundation

Subject: Montgomery Parks Foundation- Year-end Briefing and Presentation of Board of Trustee slate

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FY13 Overview

FY13 was indeed a building year for the Foundation. The Board and Staff focused on solidifying the donor base and expanding program options. Clarifying roles, responsibilities, relationships and logistics continued to absorb significant time. Sixteen months were dedicated toward negotiating the Memorandum of Understanding with M-NCPPC and several additional months toward discussing staff employment contracts. Time was directed toward creating strategies and messaging for the largest effort the Foundation has embraced to date- a Capital Campaign for Josiah Henson Park.

The FY13 budget for the Foundation was \$742,000 and we anticipate meeting our revenue goals. This is achieved in spite of not fully realizing anticipated grant income. Other categories of income generally performed as expected or better than expected. Early estimates of the FY13 efforts indicate fundraising income will likely have increased more than 25% this year.

A more detailed report on the FY13 fundraising efforts will be provided when the Foundation reports to the Planning Board following the required independent audit in the late spring.

**Foundation Board of Trustees revises Mission and embraces Core Values** *(adopted May 22, 2013)*

**Mission**

The Montgomery Parks Foundation champions Montgomery County Parks cultivating financial support and public engagement of county residents and businesses as members, donors, sponsors and advocates.

**Core Values**

**Cultivate Philanthropy**

We will inspire charitable giving and cultivate and solicit private donations at all levels to support programs and project that preserve and enhance Montgomery Parks.

**Encourage Advocacy**

We will encourage public support and activism on behalf of our parks and believe such involvement strengthens our community and fosters positive public policy in the best interests of our award-winning park system.

**Practice Accountability**

We will protect donor privacy, abide by the Donor Bill of Rights and report openly and accurately regarding all Foundation activities, accepting fully our responsibility to serve the public good and meet our obligations.

**Demonstrate Diversity**

We will strive to reflect our broad-based community in board membership and staffing and the selection of programs and projects the Foundation supports while respecting all donors and supporters equally.

**Engage Collaboratively**

We will establish and sustain trusting and supportive relationships with Montgomery Parks and throughout the community, reinforcing the importance of mutual respect in an effort to attain mutually beneficial results.

**Display Integrity**

We will conduct all business with the highest professional, moral and ethical standards and report honestly about our operations and finances.

**Achieve Excellence**

We will strive for excellence in fulfilling all programs and projects and will reflect in all we do the exceptional pride we take in our outstanding park system.

## Presentation of approved FY14 Budget

The Board of Trustees of the Montgomery Parks Foundation approved unanimously the attached FY14 Budget. The Montgomery Parks Foundation has proposed an over \$1.1 million dollar budget for the January 1- December 31, 2014 fiscal year.

Increasing the budget by 38% in one year is no doubt highly ambitious. However, these income levels are considered achievable based on momentum, the programmatic goals for two large fundraising programs (Brookside Gardens/Josiah Henson Park), and the analysis and observations of giving patterns over the last several years.

(Full budget is attached)

## Summary Remarks

The Foundation staff and Board continue to make exceptional progress toward the establishment of a sustainable and successful fundraising organization guided by a revised Mission and established Core Values. These are building years for a new fundraising organization which require diligence, consistency and patience. Since our last presentation to the Planning Board the following should be noted:

- **Executed Memorandum of Understanding (MOU)**

After 16 months of negotiations and discussions the Foundation is pleased to have a fully executed MOU. The revised MOU provides both the necessary latitude for the Foundation to become a sustainable independent entity and fulfills the prerequisite of a cooperative reporting structure. Montgomery Parks Foundation donors can be certain their gifts given to support Montgomery Parks are well managed and directed toward their intended purpose.

- **Josiah Henson Park- Capital Campaign**

The Foundation has retained consultant Julie Carter for a second year. Ms. Carter is well respected in the metropolitan D.C. area for her fundraising acumen. Ms. Carter will continue to provide guidance and human resources to the Foundation to facilitate a Capital Campaign to support Josiah Henson Park. With **a goal of soliciting over 2 million dollars in private donations**, staff resources are stretched incredibly thin. Ms. Carter will provide tremendous benefit and perspective as we move forward and you'll note an income goal of \$200,000 in FY14 for this program.

You will each receive a copy of the Case for Support written to guide this major fundraising effort and intended to solidify the thinking and advocacy of all stakeholders including each of you as Planning Board members. Please read it carefully so we can speak with one voice regarding this extraordinary project.

- **Major Donors and Programs**

The Foundation was privileged to work with several major donors focusing on several specific projects this past year:

- The Westmoreland community saved their “Little House”. When faced with the possibility of the aging structure being razed, the community was determined to raise funds for its repair in collaboration with the Montgomery Parks Foundation. The community raised \$75,000 in the last few months of 2012 and over \$135,000 in total.
- The same generous donor that has offered to provide \$1 million in funding for a new Greenhouse at Brookside Gardens donated \$50,000 to the Master Plan Project and pledged an additional \$57,000 in 2014.
- Kona Ice fulfilled a third year of \$5000 pledges to the Foundation to support Montgomery Parks.
- Whole Foods contributed over \$27,000 through a county wide 5% Day to support the Long Branch Community Garden.

- **Grants Management and Administration**

Creating a functional and effective grant program is a high priority of the Foundation. With the 501(c)(3) status, the Foundation is in the enviable position to identify private and corporate foundation sources interested in working with effective non-profits to promote their missions. The Foundation staff in collaboration with our Montgomery Parks colleagues will initiate a “Grant Workgroup” to consider the logistics of this program and we are optimistic about the potential to identify untapped funding sources.

- **Strategic Development Work plan**

A work plan through 2015 was approved by the Board of Trustees and is intended to guide and prioritize Board and Staff efforts. The work plan highlights a multi-channel approach to fundraising and clarifies the numerous efforts required for the Foundation to grow and thrive. Categories include: Individual Giving, Tribute Programs, Capital Campaigns/Major Gifts, Grants, Donor Stewardship, Corporate Sponsorships, Communications, Governance, Staff and Technology. The full plan is an operational document monitored by the Executive Director and Board of Trustees.

**Nominated and Elected Unanimously December 4, 2013 Meeting of the Board of Trustees:**

**Charles L. Washington, Jr.**

Director, Maryland State Relations

Pepco Holdings, Inc.



Charles Washington is Director of Maryland State Relations for Pepco Holdings, Inc. In this role, Charles represents the company's two Maryland utilities, Pepco and Delmarva Power, before state, county and local legislative bodies and presents the company's viewpoints on relevant legislative and public policy issues.

Pepco Holdings, Inc. (PHI) is a regional energy holding company that provides utility service to more than 1.9 million customers in the District of Columbia, Maryland, Delaware and New Jersey. PHI subsidiaries Potomac Electric Power Company (Pepco), Delmarva Power & Light Company (DPL), and Atlantic City Electric Company (ACE), provide regulated electricity service; DPL also provides natural gas service. PHI provides retail energy savings and renewable service through Pepco Energy Services.

Charles has nearly a decade of public affairs experience in the energy sector. Most recently, Charles served as Senior Public Affairs Manager, responsible for executing Pepco's legislative strategy. Previously he served as a Public Affairs Manager, where he managed the company's relationship with county and municipal government officials. Prior to joining Pepco as Public Affairs Representative in 2006, Charles worked for Duke Energy in a number of external affairs and communications roles.

Charles is a 2008 graduate from Leadership Montgomery and serves on a number of boards including the Maryland Soccer Foundation (Soccer Plex) board; Montgomery County Boys and Girls Clubs board; Maryland Clean Energy Center advisory board; and the Utility State Government Association board. He also sits on the Committee for Montgomery Board of Directors, where he previously served as Chair.

Charles has a Bachelor of Arts in Political Science from Davidson College and a Certificate in Business Administration from Georgetown University. Currently, he is enrolled in a dual degree program that will yield international business degrees from Georgetown University and Spain's ESADE Business School.

**FY14 Budget (approved by Board of Trustees 12/4/13)**

**Income**

**44815 · Designated Gifts (Subj. to 12%)**

49000 · Administrative Fee-12%	(62,976.00)
43403 · BG-Designated - Other	5,000.00
43406 · BG-Capital Campaign	150,000.00
43414 · Western Grove Urban Park	75,000.00
43415 · Henson Campaign	200,000.00
43450 · Corporate Sponsorships	60,000.00
44830 · Naming Rights	10,000.00
44840 · Special Projects	10,000.00
105 · Donation Boxes	<u>7,300.00</u>

**Total 44815 · Designated Gifts (Subj. to 12%)    454,324.00**

**43400 · Unrestricted**

43420 · Donations	22,000.00
43410 · Memberships	16,000.00
43430 · Trees	16,000.00
43440 · Benches	34,500.00
43445 · Bricks	10,000.00
47000 · M-NCPPC In-Kind Support	192,031.00
43401 · Administrative Fee-12%	<u>62,976.00</u>

**Total 43400 · Unrestricted                    353,507.00**

**44800 · Restricted**

44855 · Garden of Lights	500.00
43425 · Green Matters	1,750.00
44851 · Brookside Gardens - Other	<u>20,000.00</u>
Total 44851 · Brookside Gardens	<u>22,250.00</u>

44820 · Grants	150,000.00
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44880 · Friends Groups	
44881 · Brookside Gardens	60,000.00
Total 44880 · Friends Groups	60,000.00
<b>Total 44800 · Restricted</b>	<b>232,250.00</b>

**From Balance Sheet-Unrestricted Net Assets 138,498.00**

**Total Income 1,178,579.00**

## **Expense**

### **51000 · Program Services**

51010 · Grant Expenses	150,000.00
51040 · Marketing	70,600.00
51050 · Tributes	48,044.00
<b>Total 51000 · Program Services</b>	<b>268,644.00</b>

### **60900 · Business Expenses**

60910 · Trustee Meeting	750.00
60920 · Business Registration Fees	200.00
60900 · Business Expenses - Other	500.00
<b>Total 60900 · Business Expenses</b>	<b>1,450.00</b>

### **61000 · Payroll/Staff Expenses**

61010 · Salaries (Admin Support)	31,000.00
61011 · Salaries-In-Kind	170,031.00
61020 · Payroll Expenses	4,080.00
61050 · Professional Development	1,000.00
68300 · Travel and Meetings	1,200.00
<b>Total 61000 · Payroll/Staff Expenses</b>	<b>207,311.00</b>

### **62100 · Contract/Professional Fees**

62110 · Accounting Fees	7,200.00
62120 · Audit	4,300.00

62140 · Legal Fees	5,000.00
62150 · Capital Campaign Consultant	<u>25,000.00</u>
<b>Total 62100 · Contract/Professional Fees</b>	<b>41,500.00</b>
 <b>63000 · Membership Expenses</b>	
63010 · Donor Communications	500.00
63000 · Membership Expenses - Other	<u>2,000.00</u>
<b>Total 63000 · Membership Expenses</b>	<b>2,500.00</b>
 <b>65000 · Operations</b>	
65015 · Staff Meetings	150.00
65030 · Printing and Copying	500.00
65040 · Supplies	100.00
65041 · Supplies/Materials-In-Kind	22,000.00
65060 · Bank Fees	500.00
65061 · Credit Card Fees	1,500.00
65065 · M-NCPPC Support	<u>620,724.00</u>
<b>Total 65000 · Operations</b>	<b>645,474.00</b>
 <b>65100 · Insurance</b>	
65120 · Insurance - Liability	650.00
65130 · Insurance-Directors & Officers	650.00
65160 · Workers Compensation	<u>400.00</u>
<b>Total 65100 · Insurance</b>	<b>1,700.00</b>
 <b>65200 · Software/Technology</b>	
65209 · Website	2,000.00
65210 · eTapestry	<u>8,000.00</u>
<b>Total 65200 · Software/Technology</b>	<b>10,000.00</b>
 <b>Total Expense</b>	<b>1,178,579.00</b>