



Sautee Nacoochee
Community Association

Field Application Exercise
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Financial & Marketing Resource Management Within the Sautee-Nacoochee Community Association

Proper management of financial and marketing resources is important in any organization, but is vital to the health and growth of a non-profit organization. Resource management within the Sautee-Nacoochee Community Association (hereafter SNCA) is a very important responsibility. Within the SNCA, the management of financial resources can be broken down into three smaller categories:

- How/Where does the SNCA get the money?
- What does the SNCA do to keep the money coming in?
- What does the SNCA do with the money they get?

Likewise, the management of marketing resources can be broken down into three smaller categories:

- What aspects of the SNCA will be marketed?
- How will the SNCA market these aspects?
- How can the SNCA keep itself marketed?

The following summary will answer these questions and will present new ways in which the SNCA can be funded and marketed.

The SNCA receives an annual grant from the Georgia Council for the Arts. This grant is funded in part through appropriations of the Georgia General Assembly and by the National Endowment for the Arts. It is received each year in September. The Executive Director explained that the SNCA operates on a “planned deficit budget” from January through August. The annual fundraising

campaign begins in August of each year. In 2005 the SNCA plans to begin the fundraising activities in July to offset the outcome of an early deficit in 2004.

U.S. Tax information from 1998-2003 shows interesting trends related to the financial management of the SNCA. *Direct Public Support* shows a steady decline in dollar figures from 1998 to 2003. Conversely, *Program Revenue* and *Membership Dues* show a steady increase from 1998-2003. Program revenue has tripled in 2003 from the 1998 figure. *Membership Dues* were not reported in 1998 or 1999 but have more than doubled in 2003 from the 2000 figure.

In terms of *Total Revenue vs. Total Expenses*, the SNCA shows a marked decline in its ability to finish the year with positive funds. The differences between Total Revenue and Total Expense for the years 1998-2003 are:

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|--------------|------------------|
| <u>1998:</u> | <u>\$55,811</u> |
| <u>1999:</u> | <u>\$64,428</u> |
| <u>2000:</u> | <u>\$2,124</u> |
| <u>2001:</u> | <u>-\$12,260</u> |
| <u>2002:</u> | <u>-\$63,932</u> |
| <u>2003:</u> | <u>-\$28,277</u> |

The current Executive Director admits that it is nice to make a profit but is adamant that the ability to turn a profit is not as important as upholding the mission of the organization and implementing the programs that serve to support that mission. The SNCA data shows positive growth in both membership and programming- two very important areas for the organization. It is possible (though not provable) that those listed in the 1998 as giving money (direct public support) have decided to take a class instead of send a check and the difference in funds is one of attributions rather than real monetary differences.

The SNCA actively searches out new funding opportunities. In recent years previous grant sources which were reaffirmed annually have developed new guidelines (geographic and/or philosophical) that eliminated the SNCA from the application process. By focusing on programming opportunities, the SNCA has increased use and membership. These increases help offset the funding lost when grant sources become unavailable.

A recent endowment will fund the Folk Pottery Museum of Northeast Georgia (www.folkpotterymuseum.com). The museum will showcase the craft skills of one of the South's premier grassroots art forms, and will explore the historical importance and changing role of folk pottery in southern life. Plans are being made to "establish an account for depreciation that will accrue and remain at a minimum of \$100,000" (strategic plan, 2003).

If the current state of received funds continues, one thing is clear: without a source of new income (in addition to that income already coming in), the SNCA will continually run on a deficit and will eventually start cutting back on programming choices. Since the latest endowment is a result of the programming choices the SNCA has offered, cutting back on programs can have the added effect of lessening donor contributions through both eliminated program fees and possible future endowments for specific program related projects.

The SNCA holds an annual giving campaign each year. Asking for money over and over can make donors unwilling to give more; another method of fundraising should be developed to supplement methods of fund generation which are already established. Within the current strategic plan are a number of

goals related to fundraising which will “retain existing contributed income sources and cultivate new individual and corporate donors and foundations”. The SNCA has decided that by retaining 75% of renewing members and by growing membership by 5% annually, membership levels will be within an acceptable range. In addition to membership, the SNCA will “secure sponsorships for each special event and major program activities”. It is hoped that by devising a list of SNCA activities that can be sponsored and attaching a dollar figure to each, businesses can be paired with activities resulting in sponsorship opportunities. Additionally, the SNCA will “cultivate relationships with private family foundations for which the SNCA is eligible to apply for grants” (strategic plan, 2003).

The idea of Planned Giving is in its earliest stages within the SNCA. A complete program for planned giving is currently being established. The SNCA hopes to find an appropriate model for a planned giving program. Once the model is found, an attorney will be secured to create forms and guidelines that will be publicized to prospective planned-giving supporters.

A comprehensive capital campaign feasibility study is currently underway that will determine available funding sources. The SNCA plans to “solicit proposals for qualified fundraising consultants and to conduct research to determine a realistic goal for the capital campaign” (strategic plan, 2003). In 2003, the SNCA spent \$36,452 on fundraising related activities. This is the highest amount spent on fundraising from the years 1998-2003. Internal funding spent on fundraising has increased each year; however, no figures were reported for the year 2001.

Many of the goals within the current strategic plan for the SNCA relate to marketing and the effectiveness of the marketing efforts. The goal seeks to “create a comprehensive marketing plan to increase participation by existing audiences and build relationships with new audiences”. The SNCA plans to implement this goal by creating a plan which will “...effectively disseminate information about the SNCA and its activities”. This plan will utilize printed materials targeting current and potential audiences. A rack card and a brochure will be designed for advertisement. The newsletter will remain as the primary method for the communication of SNCA news to members and to the community. The Evening Star radio program at the SNCA (broadcast through Peach State Public Radio to statewide audiences) provides a great source for the advertisement of the school and its programming to a large audience.

The strategic plan lists a number of ways the SNCA plans to promote itself. These include:

- Making regular television and radio appearances promoting special events
- Informing the public of various resources, environmental activities and important natural and historic sites through a series of local newspaper articles
- Preparing a promotional videotape to preview and build support for an expanded history museum (not the folk pottery museum)
- Establish an email database of members and other interested individuals
- Strengthen and maintain relationships with area media with goal of receiving consistent coverage within service area (by inviting press to attend opening reception of events)
- Publicize website as a source of information about SNCA activities and as a means to attract new audiences
- Effectively utilize signage for publicity and directions by securing free or discounted use of billboards to publicize events and by placing additional directional signage along roads in the immediate area.

In addition to these steps, the SNCA will “identify and cultivate alliances with other area cultural institutions and with agencies promoting tourism”. By initiating reciprocal web links and tours with other organizations and by cooperating with educational and marketing efforts of related organizations, the SNCA will be promoted along with these other organizations. This will broaden the scope of any marketing efforts the SNCA could hope to achieve as a lone organization.

Programming opportunities related to marketing are in use at the SNCA. By utilizing opportunities for outreach programs to audiences in outlying areas, the SNCA will promote itself to community citizens who (for geographic reasons) have not been a part of the general audience but who (for ideological reasons) may fit in with the targeted audience. The SNCA will continue to sponsor nature walks to see local flora as well as providing driving tours to cemeteries, churches, and historical sights of environmental significance. Art shows at the Clarkesville Library will continue and development plans for traveling exhibitions are in the preparation stages.

An important feature of the historical, environmental, and artistic focus of the SNCA is the ability to serve as educational field trip opportunities for area schools and organizations. By promoting itself to younger members of the community the SNCA will advertise itself to the future members of its targeted audiences as well as (presumably) advertising itself to the parents of the future audience (who are themselves the present targeted audience!). The SNCA will continue to work with area schools in both out-of-school field trip destinations

and by going into the classroom to provide “show and tell” materials on topics relevant to the curriculum.

In order to grow funds beyond the current amounts, the SNCA needs to implement new funding opportunities. The new Folk Pottery Museum provides a vehicle for increased efforts in both fundraising and marketing efforts of the SNCA. By using the new museum as a focus for an old time living festival/craft fair the SNCA could generate funds. In addition to marketing advances, entrance fees, crafter booth fees, and concession profits would be generated from this type of event.

Another idea to generate funds and to market to new audiences through the folk pottery museum would require considerable planning to implement, but would serve the SNCA in a number of ways. By building a traditional wood burning kiln and purchasing equipment to outfit a pottery studio, the SNCA would grow its arts programming options tremendously. Similar programs in Mississippi have been funded through state arts commission grants. In addition to possible grant funding to build the kiln, interested workshop participants will pay to assist in the building of the kiln. By having a studio pottery option closely related to one of the only folk pottery museums in the nation, a national audience is available to enroll in workshops taught by nationally recognized regional craftsmen. This approach works remarkably well in the pottery community as well as in arts-workshop school situations such as the John Campbell Folk School in Brasstown, NC (www.folkschool.org), Penland School for Arts in Penland, NC (www.penland.org), and the Arrowmont School in Gatlinburg, TN (www.arrowmont.org).

[Special note to Dr. Holland: this idea will be the focus of my final project for the 7123 class. I plan to design a program for building the kiln, provide resources for workshop implementation, draft a budget for outfitting the pottery studio, and develop a set of lesson plans to attract field trips to the new folk pottery museum.]

By scheduling a kiln-opening (a very popular event in areas where there is a pottery tradition) as an activity of the old time craft festival, a further audience will participate. If the SNCA can encourage regional potters to contribute pots to fire in the kiln, an auction could take place to raise money as well. There is a very large market for traditional pottery; especially among the audiences interested in old time living and those who attend craft fairs. One question to consider would be if there is a way to make auction purchases tax deductible. This would encourage large dollar amount purchases.

The SNCA is making great efforts to increase its scope while at the same time keeping its large umbrella at a manageable size. Through its programming decisions, the SNCA is able to obtain sources of funding that keep the organization moving in a positive direction. Additional methods of marketing are always considered. By utilizing the new pottery museum the SNCA will grow as the additions of new audiences come to know and participate in the organization.