



**Revenue Analysis and Diversification Strategies for the
Colorado Parks and Recreation Association**

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Executive Summary

The Colorado Parks and Recreation Association (CPRA) is a 501(c)(6) nonprofit organization organized in 1950 as a business association for Colorado parks and recreation professionals. CPRA is governed by an Executive Board of Directors plus an Advisory Council. There are also numerous special committees, standing committees and task forces. Paid staff consists of a full time Executive Director and a full time Membership Director/Office Coordinator. In 2009, CPRA had 1,066 members, representing over 122 different municipalities in Colorado. As a 501(c)(6), CPRA is tax exempt, but cannot receive tax-deductible charitable contributions from individuals or other donors such as foundations. CPRA has a foundation with a 501(c)(3) designation to support it .

As a professional membership association, CPRA has historically and appropriately relied on membership fees and professional development events, particularly earned income from its annual conference, for the majority of its funding. However, professional development revenues are trending downward. The last year CPRA posted a notable profit was 2005 and despite lowering its operating expenses \$29,000 since, the organization has been posting very small net profits or deficits each year. CPRA is projecting a \$12,000 deficit for 2009.

A three-part research project was undertaken. First, an analysis of CPRA's current revenue sources and overall trends since 2005 was completed. A review of strategic documents, membership trends, and budgeting policies constituted the second part of the project. Third, unstructured telephone interviews were conducted with seven individuals comprising CPRA executive staff, current and past Board members, and collaborators to survey their opinions on current revenue strategies and potential new sources.

Recommendations are presented, including adaptations/innovations to current revenue producing strategies and suggested new sources of revenue which have the greatest probability of success given the organization's mission and culture.

Introduction

The Colorado Parks and Recreation Association (CPRA) is a 501(c)(6) nonprofit organized in 1950 as a business association for Colorado parks and recreation professionals. The organization currently has a membership of 1,066 individuals and agencies representing 122 municipalities in Colorado, a seven member elected Board of Directors, nine active Sections, and two full time paid staff. Because it is a professional membership association and not a "traditional" nonprofit organization, CPRA has historically and appropriately relied heavily on membership fees and professional development events, particularly earned income from its annual conference, for the majority of its funding. As a 501(c)(6) organization, individual donations are not tax-deductible and CPRA does not qualify for foundation grantmaking. CPRA has a supporting 501(c)(3) foundation, called the CPRA Foundation, which funds professional development scholarships and a tree planting program.

Like many nonprofit agencies, CPRA's 2009 revenues are down due to the economic downturn and decrease in both personal income and government support of employee travel for professional development. However, CPRA has been showing a pattern of stagnant revenues since 2006. The last year CPRA posted a notable profit was 2005 and despite lowering its operating expenses \$29,000 since, the organization has been posting very small net profits or deficits each year. Total revenues for 2009 were \$94,000 lower than budgeted and the organization is projecting a \$12,000 deficit for the year and will need to draw on its reserves. CPRA's Executive Director, Stephanie Stephens, has been monitoring the financial health of the organization and requested an analysis of current revenue sources and a report recommending how the organization might strengthen existing revenue strategies and where they may look for new revenue sources.

There is a wealth of research on fundraising and development planning and a large number of sources that provide specific information about "how to" hold a special event, manage a donor database, write a direct letter appeal, pursue a government grant, or implement numerous other fundraising strategies. The goal of this analysis was to examine CPRA's current revenue sources and trends, and using a broad array of potential funding strategies, examine which have the greatest probability of success given the organization's mission and culture. Work on this project consisted of three major components: First was a review of the literature on fundraising strategies, and the role mission and organizational culture plays in defining the best fundraising avenues for any nonprofit organization. Second, a thorough review was conducted of CPRA's strategic documents, membership trends, budgeting procedures, and financial reports to understand how the organization sets revenue goals and monitors its finances. Simultaneously, a series of telephone interviews was conducted with seven individuals comprising CPRA executive staff, current Board members, past Board members and collaborators with an interest in CPRA's long-term sustainability. These interviews were not structured, other than focusing broadly on discussions about CPRA's mission, products/services it provides its members, past funding strategies, overall trends in the profession, and queries as to what new types of fundraising activities might be appropriate or inappropriate given CPRA's mission, staffing levels, and organizational culture. The individuals interviewed were:

- Larry Manchester, Current CPRA President
- Ben Valdez, Current CPRA Treasurer

- Tom Hoby, CPRA President 1998/99, CPRA Board member from 1996-2000, Current Chair of Directors Section
- Lora Knowlton, Board President of CPRA Foundation
- Janice Geden, Jan Geden Consulting (Professional Development Consultant)
- Wally Piccone, Past CPRA President, Past Treasurer, Past Chair of Small Communities Section
- Stephanie Stephens, CPRA Executive Director 2003-present (multiple interviews)

Last, an analysis of potential funding strategies was completed with suggestions made on changes to current revenue strategies and new sources to be considered by CPRA staff and leadership.

Literature Review

Many in the nonprofit management profession talk about the "org explosion" in the past decade. An online search of The Urban Institute's National Center for Charitable Statistics (NCCS) Table Wizard confirmed that the number of registered nonprofit organizations in the United States jumped from just over 1 million in 1994 to 1,569,572 in 2009, including 997,579 public charities, 118,423 private foundations, and 453,570 other types of nonprofit organizations (such as chambers of commerce, fraternal organizations, and civic leagues) (www.nccsdataweb.urban.org/tablewiz/pc.php). There are now 19,019 registered nonprofits in Colorado alone. In 2006, nonprofits accounted for 8% of all wages and salaries paid in the United States and in 2007 reported over \$1.4 trillion in total revenues, nearly \$1.3 trillion in total expenses, and nearly \$2.6 trillion in total assets (www.nccsdataweb.urban.org/tablewiz/pc.php, NCCS Core Files/Nonprofit Almanac, 2007). Each of these organizations dreams of having more than adequate resources of funding, skilled personnel, high public profile and credibility, support, and admiration to pursue its mission. While public perception may be that nonprofit organizations are not competitive with one another, in reality all of these organizations compete for qualified staff, volunteers, public support of mission, and ultimately funding (Gronbjerg, 1993).

While most for-profit businesses depend on sales of products or services for revenues and most government agencies depend on allocations of tax receipts, most nonprofit organizations depend on a highly varied mix of revenues, which range from government contracts to client fees to donations (Herman & Heimovics, 1989, p. 120). Nonprofit entities fill gaps left by market or government failure (Brinkerhoff & Brinkerhoff, 2002), meet social needs that cannot be priced at a profit (Collins, 2005), and focus on mission, rather than profitability or shareholder wealth (Chetkovich & Frumkin, 2003). In an ideal world, we might envision nonprofit organizations as collections of committed individuals that fervently pursue a cause in such a compelling manner as to attract munificent donations, enabling single-minded attention to their work and mission (Froelich, 1999, p. 246). In reality, the majority of nonprofit organizations are programmatically limited by their ability to raise revenues to support their mission (Carson, 2002; Froelich, 1999).

Managing a nonprofit is generally more complicated than running a comparably sized for-profit business (Foster, Kim, & Christiansen, 2009). When a for-profit business finds a way to create value for a customer, it has generally found its source of revenue: the customer pays for the value. With rare exceptions, that is not true in the nonprofit sector. When a nonprofit finds a way to create value for a beneficiary, it has not identified its economic engine - that is a separate step (Collins, 2005; Foster, Kim, & Christiansen, 2009). Therefore, nonprofits are in two separate "businesses" - one related to their program activities and the other related to raising charitable "subsidies" (Collins, 2005; Foster, Kim, & Christiansen, 2009). In addition to the complexity of managing "two businesses", nonprofits' funding sources are also subject to fluctuations and change thereby creating further challenges to sustainability (Hodge & Piccolo, 2005). The ideal scenario with continuous flows of funds for unencumbered mission pursuit is not and never has been the reality for nonprofit organizations (Froelich, 1999).

Resource Dependency Theory was introduced by Pfeffer and Salancik in 1978 to explain how an organization's strategy, structure, and survival depend on its resources and dependency relationships with external institutions and has been the platform for examination of how nonprofits survive and perform for almost twenty-five years (Hodge and Piccolo, 2005). The theory stresses the impact of external forces on how organizations operate and proposes two broad tenets: (1) organizations are constrained by, and depend on, other organizations that control critical resources, and (2) to maintain autonomy, organizations attempt to manage their dependences on external groups (Hodge & Piccolo, 2005). For most nonprofits, maintaining autonomy is particularly problematic due to ongoing environmental conditions of scarcity and uncertainty; broadly speaking, resources are not adequate, stable or assured (Froelich, 1999).

The primary sources of revenue for nonprofit organizations are (1) private contributions, in the form of individual donations, corporate gifts, and foundation grants; (2) public support (government grants); and (3) private sector payments (also called social enterprise or earned income) in the form of user fees, membership fees, government contracts, and the sale of products and services (Hodge & Piccolo, 2005). Data from the National Center for Charitable Statistics in 2007 show that of revenues for the nonprofit sector overall, 22% came from contributions, gifts and grants, 67% came from program service revenues (which include government fees and contracts in the NCCS database), and 11% came from "other" sources including dues, rental income, special event income, and gains or losses from goods sold (www.nccsdataweb.urban.org/tablewiz/pc.php). Consistent with assertions of resource dependency theory, each revenue source offers a different set of advantages and disadvantages, associated constraints and differing management tasks, and a different level of dependency on external agencies (Brooks, 2000; Gronbjerg, 1993). The generally accepted philosophy is that a diversified stream of funding provides more stability and less vulnerability for any given nonprofit (Froelich, 1999; Gronbjerg, 1993; Klein 2009) but also brings challenges in trying to manage multiple fundraising activities. In recent years, many nonprofits have investigated and implemented earned income or "social enterprise" activities - commercial activities that tie into or support their mission - in an effort to exercise greater control over income (Froelich, 1999, p. 262) and protect themselves from the unpredictability of government funding, foundation grants, or individual donations. Hodge and Piccolo (2005) believe that agencies like CPRA that have the ability to generate their own revenue through the sale of service or membership fees are generally less dependent on, and less vulnerable to, the whims of traditional sources of funding.

The sheer volume of resources available on the subject of fundraising for nonprofit organizations is substantial. Lindahl and Conley (2003) comprehensive literature review of philanthropic fundraising mentions over 100 articles, books and other references on the topic. The challenge for most organizations is to determine which of the myriad of fundraising strategies are an appropriate fit given their mission, their organizational staffing capacity, organizational culture, and how well their mission appeals to various types of funders. Gronbjerg (1991) feels that choosing revenue strategies that are consistent with mission, understanding the opportunities and tradeoffs, and conscientiously responding to management challenges presented by each strategy is the key to organizational viability and integrity. Choosing appropriate fundraising strategies can also prevent or minimize "goal displacement" or the displacement of ends by means, such as fundraising activities driving program mission (Kramer, 1981). Karen Froelich (1999) summarizes the challenge well:

Whether through attracting private contributions, obtaining government grants and contracts, or involvement in commercial activities, [nonprofit organizations] must dedicate substantial resources and attention toward revenue acquisition. Each revenue strategy has its appeal and current niches of opportunity but also carries constraints and pressures that may impinge on the autonomy of the organization. As nonprofits strive to reduce their vulnerability to income uncertainties and the influence of revenue providers, they have moved away from concentrated dependence on a single revenue strategy. Revenue diversification brings new concerns and greater complexity. The wider variety of management tasks diverts more resources from mission-oriented efforts, and the growing number of constraints requires a delicate balance of often conflicting demands. (p. 263)

The strategic role of innovation and change

If there is one consistent theme that emerges from this review of the literature, it is that nonprofit organizations must continuously monitor the market in which they operate, and experiment and innovate to keep themselves sustainable in a highly competitive environment. Whereas change once occurred incrementally and infrequently, today it is dramatic and constant and the buzz phrase is "innovate or perish" (Daft, 2004, p. 400). Nonprofit organizations are facing pressures from increasing numbers of other agencies seeking support, shifting government funding, and the presence of for-profit organizations with social missions (Chetkovich & Frumkin, 2003, p. 564). Today's organizations must poise themselves to innovate and change, not only to prosper, but to seek competitive advantage for survival in a world of increased competition (Daft, 2004, p. 400; Dart, 2004; Goerke, 2003; Jaskyte, 2004; Sullivan Mort et al, 2003). Managers of nonprofits are being called on to be more entrepreneurial (Morris & Jones, 1999; Zimmermann, 1999) and find a balance between maintaining fiscal health and accomplishing their mission (Chetkovich & Frumkin, 2003; Herman & Renz, 1998, 1999; McDonald, 2007). Just as successful for-profit firms strive for continuous innovation to gain or maintain competitive advantage, so too successful nonprofit organizations need to strive for innovation to serve their missions and to serve their constituents more effectively (McDonald, 2007).

The need for innovation or new ideas is generally not seriously considered within an organization until there is a perceived need for change. A perceived need for change usually occurs when managers see a gap between actual performance and desired performance in the organization (Daft, 2004, p. 405). Each organization has a unique configuration of technologies, products and services, strategy and structure, and culture that can be focused for maximum impact upon chosen markets to achieve strategic advantage (Daft, 2004, p. 403; McCann, 1991):

- Technology changes: changes in production processes that enable distinctive competence. These changes are designed to make production more efficient or to produce greater volume.
- Product and service changes: pertain to the product or service outputs of an organization. New products include small adaptations to existing products or entirely new product lines. New products and services are normally designed to increase the market share or to develop new markets, customers, or clients.
- Strategy and structure changes: pertain to the administrative domain of the organization. These changes include changes in organizational structure, strategic management, policies, management information and control systems, and accounting and budgeting systems.
- Culture changes: refer to changes in the values, attitudes, expectations, beliefs, abilities and behavior of employees (and in the case of nonprofits, Board members or other volunteers).

Jim Collins (2005) sums up the relationship between mission and strategic change well when he writes that:

enduring great institutions practice the principle of Preserve the Core and Stimulate Progress, separating core values and fundamental purpose (which should never change) from mere operating practices, cultural norms and business strategies (which endlessly adapt to a changing world). Remaining true to your core values and focused on what you do best means, above all, rigorous clarity about what to do, but equally what *not* to do (p. 26).

Organizational Background

The Colorado Parks and Recreation Association (CPRA) is a 501(c)(6) nonprofit organization organized in 1950 as a business association for Colorado parks and recreation professionals. CPRA's mission statement is:

CPRA is a non-profit education and advocacy organization whose members are dedicated to maintaining and improving our quality of life through parks, recreation and leisure opportunities.

Since inception, CPRA has performed two main functions: 1) to provide opportunities for communication/collaboration for sharing best practices between parks and recreation professionals and member agencies located throughout the state, and 2) to provide continuing education and professional development events for its members including holding one large conference each year, several certifications and schools, smaller educational events, and special programs.

CPRA is governed by a seven member elected Executive Board of Directors plus an Advisory Council which consists of nine Section representatives. Executive Board members fill the following positions: President, President Elect, Vice President (At Large), Vice President (Western Slope), Secretary, Treasurer, Immediate Past President, and the Executive Director as an *ex-officio*, nonvoting member of the Board. Executive Board members each serve one year terms, except the Treasurer who serves a two year term and the President who effectively serves for three years as President elect, then President, then Immediate Past President. Sections represented on the Advisory Council are: Aquatics, Colorado Association of Recreational Athletics (CARA), Colorado Association of Senior Centers (CASC), Colorado Therapeutic Recreation Society (CTRS), Directors, Parks, Recreation Services, Small Communities, and Western Slope. There are also six special committees and six standing committees/task forces. Paid staff consists of a full time Executive Director and a full time Membership Director/Office Coordinator. In 2009, CPRA had 1,066 members, representing over 122 different municipalities in Colorado. As a 501(c)(6), CPRA is tax exempt, but cannot receive tax-deductible charitable contributions from individuals or other donors such as foundations. CPRA has a foundation (Colorado Parks and Recreation Foundation) with a 501(c)(3) designation to support it .

The CPRA Foundation was established as a 501(c)(3) nonprofit organization in 1983 and functions as CPRA's philanthropic partner. The mission of the CPRA Foundation is:

To support the activities and programs of CPRA, which promotes parks, recreation, and leisure for all publics of the State of Colorado.

The primary purpose of the CPRA Foundation has been to raise funds for members to attend education and professional development programs. The Foundation has a five member voting Board, plus four CPRA representatives as advisors (Board President, Board President Elect, Secretary/Treasurer, Chairperson of Scholarship Committee, and CPRA Executive Director). In 2009, CPRA Foundation took in \$400 in donations, \$3,900 from its annual golf tournament, and \$15,000 from an annual Sip and Bid silent auction for scholarships and tree planting grants, and made \$227 in dividends on its reserve funds. Expenses included \$2,009 in bank charges and outside services to run the golf tournament, and \$15,545 was granted to members for professional development scholarships. Net income for 2009 for the CPRA Foundation was \$1,977. The organization has approximately \$56,000 in three reserve and endowment accounts.

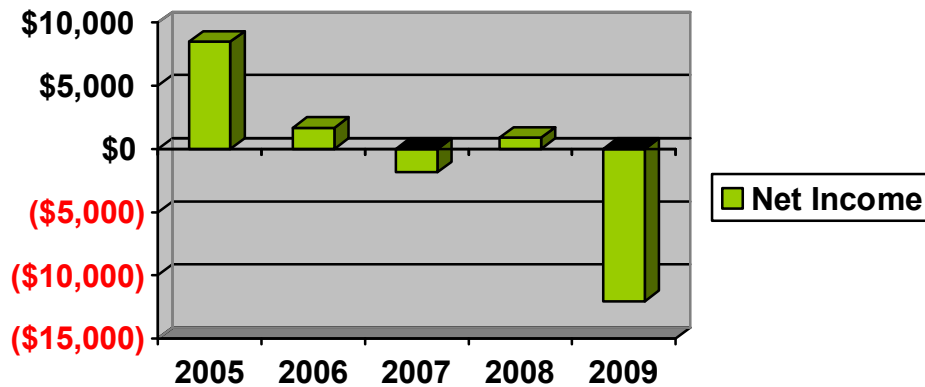
CPRA has historically placed heavy emphasis on its professional development activities to generate revenue up to 56% of its total operating revenue in past years. Like many nonprofit organizations, CPRA's 2009 revenues were down substantially due to the economic downturn and decrease in both personal income and government agency support of employee travel for

professional development. Conference net profit for 2009 was only 6% of total operating revenue, down from 25% in 2006, and professional development revenues dropped to 37% of total operating revenue. Overall, total revenues for 2009 were \$94,000 lower than budgeted. The last year CPRA posted a more substantial profit was 2005, when net income was \$8,490. Since then, CPRA posted a net profit of \$1,649 in 2006, a deficit of \$1,850 in 2007, a net profit of \$874 in 2008, and a projected \$12,000 deficit for 2009 (the 2009 audit will not be completed until June 2010). CPRA has approximately \$26,526 deposited in a money market and another \$48,083 held in a long term reserve account.

Figure 1: Summary Table of CPRA Revenues and Expenditures 2005-2009

Year	Total Revenue	Total Expenditures	Net income
2005	\$426,468	\$417,978	\$8,490
2006	\$486,911	\$485,262	\$1,649
2007	\$487,635	\$489,486	(\$1,850)
2008	\$507,241	\$506,367	\$874
2009	\$453,692	\$465,753	(\$12,061)

Figure 2: CPRA Net Income 2005-2009



Revenue Trend Analysis

CPRA's Budget is divided into six broad categories:

- **Membership:** General Membership, Byline (quarterly magazine), Website
- **Operating:** Administration, National Recreation and Park Association (NRPA), President's budget
- **Professional Development:** Annual Conference, Exhibitors, Facility Design & Management School, National Playground Safety Institute, Certification, Legislation, Other
- **Programs:** Awards, Performing Arts Jamboree
- **Sections** – Colorado Association of Recreational Athletics (CARA)
- **Sections – Other** (Aquatics, CASC, CTRS, Directors, Parks, Recreation Services, Small Communities/Western Slope)

Membership

Appropriately for a professional membership organization, the majority of CPRA's operating revenues come from membership fees and net profit from professional development events. In past years, these two revenue categories have brought in between 50-69% of the organization's operating revenues. Both categories were down significantly between 2008 and 2009. Membership revenue has held steady at about 15% of total operating revenue since 2005, with a decline of \$17,000 between 2008 and 2009 due mainly to a newly implemented membership policy which simplified administration of membership renewals. Prior to 2009, each member renewed on his/her/agency membership date; beginning in 2009 all memberships now renew in January/February each year. As predicted, this change in policy brought in an early cash flow but also resulted in a decline in membership revenues because fees had to be pro-rated in 2009 in order to get all members on the same membership cycle. For instance, a member who normally renewed in July paid 50% of the annual fee for 2009 (because his/her membership covered July 2008-June 2009). In 2010, every membership will return to normal full fee. To reduce its credit card processing fees, CPRA also instituted a processing fee where renewing members pay the \$2 fee to process their credit card transaction. The majority of expenses to this budget category are the cost of the membership database system and the costs to maintain the website.

CPRA budgeted \$58,300 in revenue through membership fees in 2009, and collected \$57,013, coming within 2% of their goal. Overall organizational expenditures related to memberships were \$1,982 lower in 2009 than in 2008.

Figure 3: Membership Revenue Trends

Year	Revenue	Expenditures	Net income	Membership revenue as % of total operating revenue
2005	\$ 69,844	\$ 16,457	\$ 53,387	16%
2006	\$ 63,065	\$ 8,842	\$ 54,223	13%
2007	\$ 73,879	\$ 9,800	\$ 64,079	15%
2008	\$ 74,166	\$ 8,593	\$ 65,573	15%
2009	\$ 57,013	\$ 6,611	\$ 50,402	13%

Total membership numbers declined from 1,100 in 2008 to 1,066 in 2009. This represents a loss of 48 memberships overall, but includes 108 new members.

Figure 4: Overall Membership Trends

Year	Individual/agency	Commercial	New members	Total membership
2003	1159	82	44	1241
2004	1084	96	Not available	1180
2005	1040	78	78	1118
2006	1039	77	142	1116
2007	1042	85	171	1127
2008	1025	85	164	1110
2009	977	89	108	1066

Figure 5: Categories of New Members

Year	Student	Associate	Professional	Agency	Commercial	Military
2009	7	8	87	2	4	0

Operating

Operating revenues are a small portion of the budget for CPRA in any given year and mostly represent small sources of income generated from dividends, capital gains, and incidental donations. As one would expect, expenditures for this budget category are large, and represent the bulk of staffing and operational/overhead costs for the organization. Operating expenses are down in 2009 due to cost cutting measures such as limiting travel expenses for staff in 2009. CPRA projected its operating expenses to be \$165,554 in 2009 but was able to hold costs to \$154,626, lowering its operating expenses by \$9,239 between 2008 and 2009 and almost \$29,000 since 2005.

Figure 6: Operating Revenues Trends

Year	Revenue	Expenditures	Net
2005	\$ 13,408	\$ 183,633	\$ (170,225)
2006	\$ 5,938	\$ 155,976	\$ (150,038)
2007	\$ 10,159	\$ 167,350	\$ (157,191)
2008	\$ 6,708	\$ 163,865	\$ (157,157)
2009	\$ 3,370	\$ 154,626	\$ (151,256)

Professional Development

Brief descriptions of the three largest professional development revenue generating events that constitute the bulk of this budget category follow:

Annual conference: Attendance at CPRA's 2009 annual conference, its main revenue producing event, was a full 50% below 2008. CPRA staff and the conference committee volunteers kept costs as low as possible and filled the exhibit hall's net profit from exhibitor's fees (\$10,657) constituted almost the entire net profit for the conference. The conference resulted in a net profit

of just over \$11,100, \$22,000 below what was budgeted. Conference revenues have been declining since 2005, but 2009 net profit was actually a \$1,176 increase over 2008.

Figure 7: Annual Conference Revenues Trends

Year	Conference Net	Exhibitor Net	Net income (conf + exhibitor)	Conference revenue as % of total professional development revenue
2005	\$ 34,464	\$ 18,590	\$ 53,054	25%
2006	\$ 15,828	\$ 20,053	\$ 35,881	13%
2007	\$ 15	\$ 15,996	\$ 16,011	6%
2008	(\$ 15,040)	\$ 24,980	\$ 9,940	4%
2009	\$ 461	\$ 10,657	\$ 11,118	6%

Recreation Facilities Design and Management School: Recreation Facilities Design and Management School in 2009 was officially cancelled May 1st, having only 5 registrants. CPRA's Executive Director successfully negotiated to cut event facility attrition fees in half and then booked two additional events at the facility and was allowed to use the remaining attrition charges as a deposit toward these two events, preventing a large loss of revenue. The Facility Design and Management School has not produced significant revenue for CPRA since 2006.

Figure 8: Facility Design and Management School Revenues Trends

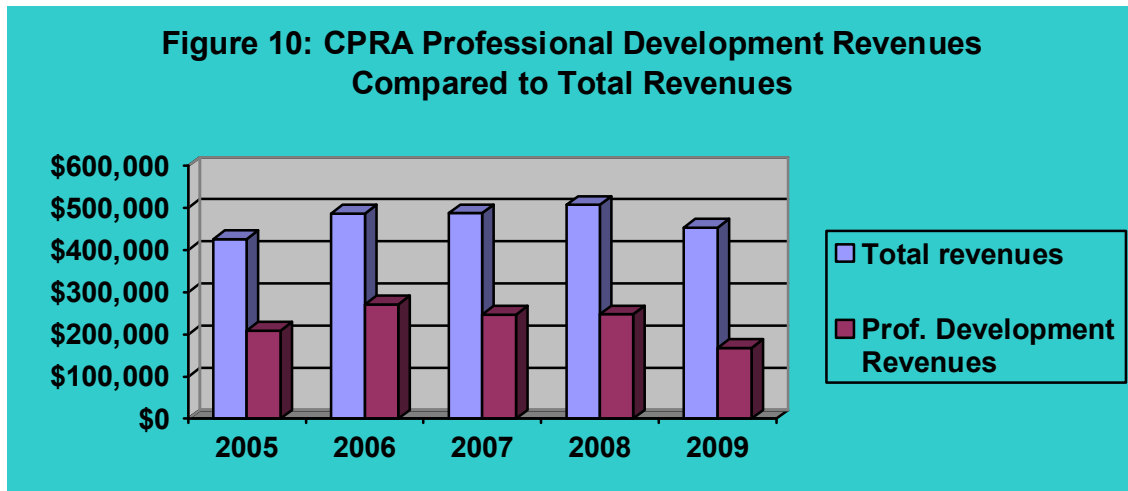
Year	Net profit/loss
2005	\$ 15,250
2006	\$ 12,672
2007	(\$ 1,179)
2008	\$ 1,497
2009	(\$ 3,334)

National Playground Safety Institute, NPSI (or Certified Playground Safety Institute, CPSI): This program was developed and is taught by National Recreation and Park Association (NRPA) instructors. CPRA hosts the Institute in Colorado in March and August of each year. Certification is every 3 years and is maintained by NRPA and the program draws participants from surrounding states as well as from Colorado. While not mandatory for an agency to have a CPSI (Playground Safety Inspector) on staff, it is becoming standard practice to do so. Net profit from hosting this program in 2009 was \$15,399; a big money maker for CPRA. Revenues from this Institute have been trending upward since 2005.

Figure 9: National Playground Safety Institute Revenues Trends

Year	Net income
2005	\$ 7,052
2006	\$ 12,308
2007	\$ 14,858
2008	\$ 13,775
2009	\$ 15,399

Overall analysis for the Professional Development budget category indicates that CPRA budgeted \$247,260 for revenues from professional development in 2009, but collected \$168,021 ó only 68% of their goal. This is particularly worrisome because this budget category has provided the bulk of the organization's revenues since 2005. As a percentage of total operating revenue, professional development accounted for as much as 56% of total revenues as recently as 2006, and represented between 49-50% of total revenues in 2005, 2007, and 2008. For 2009, the percentage of total revenue generated by professional development was 37%.



While the unusually low registration rate at both the 2009 conference and the Facility Design and Management School was most likely a direct effect of the poor economy and local governments reducing or eliminating budgets for staff travel and training, the overall five year trend for CPRA revenues in the professional development budget category is downward. The National Playground Safety Institute is the only major professional development event showing a significant net profit each year. Net income for this budget category as a whole was down \$56,880 between 2005 and 2009.

Figure 11: Professional Development Revenues Trends

Year	Revenues	Expenditures	Net Income	Professional Development revenue as % of total operating revenue
2005	\$ 208,602	\$ 128,244	\$ 80,358	49%
2006	\$ 270,755	\$ 217,652	\$ 53,103	56%
2007	\$ 246,433	\$ 211,375	\$ 35,058	50%
2008	\$ 247,223	\$ 219,352	\$ 27,871	49%
2009	\$ 168,021	\$ 144,543	\$ 23,478	37%

Programs

This budget category is small overall, and is comprised mainly of an awards program at the annual conference and an annual program called the Performing Arts Jamboree. Other incidental programming revenue that does not fit well under professional development is also recorded here. The Performing Arts Jamboree final accounting for 2009 shows that the program was a financial success this year, showing a net profit of \$5,949 which is \$1,300 over what was projected. CPRA feels this is due to the overwhelming response from artists and sponsors for the event.

Figure 12: Programs Revenues Trends

Year	Revenues	Expenditures	Net Income
2005	\$ 8,924	\$ 8,943	(\$ 19)
2006	\$ 8,362	\$ 7,891	\$ 471
2007	\$ 17,008	\$ 17,862	(\$ 854)
2008	\$ 26,838	\$ 28,720	(\$ 1,882)
2009	\$ 28,138	\$ 22,912	\$ 5,226

Sections – Colorado Association of Recreational Athletics (CARA)

The Colorado Association of Recreational Athletics (CARA) was created in the 1950s by a group of recreation planners who were having a difficult time getting a recreational softball league together. Since then, CARA has grown into a significant section of CPRA, run entirely by volunteers with its own committee structure and budget. For this reason, CARA revenues and expenditures are tracked separately from the other CPRA Sections. CARA is very popular in Colorado, particularly with youth (and their parents) who want to play in developmental/recreational leagues instead of competitively or for private sports clubs. Major programs under CARA are Nuggets and Rockies Sports Skills Challenges and youth recreational leagues in volleyball, track, tennis and gymnastics. In 2009, overall CARA net income was up, due in no small part to CPRA's Executive Director convincing all CPRA Sections that they are "part of a whole organization" and that every penny of revenue generated by their section helps offset general operating and administrative costs of CPRA as a whole. In past years, almost all Sections have spent down to budget so as not to leave any extra in the "offers". The majority of CPRA members are local government employees, and this philosophy may be attributable to experience with the government general fund "black hole" where if you don't use it, you lose it at the end of the fiscal year.

Net income produced by the CARA Section for 2009 was \$21,526, with youth gymnastics contributing the bulk of the funds (\$10,390), followed by youth track (\$3,751) and youth tennis (\$2,041). Revenues from track and tennis both showed a higher than usual net income, and many recreation centers reported that participation in recreational athletic programs were up across the state due possibly to the poor economy – more people chose to have their kids participate in recreational programs versus more expensive competitive programs.

Figure 13: Sections - CARA Revenues Trends

Year	Revenue	Expenditures	Net Income
2005	\$ 46,693	\$ 32,464	\$ 14,229
2006	\$ 53,279	\$ 46,596	\$ 6,683
2007	\$ 62,274	\$ 44,459	\$ 17,815
2008	\$ 61,759	\$ 49,448	\$ 12,311
2009	\$ 59,544	\$ 38,018	\$ 21,526

Sections – Other (Aquatics, Colorado Association of Senior Centers (CASC), Colorado Therapeutic Recreation Society (CTRS), Directors, Parks, Recreation Services, Small Communities/Western Slope)

The Sections-Other budget category is fairly broad and includes all of the revenues brought in by the remaining sections of CPRA, not including CARA. Each of these Sections conducts its own trainings and events and has its own associated revenues and expenditures.

Figure 14: Sections – Other Revenue Trends

Year	Revenue	Expenditures	Net
2005	\$ 78,996	\$ 48,234	\$ 30,762
2006	\$ 85,511	\$ 48,304	\$ 37,207
2007	\$ 77,881	\$ 38,636	\$ 39,245
2008	\$ 90,546	\$ 36,385	\$ 54,161
2009	\$ 137,605	\$ 99,041	\$ 38,564

Figure 15: Sections Revenue Trends by Individual Section

Section	Net income 2005	Net income 2006	Net income 2007	Net income 2008	Net income 2009
Aquatics	\$ 281	\$ 10,148	\$ 7,518	\$ 13,917	\$ 12,614
CASC	\$ 3,450	\$ 834	\$ 374	\$ 3,289	\$ 2,818
CTRS	\$ 192	\$ 1,244	\$ 2,966	\$ 749	\$ 2,690
Directors	\$ 426	\$ 221	\$ 1,603	\$ 1,785	\$ 1,882
Parks	\$ 12,052	\$ 12,781	\$ 13,128	\$ 17,948	\$ 16,023
Rec services	(\$ 1,695)	\$ 3,707	\$ 3,821	\$ 1,977	\$ 2,538
Small communities/Western slope	\$ 4,831	\$ 4,366	\$ 7,254	\$ 8,298	(\$2,090)

Recommendations

CPRA has historically relied heavily on membership and professional development revenues to generate adequate revenue to meet its budget. The organization has not had to focus on diversifying its revenue base because providing services to members provided ample revenue to meet budget. CPRA may now be experiencing what is known as organizational atrophy (Miller, 1994). Organizational atrophy occurs when an organization becomes older, loses muscle tone, and its ability to adapt to its environment deteriorates. Often, atrophy follows a long period of success, because an organization takes success for granted, becomes attached to practices and structure that worked in the past, and fails to adapt to changes in the environment. CPRA leadership needs to acknowledge the risk of organizational atrophy and the serious financial consequences it can bring, and begin a regular evaluation of predicted and actual performance of current revenue strategies while looking to diversify its revenue base.

While conducting their research and developing a framework of ten nonprofit funding models, Foster, Kim and Christiansen (2009) looked for, *but did not find*, a large scale sustainable model of nonprofits that operated on a strictly fee-for-service model in either a business-to-business or direct-to-consumer focus, without important supplementary fundraising or underlying government support (p. 35). CPRA is unique in that similar to its for-profit trade/professional association brethren, its members value their membership in the organization and appropriately provide the majority of the organization's revenues. However, CPRA membership and professional development fees are not providing enough revenue to support all operating costs; it must subsidize its member-generated revenues with other types of revenue, similar to other nonprofits. Alternative sources of revenue, however, must be carefully considered, keeping the organization's mission and goals paramount in all decisions. CPRA's largest source of revenue is from its members and the organization must pay particular attention to implementing alternative revenue strategies that support and enhance the value of that membership. If members do not feel their membership is valuable, the organization will not be sustainable.

Daft (2004) and McCann (1991) provide a useful structure to organize potential strategic innovations to enhance and expand revenue development strategies for consideration by CPRA leadership. Recommendations provided in this section will incorporate these authors' general categories of technological changes, product/services changes, strategy/structure changes, and culture changes to first make recommendations on adaptations to current revenue strategies, followed by suggestions on potential new sources of revenue. A brief discussion on strategy/structure issues and organizational culture and their impacts on fundraising follows at the end.



Adaptations to Existing Products/Services

*“There is nothing wrong with change, if it is in the right direction.”
Winston Churchill*

Because CPRA has focused the majority of its fundraising strategies on its membership, adaptations to existing products and services to members present short-term fixes to improving CPRA’s revenue position. The focus on adaptations to existing products and services affects mainly those activities that fall under membership, professional development, and the CPRA Sections, as these are the largest program areas for the organization.

Membership

Outcomes from the interviews show a wide divergence of opinion about membership revenue trends – CPRA’s leaders do not agree if membership is actually declining as a percentage of individuals employed in the profession, if it is stable, if membership fees should be increased, or if CPRA should be concerned about membership turnover as long as the total numbers of members remains steady (see Appendix A for a summary of interview comments). Since satisfying current members while attracting new ones is key to mission as well as revenue, CPRA needs to include a thorough review of membership trends along with revenue trends before it considers changes to this critical function.

Re-engaging former members may seem pedestrian, but a general rule of thumb is that it is cheaper to keep an old customer than to find a new one. CPRA has an automatic excuse to

hold a membership drive in 2010, during its 60th anniversary year, and should take advantage of the opportunity to re-invigorate its membership. This is an organization with an energetic and engaged membership, and a membership drive could be fun, competitive, and also help publicize the 60th anniversary:

- Send a "We Want You Back" renewal notice to former members with the first 60 who rejoin entered into a drawing for an iPod Touch or a gift card.
- Hold a similar drive for student members, with the first 60 to join as student members entered into a drawing for a prize (or to have their first year membership paid for by CPRA).
- Create a competition among the recreation centers to see which can get the most employees to join or rejoin CPRA. The winning recreation center gets a prize.
- Create a similar competition, but among current individual members. The person who gets the most new or inactive members to join gets a prize.
- Put Executive Board members in "jail" (a restaurant or CPRA offices). Provide them with a list of non-renewing members and have them call former members until they get 60 (as a group) to rejoin so they can get out of jail.
- Give a prize to that person in the membership database who has been a member the longest. Interview her for the magazine about how things have changed in the profession since she first joined and why she values her CPRA membership.
- Ask 60 CPRA members to write 1 word describing what they value most about CPRA on a sheet of paper, take their photos, and put them on the website or other social media (blog, facebook, etc.) with a tagline of "60 reasons we love CPRA".

As a longer term revenue strategy, CPRA should consider expanding its membership to include for-profit individual trainers (for example, individuals who work for organizations like 24 Hour Fitness or in other for-profit settings) as well as other relevant professions (i.e. planners, architects) that could benefit from CPRA's professional development offerings and networking events. CPRA could also consider a long term focus on recruiting commercial members, particularly if those memberships produce substantially more revenue than expense for the organization. Additionally, CPRA needs to find a way to engage/attract the newly hired parks and recreation professionals who are just graduating from college and entering the profession – these entry level professionals provide membership fee revenues and also represent the future leaders of the profession and the organization. CPRA leadership should actively seek a strong relationship with the public parks and recreation degree programs at Metropolitan State College and the University of Northern Colorado, and the Department of Natural Resources at Colorado State University, to engage the professors and the students in those departments in CPRA.

Professional Development

CPRA is not alone in seeing its revenues decline within its profession. While the economy is certainly exacerbating existing issues, it appears that the parks and recreation field as a whole is experiencing change in its state and national associations. For example, the National Recreation and Parks Association (NRPA) has recently laid off staff, ended its sponsorship of national training schools in many states due to fiscal strain, and is asking its leadership to help it identify new revenue streams (Stephanie Stephens, personal communication, March 12, 2010). Arizona Parks and Recreation no longer has paid staff and is now run entirely as a volunteer organization,

as are Wyoming and New Mexico (Stephanie Stephens, personal communication, January 13, 2010).

Noticing a decline in participation in professional development events even prior to the May cancellation of the Facilities Design and Management School and the poorly attended September annual conference, CPRA leadership began a strategic planning process in 2009 focusing specifically on professional development. CPRA surveyed its members and commissioned a series of focus groups to solicit feedback from CPRA membership regarding their professional development needs, assess CPRA's current professional development programs, and develop a strategic plan for professional development (Geden, 2010). This study found that:

The loss of [university] degree programs, NRPA's discontinuation of its affiliation with the Colorado-based national schools, and dwindling travel and training budgets has created an increased expectation that CPRA staff take a larger role in filling the void by providing more high quality, inexpensive professional development for all sectors of the association. Feedback from the strategic planning process indicated that if [CPRA] is not able to meet the greater demand for high quality professional development, it diminishes in perceived value and that could cause members to seek other providers for service and possibly discontinue their membership with CPRA. (p. 3)

The report further concluded that:

CPRA is facing a dilemma that is not unique to the current non-profit world. With declining local government budgets, increased expectations to provide more high quality low-cost services and increased competition for professional development dollars from other non-profit as well as for-profit organizations, CPRA must be able to secure its professional development niche and be innovative and flexible in order to reverse the current trends. Continuing to operate in the same manner will continue to produce the same results and threaten the sustainability of the association. (p. 14)

The professional development strategic plan specifically addresses quality and quantity issues affecting CPRA's current professional development offerings which are not the focus of this analysis, but the two analyses should be used together by leadership to inform strategic decision-making. Professional development workshops must be of highest quality with adequate variety to attract professionals with deep skill-sets, who may have already attended all trainings offered by CPRA in past years and now need more specialized training. Professional development events that consistently show low attendance and/or low revenue need to be addressed or replaced.

Because the annual conference has traditionally provided the majority of the professional development revenues, it was the focus of both considerable discussion and significant divergence of opinion among project interviewees when probing their understanding of professional development revenue trends. Comments ranged from "It is scary to be so dependent on one event for so much of our revenue each year," to "There is nothing wrong with the conference, attendance is just low because of the bad economy" (see Appendix A). Interviewees

also provided a range of potential remedies of the issue, including holding the annual conference only every other year with a large workshop or focused event in the off years, or continuing to hold it annually but shortening it to just two days to make it more valuable and easier to justify attending by the majority of members who are government employees. These specific programming decisions related to the conference will need to be resolved.

A strong recommendation must be made that based on current revenue trends, CPRA should focus development of any new professional training events on a program model such as the National Playground Safety Institute course (NPSI). In the NPSI model, CPRA hosts a certification workshop developed and delivered by an external organization without a large investment of CPRA staff time or revenue outlay, and is the strategy where CPRA will find the best mix of revenue potential aligned with organizational mission. These types of certification courses could also be more broadly marketed to attract professionals from related occupations, with a higher cost for non CPRA members to attend.

Another potential professional development strategy CPRA needs to consider is to organize more professional development events using technology to draw in parks and recreation professionals from neighboring states such as Arizona, New Mexico, Kansas, and Wyoming. For example, CPRA could create a series of professional skills development groups or think tanks where once a month fitness supervisors (or any other group of CPRA members that can be organized along management responsibility lines) hold a 2 hour group conference call and air/discuss common issues with other fitness supervisors, supported by a volunteer who is either a seasoned manager or a trained facilitator. These think tanks could carry an additional yearly membership fee of \$120 (very reasonable at \$10/month) and would simultaneously support three CPRA objectives: networking opportunities, specialized professional development training, and supporting the future leaders in the profession.

CPRA Sections

The term giving circles usually refers to a group of individuals who raise money and decide where to donate it, independent of any charity, while simultaneously educating their members about community issues, engaging them in volunteer work, and providing opportunities to socialize with like-minded people (Eikenberry, 2006). While the CPRA Sections are not technically independent giving circles, functionally the concept fits well. CPRA needs to continue its current efforts to engage its Sections, explaining the importance of their support in providing high quality specialized professional development programs and networking opportunities, while contributing back to the operating costs of the organization. With just two paid staff, CPRA does not have the capacity to provide all of the professional development and networking events its membership wants so the Sections are critical to helping the organization meet this mission while simultaneously supporting operating costs.

New Sources of Revenue

As previously discussed, quality professional development offerings are critical to members finding value in their membership and participating in trainings and the annual conference,

which provide the majority of CPRA's revenue each year. However, there is a limit to the number of trainings that can be offered using current CPRA staff and volunteers, a limit to what can be charged for these offerings, and also a limit to the number of professional development events any individual member would want to attend in any given year. Relying on the annual conference to bring in the majority of funds just prior to the 4th quarter each fiscal year is also a fairly risky strategy. CPRA needs to supplement revenue from its members by diversifying its funding sources. Developing new sources of revenues will take time, resources, and the organizational capacity to manage them once implemented. However, careful incorporation of new revenue streams will provide stability and sustainability for the long-term.

Corporate Sponsorships

CPRA needs to consider dramatically expanding its corporate sponsorship program, which currently includes a limited number of companies that sell equipment directly to recreation centers and public parks. CPRA represents the professional management of public parks and recreation facilities and will appeal to potential corporate sponsors who want that connection to credibility and to be able to say they "support the professionals who manage our parks and recreation facilities, keep our kids active, and manage open space".

A well-designed corporate sponsorship program could be successful in attracting both national and Colorado-based companies that provide marketable products/services to the recreation centers (i.e. membership tracking software, fitness assessment software, workout equipment, vending machines) and especially to the individual consumers who *use* the recreation centers or parks. While CPRA does not produce materials that directly reach the individual consumer, the professionals who belong to the organization do have direct contact with consumers and make decisions about what types of products to sell in golf pro shops, at the front desk of recreation centers (for example, water bottles, yoga mats, swimming goggles) or recommendations for equipment or uniform purchases to youth soccer, gymnastics, or tennis players.

Development and promotion of corporate sponsorship programs is a very specialized skill-set within the fundraising profession, and should be contracted out to an experienced consultant who can make recommendations on how to create value/market the program to potential sponsors, "price" sponsorship packages (for example, what is the value of a corporate logo on the quarterly magazine or CPRA website versus placement of a logo on annual conference materials versus exclusive sponsorship of a workshop or certification program), help determine which companies to approach, and who will do "the ask" in exchange for a percentage of the funds raised thereby limiting the risk or expense to CPRA to get the program launched. A successful corporate sponsorship program could also be used to enhance exhibitor participation at the annual conference; exhibitor fees have produced the majority of the conference revenues the past two years.

Planned Giving

Development of a planned giving program would also provide a new source of revenue for CPRA that fits well with its mission. A planned giving program is relatively easy to implement and market and is a good fit for CPRA as a large proportion of its membership base is from the

the baby boom generation (those 80 million Americans born between 1946-1964) who will retire in the next 5-20 years and may be thinking about how best to leave a legacy to the profession through a substantial one-time donation or even a small endowment. A planned giving program would give these members the opportunity to support the future of public parks and recreation by supporting the organization that enriched them during their careers. There are many resources on how to design a planned giving program that can fully explain the concept, the pros/cons, and provide information about how to implement and market the program to CPRA members. A planned giving program can be implemented in-house using current staff or with the assistance of a consultant; the Executive Board will need to approve policies on how to handle these funds if restricted, or how to set up an endowment.

Grants

There are substantial opportunities for CPRA to obtain grants from foundations and both state and federal government agencies that are not currently being effectively explored or implemented. At present, there is a tremendous emphasis on wellness programming in the U.S. as a means to develop and support preventative behaviors that would bring down the rate of chronic disease in our population to help control health care costs. According to the Partnership to Fight Chronic Disease (<http://www.fightchronicdisease.org>), chronic diseases currently represent more than 75% of health care costs and more than 133 million Americans have a chronic disease such as diabetes, asthma, arthritis, heart disease, or cancer. Additionally, 30% of the increase in health care spending since 1987 is due to doubling of the rate of obesity during that time and only 56% of chronically ill patients receive the recommended preventative health care services.

CPRA could apply for grant monies to document and evaluate the role of public parks or recreation centers in delivering wellness/preventative programming within their communities at a very reasonable cost. Contributing to the evidence base on best practices in providing preventative programming could not only provide a means to increase CPRA's revenue, but could raise the organization's profile with lawmakers, the public health community, and other health related nonprofits leading to future opportunities for collaboration and potentially increased funding for public facilities - thereby increasing CPRA's value to its agency members. Building a relationship with any funder is key to successfully obtaining a grant, and this takes time - a minimum of 6-12 months will probably be required to begin a conversation about mutual organizational research needs with the funder, explore collaborations, and write and submit a grant. Grants should be considered by CPRA leadership as a longer term revenue strategy, with immediate focus on building relationships with potential funders and collaborators. CPRA would have to apply for grants under its Foundation's 501(c)3 status and the two organizations would need to cooperate closely in order to achieve successful outcomes while maintaining appropriate autonomy. Assisting CPRA in accessing grant money could be a major contribution to CPRA's sustainability by its Foundation, which is currently being underutilized.

Administrative/Back Office Support to Other Organizations

Another promising but undeveloped source of earned income for CPRA is to market administrative support and expertise as back office services to other nonprofits. CPRA seems

well-positioned to be able to provide administrative support or organizational management expertise to other nonprofits who either could never afford or can no longer afford paid staff of their own. Potential organizations who may be interested in this type of administrative support would be the other parks and recreation associations in the region who either never had or no longer have paid staff but generate enough funds to pay for administrative services, or smaller nonprofit programs with a tie to parks/recreation that need administrative support. This type of administrative arrangement and subsequent earned income for CPRA could take many different forms with differing degrees of CPRA staff commitment including, but not limited to:

- back office support of administrative tasks such as collecting fees and maintaining membership lists, managing quarterly membership mailings, performing bookkeeping tasks, filling out and filing annual reports with secretary of state offices or yearly 990 forms to the IRS
- charging a start-up nonprofit a small fee to be a fiscal sponsor while the new organization waits for final 501(c)3 status from the IRS
- programming-related services such organizing workshops or conferences for other states
- CPRA's executive director serving several hours a week in a capacity as executive director for another organization

CPRA could potentially take this concept a step further and investigate facilitating a consolidation of parks and recreation associations in neighboring states that are all volunteer organizations into a regional association with shared staff, membership, and events. By sharing administrative functions, a regional association could also consolidate professional development and networking events and spread out costs among many more members.

Organizational Structure

Interviews for this project also generated important observations and insight into CPRA's organizational structure and culture, which need to be mentioned as they pertain directly to CPRA's ability to fundraise.

While critical that its members value the organization because of its professional development and networking opportunities, CPRA is first and foremost a nonprofit organization and staff needs time to complete crucial organizational management tasks. Because there is no program staff, CPRA's two paid staff members do everything from extensive program development and event administration, to operational tasks such as book keeping, website maintenance, marketing, budgeting and financial oversight, to organizing and attending meetings of the Executive Board, Sections, special committees, and standing committees/task forces. CPRA has added five new professional development offerings in the past five years requiring varying levels of administrative support from CPRA staff, while not discontinuing any low performing workshops or programs that have been in existence for many years (Geden, 2010).

Any strategic adaptations to existing products and services and especially any consideration of new revenue generating programs must include an examination of existing staff work load and task distribution. The Executive Director's current tasks, in particular, need to be re-distributed so that she may engage in higher level legislative and fundraising work, build relationships with

other organizations or funders, and implement new revenue strategies. The operational work she is currently responsible for, especially the day to day management of training workshops and networking events, will need to be given to the Membership Coordinator/Office Manager, who already has a full list of tasks of her own. Some of the changes or new revenue programs recommended in this report can be implemented using minimal staff time (for example, relying more heavily on the Sections to deliver professional development workshops or hiring a consultant to develop a corporate sponsorship program). But other revenue generating activities, such as finding new programs such as the NPSI certification model and negotiating to offer them to CPRA membership, developing a back office administrative support service, or consolidating other associations into a regional parks and recreation association, will require extensive work on the part of existing staff. Serious consideration needs to be made into hiring a part-time or contracted individual to perform current operational or program tasks. CPRA could also consider using college interns or volunteers to perform lower level administrative work such as updating the membership database, which would help to redistribute lower level tasks away from paid staff.

Organizational Culture

The importance of having a strong and charismatic Executive Director or CEO is well documented (Heimovics, Herman, and Jurkiewicz, 1993; Hoye, 2004; Waldman et. al., 2001), but the contribution of a nonprofit organization's board often accounts for the difference between financial success and failure (Duca, 1986). Of the three roles played by boards of directors – governance, service, and resource dependence – the resource dependence role (that is, maintenance and acquisition) is the most critical (Hodge and Piccolo, 2005). CPRA's Executive Board and Section leadership needs to understand and embrace their role in helping the Executive Director find and develop new sources of revenue. Future Executive Board members and other leaders should also be recruited with the understanding that maintenance and acquisition of funds as an essential component of their role. CPRA should also consider re-establishing its Ways and Means Committee to help evaluate revenue projections and outcomes each year and assist the Executive Director in developing and implementing an ongoing fundraising plan. Development Staff could be hired, with the caveat that the best Development Directors work behind the scenes, building donor bases and supporting the work of the Executive Director and Board, who perform the work of the actual acquisition of funds (Klein, 2009).

Conclusion

Appropriate given its mission as a nonprofit business association, CPRA has traditionally relied heavily on earned income from membership and professional development events as the main source of its revenue. However, over the organization's 60 year history, the environment in which it operates has changed and CPRA has not fully adapted. CPRA needs to begin a regular assessment of predicted versus actual performance of current revenue strategies while looking for and implementing new funding sources that will diversify its revenue base. Particular attention must be made to choosing new revenue sources that complement the organization's mission.

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Appendix A

Consolidated Comments from Interviews

Consolidated comments from interviews

This appendix summarizes the interviews conducted with seven past and current CPRA Board members, Foundation Board members, and an external consultant working with CPRA on examining their professional development offerings. To protect the confidentiality of individual interviewees, comments are grouped by topic area but not attributed to any one person. Each bullet point represents a different person's thoughts and, as one would expect, some of the bullets contradict each other, representing different points of view. The individuals interviewed were:

- Tom Hoby, CPRA President 1998/99, CPRA Board member from 1996-2000, Current Chair of Directors Section
- Lora Knowlton, Board President of CPRA Foundation
- Janice Geden, Professional Development Consultant
- Wally Piccone, Past CPRA President, Past Treasurer, Past Chair of Small Communities Section
- Ben Valdez, Current CPRA Treasurer
- Larry Manchester, Current CPRA President
- Stephanie Stephens, CPRA Executive Director 2003-present (multiple interviews)

Membership

- There is a big resistance to including other types of professionals in CPRA (architects, planners).
- Membership numbers are actually going down ó total number is near constant around 1,000 ó but so many more people are in the profession now that as a percentage of the total numbers of parks/recreation professionals in Colorado, membership is actually declining.
- Memberships are declining overall but not dramatically ó people are not rejoining due to the poor economy. Also the culture of parks and recreation professionals is that if their agency won't pay for their membership they won't join, unlike other professions where people join to advance themselves. Lastly, the baby boomers are retiring, which is a significant number of CPRA members, and younger professionals don't understand the value to them of being a member.
- Our focus should be to bring in new members and educate them about CPRA and its benefits. The new members will help fill trainings and bring in other professionals.
- We need to bring in students right out of college; build relationships with their professors to promote CPRA to them
- Create a "feeder" system to get newly minted students into parks and recreation departments as volunteers/interns and show them the value of CPRA to their careers.
- Create an educational piece about member benefits for new members. For example: What are all the Sections about and when do they meet? What do all the acronyms mean? Who to contact to find out about Section meetings and events? Also, we should be posting a lot of this information on the website so it is more useful.

- Our members need to understand that small increases in fees are necessary to continue to cover costs.

Conference

- ❖ Our annual conference has always been the work horse and provided the lion's share of funding for CPRA. There used to be two conferences a year, but the Board ended the spring event due to lack of participation.
- ❖ It is really scary to have so much revenue dependent on one event.
- ❖ One reason conference attendance is down is that CPRA doesn't have oversight over the conference program. We put out a call for papers and then structure the conference around what is received ó we should be deciding what the sessions need to cover and then put out a call for papers to fill them. We need a program committee to set the theme and outline sessions and then the conference committee can schedule the sessions and events.
- ❖ Create a theme that makes it easy for people to get permission to attend, for example, "Keep the ball in the air: Attracting new customers in difficult economic times".
- ❖ The annual conference has an atmosphere of "fun" and play and networking, but no "meat" as far as program. I go just to network.
- ❖ CPRA needs to look at doing the conference every other year with one big workshop in the off years. The workshop could be 1 day long, and use recreation facilities for free or at a discounted rate, and people can pay for their own meals.
- ❖ We need to consider holding the conference just every other year and hold "super seminars" in the off years. It would cut costs, make the conference more of an "event", but also still allow for learning and networking in the off years.
- ❖ We need to hold the conference every year but just for one day and "hit it hard" in that one day.
- ❖ CPRA should encourage students to come to the conference.

Other professional development

- CPRA is conducting focus group research with its members ó some members don't feel CPRA sponsored training is at a high enough quality (or consistent quality) and the level needed by a professional in the field.
- Baby boomers don't like webinars, but their younger staff members do.
- We need to do more Friday networking type events - charge \$10 to have a keynote in the morning, a bar-b-que lunch, then networking in afternoon. Host these at unique places around the state or host in Denver and go to Rockies game on Saturday as a group.
- Offer a workshop on how being involved as a volunteer (in CPRA and otherwise) helps you take ownership of your community/professional association, and also helps your career.
- We need to look at doing cost analysis and analyze each service CPRA sponsors each year. Are we barely making it on certain events year after year?
- Look for new opportunities/trainings to offer to members

Sections

- Historically, the Director's section did not contribute much revenue toward operating funds ó now they are charging a section fee of \$30 and holding events focusing on leadership development in the profession and in CPRA. They are taking ownership that they have to support the next generation of leaders.
- Some sections like CARA can contribute more than other sections, and that's ok. It's sort of like a social service agency where certain programs bring in more revenue and support the operating costs so that other less lucrative but as important programs can still be offered.
- It is not at all inappropriate to ask Sections to raise money toward operating costs.
- The Sections used to hold one event a year to raise money to contribute toward operating costs ó we need to reinstate that expectation ó they need to see the big picture and feel like they are contributing to the profession and to CPRA.

Governance

- ❖ Stephanie and Ashley can't do it all, they are not CPRA, and their plates are full. The Board and membership needs to step up.
- ❖ CPRA needs to reinstate the Ways and Means Committee or a Finance Committee ó the Treasurer should sit on committee but not be Chair. This committee can help the executive director create a revenue development plan and then pursue the funds.
- ❖ Board members need to understand that they are also charged with raising funds; they need to learn how to ask for money.
- ❖ CPRA needs to raise its profile at the Capitol again ó get legislative committee back up and running.
- ❖ CPRA needs to set expectations that the Board is more involved, meets every other month with informal meetings (like a breakfast or a conference call) in between.

Culture

- The culture within the recreation centers is ðwe're the only provider in our townö instead of how do we facilitate getting our citizens the recreation services they want (even if offered by a church or some other entity) ó not worried about staying competitive. This translates into apathy about their professional organization.
- We need to educate the Sections and the membership at large ó explain how CPRA works so they understand how important operating revenues are to CPRA and where the revenues come from.
- We need to decide if some long-held events are just no longer relevant to membership

Miscellaneous comments

- Some operational tasks related to conference and other professional development needs to be taken off Stephanie's plate so she can focus on fundraising, legislative work, and outreach to other recreation centered organizations (sit on their Boards, work on getting grants to fund joint projects, etc.).
- We need to raise CPRA's profile at the capitol again ó pay for part of a lobbyist. We have to find the resources to do this.
- Run CPRA more like a nonprofit and less like a recreation based program ó pay for staff to attend nonprofit management training workshops. We need to change the expectations of the Board and Section Chairs similar to what would be expected at a "regular" nonprofit where they are responsible for fundraising as well as the executive staff.
- Tap into past leadership to help raise money.
- Get interns every semester to cover some of Ashley's work so she can cover some of Stephanie's operations work, to free Stephanie up to "pound the pavement".
- Get more people onto CPRA Foundation Board/committees to help raise more money either by holding more events or writing grants.
- We can't keep going back to the same people, our members, for money. We need to find different sources.
- Could CPRA run more events through the CPRA Foundation and use the Foundation's 501c3 to save on sales tax?
- We should raise CPRA's profile by promoting wellness at public events; partnering with other parks and recreation districts at their events.
- Get CPRA better tapped into media markets.
- CPRA needs to be more willing to try new things. Just try and see what happens.
- Tight economic times make our organization stronger. CPRA needs to manage its money well so there is money in reserve for tight years.