

CHAPTER 9: Financial Sustainability – A Plan of Action

The primary motivation behind this strategic planning process is to ensure a sustainable pathway for KBOO as it adapts to meet the evolving needs and demands of the community it serves. The planning process has revealed three distinct and interconnected areas that will be crucial to KBOO's financial success as it moves forward.

First, the heart of KBOO is its membership who supports the station because of the unique, independent and grassroots programming that KBOO offers. However, declining memberships have hurt the organization. KBOO is therefore committed to developing and implementing a conscious and intentional campaign to bolster memberships in the organization.

Second, grant funding has not been a priority for KBOO in the past, as memberships have typically been sufficient to sustain the organization. Although bolstering memberships will remain the priority, KBOO will develop a comprehensive development plan that hinges on regular grant funding in order to build capacity and support new initiatives and new directions over this five-year period and beyond.

Finally, as the new mission statement reveals, KBOO is committed to diversifying the types of media that it creates and how that content is transmitted. KBOO included "media center" in the mission statement to underscore the organization's commitment to evolving into a multi-faceted media resource that produces and disseminates music, culture, and news over the airwaves and over the Internet. The decision to become an explicit Media Center will help to attract new listeners and members and can also provide diversified source of revenues for the organization. Further, the Media Center is an eligible candidate for grant funding, which will help to offset the costs associated with its expansion and development.

The immediate priority for the first two years of this strategic plan is to focus in earnest on increasing membership numbers, in tandem with an assertive grant writing campaign that will enable KBOO to bolster operations in order to make the expansive and broad-ranging transformations that will transform the organization into a vital community partner for the 21st century.

Goal #1 – Membership

KBOO’s members are at the heart of the organization. The success of KBOO depends on increasing membership, that is, community investment, in the radio station and in the burgeoning Media Center.

Strategy:

- KBOO will dedicate board and staff time, volunteer energy, and an overall organizational commitment to increasing and retaining memberships.

Goal: KBOO will increase its paid memberships to 7,500 by the end of Year 3, with 2-5% growth in Years 4 and 5.

Membership – Strategy Background and Overview

KBOO will focus on significantly bolstering membership revenues as a core aspect of this strategic plan. Historically, membership revenues have been the core revenue source for the organization and recent years have seen a steady decline in memberships. When KBOO began, the organization was a unique presence in the Portland Metro area. However, as the media market becomes increasingly competitive and diversified, KBOO realizes that it must make a concerted effort to attract new members as well as revitalize community members whose memberships have lapsed. Above all, KBOO will conduct ongoing outreach and education in order to retain new and existing members.

Background

KBOO has been operating since 1969. Historically, the organization has not sought outside funding beyond the funds that are raised during the twice-yearly Fund Drives. Historically, the majority of support for the radio station has come from individual or business support in the region. The benchmarks for increasing memberships are based on the historical figures, which are presented below.

Average Annual Paid Memberships From 2000 – 2010

Paid Memberships	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Annual Average	4475	5083	5833	5413	6539	6450	6307	6186	5636	5233	5326

Overview

The Portland Metro area has a population of 745,567 people as of the 2010 U.S. Census, and the ten-year average number of paid memberships at KBOO is 6,249 or less than 1% of the Portland Metro area. KBOO is committed to increasing membership numbers incrementally over the five-year period and beyond.

In order to increase memberships in the organization, KBOO will undertake a variety of initiatives that seek to attract new members and retain existing paid memberships. These efforts will include improving programming, increasing community outreach and promotion, and restructuring membership benefits and donor levels.

Historically, from 1998-2011, the average amount of an individual membership was \$89.79. The average number of paid memberships from 2000-2011 was 5,680 persons. For the purposes of illustrating the potential for a renewed membership structure that honors small donors and cultivates major donors, the following chart shows a breakdown of projected membership targets for year one of this strategic plan.

Number of Donors Required	Donation Range	Total Membership Funds Raised
1	\$20,000 - \$50,000	\$20,000
3	\$10,000 - \$19,999	\$30,000
5	\$5,000 - \$9,999	\$25,000
6	\$3,000 - \$4,999	\$18,000
10	\$2,000 - \$2,999	\$20,000
20	\$1,000 - \$1,999	\$20,000
75	\$500 - \$999	\$37,500
350	\$250 - \$499	\$87,500
2,300	\$100 - \$249	\$230,000
3,230	\$5 - \$99	\$12,000
6,000 Paid Memberships		\$500,000

Implementation Plan:

1. Action Step: Make an immediate and enduring commitment to implementing programming upgrades and action steps in order to improve production quality and attract listeners through consistent quality and unique offerings.
Timeline: July 2011- January 2012 and ongoing.
Responsible party: Programming staff and Programming Committee; Engineering Department and Engineering Committee; at least three board members.

2. Action Step: KBOO will target new audiences and new memberships by promoting a new membership structure during Fund Drives and throughout marketing and outreach efforts. KBOO will develop and approve this new structure during Year 1 of this strategic plan. New membership structures should include the following:
 - Promotional materials with KBOO logo.
 - Opt-in for Listener Guide in print.
 - Membership roles and responsibilities.
 - Web content exclusively for members.
 - Local community events such as VIP access, early ticket sales.
 - Training opportunities and special events such as station tours and staff shadowing.
 - Volunteer options for members.Timeline: Spring Fund Drive 2012, and ongoing bi-annually for Fund Drives.
Responsible party: Membership Committee and Development Department.

3. Action Step: Review and update current underwriting policies in order to maximize revenues and partnerships and foster new and renewed memberships.
Timeline: Fall Fund Drive 2011, and ongoing bi-annually for Fund Drives
Responsible party: Underwriting Coordinator and three board members.

4. Action Step: Generate enthusiasm and anticipation for the Fund Drive through the following mechanisms:
 - On-air tie-ins to special Fund Drive programming, beginning at least one month before the Fund Drive.
 - Creation of community-wide event such as a benefit concert or picnic to be a remote location from which to broadcast during the Fund Drive.
 - Create higher community visibility of KBOO through strategic promotion of Fund Drive. Some ideas include:

- Posters in various languages distributed at community businesses
- Speaking to community groups about KBOO as a means to recruit volunteers for the Fund Drive. A possible % share of the funds raised might encourage volunteer groups to participate in KBOO fundraising and would literally and philosophically increase organizational investment in the community, both from the perspective of KBOO itself and from that of the community organization in question.
- Establish a program on a specific evening of the Fund Drive for community members to host house parties and potlucks during the Fund Drive in order to inspire individuals to support fundraising on a local level. Host on air “check ins” with these parties to generate buzz and excitement. Consider themes, such as record swaps. Also, try to encourage businesses to match dollar for dollar from each house party.

Timeline: Fall Fund Drive 2011, and ongoing bi-annually for Fund Drives.

Responsible party: Development Department and Development Committee.

5. Action Step: Develop a Major Donor program and related benefits of membership in KBOO on those levels. Set benchmarks and targets for generating major donor contributions. This will include generating a list of targeted donors and training volunteers in the “ask.” Major Donor contributions will increase incrementally over the five-year period with a goal of 20% of total memberships emanating from major donors by the end of year Five.

Timeline: Spring Fund Drive 2012, and ongoing bi-annually for Fund Drives.

Responsible party: Development Department and Development Committee.

4. Action Step: Determine expanded roles and responsibilities for the Development Department to include ongoing monthly or quarterly automatic membership renewals; to develop policies and procedures to receive bequests; and to formalize business memberships.

Timeline: Spring Fund Drive 2012 and ongoing.

Responsible party: Development Department and Development Committee.

Goal #2 – Grant Writing

KBOO board, staff and volunteers will participate in the pursuit of grant funding to diversify and solidify funding for the organization.

Strategy:

- KBOO will seek to diversify funding sources and develop fundraising strategies and events in order to build a sustainable funding base for the long-term support of the goals of this strategic plan.

Implementation Plan:

1. Action Step: Submit up grant proposals to three Oregon-based grant-funding sources to build capacity in the organization, up to \$50,000.
Timeline: First submission by September 2011; Second submission by November 2011; and third by January 2012, or as appropriate for the selected funding sources.
Responsible party: Development Department and Development Committee.
2. Action Step: Create a Grant Funding Plan that will depend on the identified priorities of the organization. Goals for this Step will include prioritizing staff time to compile, create, submit, track and administer grant opportunities.
Timeline: June 2011 – Ongoing, with annual revisions as necessary.
Responsible party: Development Department, Development Committee, and three board members.
3. Action Step: Build a base of grant funding support that will incrementally increase over the five-year implementation period. Reasonable benchmarks will equal at least 10% of total operating costs annually. This figure should increase over the five-year period relevant to the increase of revenues from other sources, with the final goal being close to 20-25% of the total annual operating expenses.
Timeline: February 2012 for first year fundraising goals; throughout each year thereafter, based on the Grant Funding Plan.
Responsible party: Development Department.

Background:

Historically, KBOO has not actively included grant funding in its overall fundraising strategy. The most immediate and effective means to generate revenues to support the initiatives outlined in this plan is through grant funding. The IRS designates private foundations as charitable organizations that serve the public. KBOO will pursue grant funding as a core developmental commitment because it recognizes that private grant funding will enable them to more effectively pursue their mission.

A primary consideration with any grant writing campaign is to be strategic in determining the order in which an organization submits applications. Understanding preferences and nuances of each funding source is a skill that the collective management body and the board of directors must cultivate in order to be successful in procuring grant funding. To this end, KBOO will designate a point person for KBOO to serve as a liaison between the organization and the funder. This person must make contact with the funding source before completing an application in order to gauge the preferences of the funder. Above all, this strategy serves to minimize wasteful staff time completing an application that is not a fundable project by the funding source.

In the immediate, KBOO will focus on pursuing private foundation grants from regional sources. The first round of grant proposals that KBOO will submit will concentrate on immediate needs that will enable the organization to assertively move forward. Therefore, KBOO will pursue grant opportunities in three core areas that were identified by the Working Group as priority growth areas: Education and Training; Outreach; and Organizational Development through capacity building efforts.

Grant funding is the initial first step that will enable KBOO to generate capital, purchase supplies and equipment, conduct trainings and develop secondary markets, hire staff and expand its volunteer base in order to generate increased revenues in years 3-5. Long-term opportunities from federal sources will be pursued as is reasonable and appropriate.

Immediate Year 1 Priorities for Grant Funding

- Capacity Building: Staff Positions/Staff Wage Increases.
- Equipment/Infrastructure: Media Center; Website; Mobile Apps; Video capacity Software, Laptop for remote broadcasts, and other uses, as relevant.
- Organization-wide Training on equipment.
- Policy Creation for Board, Staff, Volunteers, Development, Programming, and Engineering.

Years 2-5 Priorities for Grant Funding

- Ongoing digitization of KBOO archives Expansion of Media Center.
- Create training program for professional peers in the media.
- Generating rental revenues through use of studio space for private production
- Increased remote broadcasts and collaborations.
- Other opportunities that arise as a result of these efforts.

Grant Funding Sources

Following is a list of grant funders that KBOO will pursue to further their efforts. Each source will be reviewed by the board and will be included in the Grant Funding Plan strategically, based on the priorities of the organization and of the funder. Links for all of these funding sources can be found in Chapter 12: Source Document.

State of Oregon Grant Opportunities

Oregon Arts Commission: Arts Build Communities

This grant program recognizes the expanding role arts organizations are taking in the broader cultural, social, educational, and economic areas of community life. Support will be provided to arts and other community-based organizations to form alliances and partnerships to strengthen communities through projects that connect the arts with local issues and opportunities. Projects from communities that are underserved by arts services will receive priority for funding. Underserved communities include communities whose opportunities to experience the arts are limited by geography, ethnicity, economics, or disability.

Successful community arts projects connect with broader community development issues and goals. The most competitive Arts Build Communities grant projects illustrate the connection between artists, local arts resources, and community development.

- Arts Build Communities grants will generally range from \$3,000 to \$ 7,000.
- Arts Build Communities grants must be matched at least dollar for dollar with earned, contributed or in-kind support.
- Paper submission – applications accepted once per year in October.

Regional Private Funders: Oregon and the Pacific Northwest

Autzen Foundation

- A grant range of \$5,000 - \$25,000 is reasonable.
- The Foundation has a history of supporting arts-based projects.
- Full applications must be submitted via U.S. Mail. Deadlines are March, August or November 15th.

The Bridges Foundation

- A grant range of \$5,000 - \$25,000 for capacity building is reasonable.
- The Foundation meets twice annually; April/May and September/October.
- A short application, one page project description and supporting documents, must be written and submitted via U.S. Mail.

The Collins Foundation

- A grant range of \$25,000 - \$50,000 for capacity-building projects is reasonable.
- Full application must be submitted via U.S. Mail.
- The trustees meet six times each year (February, April, June, August, October, and December) to make decisions on grant requests. The Foundation accepts applications year round.

The Foster Foundation

- A grant range of \$10,000 - \$15,000 for outreach and community-based projects is reasonable.
- The Foundation places special emphasis on meeting the needs of the underserved and disadvantaged segments of our population. Through the *Arts & Culture* program, the Foundation supports artistic expression and diverse cultural programs. The Foundation's grants help sustain arts organizations and programs that make art accessible to all while fostering the creative imagination.
- An online, full application may be submitted any time during the Foundation's current year from January 1 to August 31.

Glaser Progress Foundation

- A grant range of \$25,000 - \$100,000 for programming-based initiatives is reasonable.
- The Foundation works to "Strengthen democracy by making independent voices heard."
- You must submit an Application Letter (online or mail or fax). A Program Officer will conduct a full review of the project in question, if Letter is favorable.

Google Grants: In-Kind Ads for Non-Profit Organizations

- Google Grants is a unique in-kind donation program awarding free "Ad Words" advertising to select charitable organizations. Google supports organizations in areas such as science and technology, education, global public health, the environment, youth advocacy, and the arts.

Meyer Memorial Trust

The Meyer Memorial Trust has two grant programs that are suited for KBOO:

- The Grassroots Grants program is designed to give smaller organizations (often without development departments) an opportunity to compete for grants from MMT. Applications may be submitted at any time but proposals are collected for consideration on the 15th of March, July and October. Grants of \$1,000 to \$25,000 are made three to four months later: in June, October and February.
- Responsive Grants are awarded for a wide array of activities that include capacity building; Core operating support; Project based support; and, Technology. They generally range from \$50,000 to \$200,000, with grant periods from one to two (and occasionally three) years. Responsive grants help support many kinds of projects, including core operating support, and strengthening organizations.
- Initial Inquires are accepted at any time through the Trust's online grants application. Applicants that pass initial approval are invited to submit full proposals.
- Final decisions on Responsive Grants are made by trustees monthly, except in January, April and August.

Mentor Graphics Foundation

- Foundation grants are limited to \$25,000, although the grant size is typically \$10,000 or less. No grants will be made for less than \$1,000 and no grant can represent more than 5% of the organization's annual budget.
- A full application submitted via U.S. Mail is required.

James F. and Marion L. Miller Foundation

- A grant range of \$25,000 - \$80,000 for capacity building is reasonable.
- The Foundation awards single or multi-year grants for projects that advance the arts or education in Oregon. Specific interests are projects that: Enhance programming and audience building; and, that increase financial capacity and stability development.
- The Foundation accepts full proposals from eligible applicants throughout the year. They accept e-mail or U.S. Mail submissions for consideration.
- The board meets approximately five times a year to review proposals, and applications are reviewed as they are received.

M. J. Murdock Charitable Trust

The M.J. Murdock Charitable Trust makes grants in two areas that are relevant to KBOO. These are: Education, which emphasizes “projects and programs offered in both formal and informal settings.” Activities could include program enhancement or expansion, as well as new approaches consistent with KBOO’s mission and resources. Arts & Culture-based projects are prioritized based on their “enrichment of the region’s cultural environment.” The Trust especially values educational outreach efforts.

- Approximately half of the grants that the Trust makes in these areas are for program initiation, expansion, or for increased organizational capacity.
- A letter of inquiry followed by an invitation to submit a full application must be submitted by U.S. Mail.
- Letters of Inquiry are accepted year round.
- A potential grant award of \$40,000 - \$175,000 is reasonable.

Oregon Community Foundation

- A grant range of \$5,000 - \$35,000 to “increase cultural opportunities” and to “preserve and improve Oregon’s livability through citizen involvement” is reasonable.
- Application deadlines are February 1 and August 1 each year. A full application must be submitted by U.S. mail.

Pacific Power Foundation

- The Foundation allocates grants that “best serve community interests.” Grants generally are less than \$10,000 with most between \$2,000 and \$5,000.
- Education organizations (proposals due March 15).
- Civic, community and organizations not covered in other categories (due June 15).
- Culture and arts organizations (due September 15).
- Applicants for Foundation grant support should be submitted electronically to the Foundation, and then mail a complete proposal.

PGE Foundation

- A grant range of \$10,000 - \$15,000 for projects that “promote access to the arts.”
- The Foundation accepts Letters of Inquiry through its online system. A full application is completed at the invitation of the PGE Foundation, following review of the Letter of Inquiry.
- 2011 deadlines for Letters of Inquiry are: Jan. 11, April 5, July 5, and Nov. 1, 2011.

Quixote Foundation

- A grant range of \$5,000 - \$25,000 for projects that “address media policy with a strong eye toward racial and economic justice, independent and young journalists, and civic engagement” is reasonable.
- The Foundation funds projects by invitation only, which will require KBOO to “pitch” their project to the Foundation for consideration.

Spirit Mountain Community Fund

- A grant range of up to \$50,000 is reasonable through the Foundation’s Large Grants Program.
- The application process begins with a Letter of inquiry followed by an invitation to attend a mandatory Grant Application Workshop before submitting a full application.
- Letter of Inquiries are accepted year-round.

Stimson-Miller Foundation

- A grant range of \$5,000 - \$10,000 for civic, cultural, and educational initiatives is reasonable.
- All grant applications must be submitted online prior to May 13, 2011.

Ann and Bill Swindells Charitable Trust

- The Trust supports “cultural” projects in its funding priorities.
- A grant range of \$25,000 - \$70,000 for project-based support is reasonable.
- Trustees meet quarterly on or about August 1, November 1, February 1 and May 1. Proposals on hand 30 days before these dates will be considered at the above dates.
- A brief (2 pages or less) description of the proposal must be submitted via U.S. Mail.

Trust Management Services

- A grant range of \$5,000 - \$10,000 for a specific project with a budget under \$50,000 is reasonable.
- Deadline for Portland Metro region is August 15th, 2011.
- A full, paper submission submitted via U.S. Mail is required.

US Bank Foundation

- A grant range of \$10,000 - \$25,000 for “Cultural and Artistic Enrichment... especially among underserved populations” is reasonable.

Wessinger Foundation

- A grant range of \$10,000 - \$15,000 for “Arts, Culture, Environment & Civic Organizations” is reasonable.
- A two-page proposal and supporting attachments must be submitted via U.S. Mail.
- The “Arts, Culture, Environment & Civic Organizations” grant program has two deadlines each year: June 1 and December 1.

Private Funders: National

Asian American Journalists Association

KBOO’s commitment to diversity makes these internships a great fit. Not only will an intern enable KBOO to acquire dedicated staff to assist with many of the projects at the station, but also is a great way for KBOO to build its reputation as a worthy grant recipient, and to possibly develop an ongoing internship program that will draw national candidates.

The application process for these opportunities requires that the student be offered the internship and then a qualified Asian American Pacific Islander (AAPI) student may apply for the following funding opportunities:

- **Broadcast News Grants:** Internship Grants of up to \$2,500 to aspiring AAPI television or radio male broadcasters. A full paper application must be submitted via U.S. Mail.

- **Stanford Chen Internship Grants:** One grant of \$1,750 to college students who are interns at small- to medium-size media. Deadline has historically been in May of each year. A full paper application must be submitted via U.S. Mail.

Ford Foundation

The Ford Foundation works to improve people's lives and address social justice issues across the United States. The Foundation's work is carried out through three strategic programs: Democracy, Rights and Justice; Economic Opportunity and Assets; and Education, Creativity and Free Expression. Under the Freedom of Expression, two initiatives are particularly relevant to KBOO. They are: Advancing Public Service Media; and, Advancing Media Rights and Access.

- Online applications begin by submitting a "grant inquiry," followed by a formal grant proposal based on the success of the initial inquiry.
- Inquiries are accepted year-round.
- As a national organization, the Foundation's programs are highly competitive and only 1% of the inquiries received are funded.
- Award amounts vary significantly. An award amount between \$10,000 - \$50,000 is reasonable.

McCormick Foundation

The McCormick Foundation welcomes requests for funding from nonprofit 501(c) (3) organizations and educational institutions for initiatives that support the Journalism Program's mission. The Journalism Program funds a wide variety of activities, including educational programs and publications, fellowships, monitoring, research, advocacy and training.

The Foundation supports the following specific areas that are aligned with KBOO and its mission:

- New audience development: Help underserved audience members better access, analyze and understand news and information;
 - Youth media programs: Help young people produce, understand and better appreciate the news process.
 - First Amendment: Promote the importance of news media in a democratic society.
 - Freedom of information: Help reporters and citizens access critical public information.
 - Transparency: Encourage government openness and accountability.
 - Protecting Rights: Provide legal defense for journalists.
- There is a two-part online application process that begins with a brief Letter of Inquiry.
 - Average grant awards range from \$2,500 - \$50,000 or more depending on the quality and national significance of the project.

MetLife Foundation

The Foundation's goal is to empower people to lead healthy, productive lives and strengthen communities. Underlying the Foundation's programs is a focus on education at all ages and a commitment to increasing access and opportunity. MetLife accepts applications for general or project support, and the Foundation prioritizes funding projects related to public broadcasting, among other areas.

- All proposals must be submitted online.
- Requests are accepted and reviewed throughout the year.
- Grant awards range from \$15,000 - \$50,000.

Federal Grant Opportunities

National Endowment for the Arts: Arts on Radio and Television

The National Endowment for the Arts seeks to make the excellence and diversity of the arts widely available to the American public through nationally distributed television and radio programs. Grants are available to support the development, production, and national distribution of radio and television programs on the arts. Priority will be given to artistically excellent programs that have the potential to reach a significant national audience, regardless of the size or geographic location of the applicant organization. Only programs of artistic excellence and merit, in both the media production and the subject, will be funded.

All phases of a project -- research and development, production, completion and distribution costs -- are eligible for support. Radio and television programming that offers ancillary activities intended to increase public knowledge, understanding, and access to the arts is encouraged. Such activities might include the use of related radio and television programming; DVDs; interactive Web sites; live streaming, audio- and video-on-demand, podcasts, MP3 files, or other digital applications; educational material; collaborations with arts organizations, educators, and community groups; audio and video distribution to schools, libraries, and homes; and other public outreach efforts.

- For radio projects, grants generally range from \$10,000 to \$100,000.
- All grants require a nonfederal match of at least 1 to 1.
- Generally, a grant period of up to three years is allowed.

National Endowment for the Humanities: America's Media Makers

Grants for America's Media Makers support projects in the humanities that explore stories, ideas, and beliefs in order to deepen our understanding of our lives and our world. Grants for America's Media Makers should encourage dialogue, discussion, and civic engagement, and they should foster learning among people of all ages. NEH offers two categories of grants for media projects: development grants and production grants.

- **Development grants** enable media producers to collaborate with scholars to develop humanities content and format and to prepare programs for production. Development grants should culminate in the refinement of a project's humanities ideas, a script, or a design document for (or a prototype of) digital media components or projects.
- **Production grants** support the preparation of a program for distribution.
- Radio projects may feature documentary programs or historical dramatizations and involve single programs, limited series, or segments within an existing, ongoing program vehicle. They may also develop new humanities content to augment existing radio programming or add greater historical background or humanities analysis to the subjects of existing programs. They may be intended for regional or national distribution.

