

## **Case for Support to APPL Member Organizations Benefits of Expanding Full Membership in APPL**

### **Recommendation**

- APPL will extend full, voting, membership to all nonprofit partners with formal agreements with one or more public lands agencies, with applications approved by the board of directors.
- APPL will extend associate, non-voting, membership to nonprofit organizations and individuals who support APPL's mission and commitment to public lands but do not qualify for full membership, with approval of the board of directors.

### **Background**

The Association of Partners for Public Lands was established in 1977 as the Conference of National Park Cooperating Associations with a charter membership of thirteen nonprofit cooperating associations. Since that time the organization has evolved to meet the changing needs of over eighty member organizations and a broader spectrum of public lands partners, fostering stewardship and appreciation of public lands and historic sites through effective partnerships.

APPL's members are nonprofit organizations with both IRS 501(c)(3) status and agreements with one or more public lands agencies. These organizations engage the public with our nation's natural, cultural and historic sites by providing interpretive programs and services, membership programs, volunteer activities, and opportunities to contribute philanthropically. This support allows the managing public lands agencies to provide a much higher level of service than would be possible only with government funding.

Currently a two-tiered structure of membership exists within APPL that extends "full membership" eligibility to nonprofit 501(c)(3) organizations that operate interpretive sales outlets on public lands under agreement with the appropriate lands agency(ies). "Affiliate membership" is available to nonprofit 501(c)(3) organizations that support public lands agencies in other ways, exclusive of interpretive sales outlets in agency facilities. Aside from dues levels, the only major distinction between the two types of memberships is the ability of full members to vote on changes in APPL's bylaws.

Disadvantages of this two-tiered structure of membership include:

- An inequitable dues structure, in which full members are assessed for their dues on a sliding scale based on gross revenues and capped at \$7,500 per year while affiliate members pay dues at a flat fee of \$500 per year.
- The impression by "friends" organizations and other non-retail focused public lands partners that APPL is not for them and that affiliate membership represents a form of second-class citizenship in the organization.

A perception also exists within the public lands community that APPL and its members serve a specialized but limited niche within the partnerships arena. As a result, there is the potential for new national nonprofit umbrella organizations to form to fill the perceived void in focused programming for “friends” type organizations, field institutes, and other site-based nonprofit partners. For those “hybrid” public lands partner organizations that perform multiple functions, this could mean paying dues to support multiple organizations. Both APPL and its member organizations must face the challenge of changing or becoming marginalized as the environment in which we provide our services continues to change.

## **Strategic Planning**

In 1996, representatives of APPL member organizations convened in Baltimore to draft a vision and strategic plan for what their organization was to become. They envisioned bringing all nonprofit cooperating associations and friends to the table as full voting members. As one participant said, “we should have the strongest possible relationships with friends groups – we are close relatives in the public lands community.” After additional study, the board and membership decided to add friends organizations in the affiliate membership category, with the expectation that full membership would be revisited in the future.

Again in 2004, feedback from member surveys and from planning forum participants suggested that APPL broaden its membership, expanding full membership to all nonprofit public land partners and providing new categories of membership to other mission-related organizations and to individuals. During the October 2004 strategic planning forum, when participants were asked to develop the future for APPL using four different scenarios of what the external environment might become, all envisioned a future in which full membership in APPL would no longer be restricted to cooperating associations. The rationale included the knowledge that:

- Friends groups and similar types of public lands support organizations are expanding, while the numbers of cooperating associations have remained constant.
- The distinctions between the types of organizations have become less clear over time and there are now more commonalities than differences, and
- There is potential for greater combined strength in representation.

APPL’s board of directors agreed to further assess the benefits and potential drawbacks to broadening its membership structure before bringing the recommendation before the current membership for a vote. Changes in membership structure as described require a bylaws change and a majority vote of the membership.

## **Financial Implications**

APPL’s percentage of revenue from dues has declined from 60% of total revenues in 1994-95 to 17% of total revenues in 2006 (\$121,694). APPL has not adjusted its dues

structure since 2001, when a new tiered dues schedule was introduced and the ceiling for full membership dues was capped at \$7,500 per year (formerly \$15,000). This dues restructuring resulted in an annual *decrease* in dues revenue to the Association of over \$100,000 per year.

APPL now earns 75% to 80% of its revenues through its annual convention and trade show; fee-for-service educational activities; and philanthropy. Staff members spend more time generating revenue than in the past. APPL has not increased dues to accommodate inflation or other costs of doing business since it established a minimum dues level of \$500 in 1997.

The majority of eligible cooperating associations, particularly within the National Park Service, are now members of APPL and there is little to no growth in cooperating associations as a distinctive form of public lands partner. If current trends are any indication, the number of cooperating associations could in fact diminish in coming years, with larger associations filling the void left by small site-based associations that are unable to sustain an operation with a limited mission and visitor base. By contrast, friends groups are proliferating – for example, an estimated 150 friends groups currently serve NPS sites and more than 240 groups support National Wildlife Refuges.

Without additional dues income, either from increased dues or more members, the long-term viability of APPL is questionable, for the following reasons:

- APPL members are much more likely to participate in APPL conventions and training programs than non-members, a direct correlation to APPL earned revenues
- APPL's ability to negotiate better pricing for training venues and other services is directly tied to the number of participants resulting in better rates and better value to APPL members
- While grants are currently being pursued as another way to support APPL's capacity building efforts, potential grantors may view APPL as having too limited of a constituency for major grant funding consideration

## **Benefits of Expanding Full Membership in APPL**

### ***Representation:***

- There is strength in numbers when APPL represents the interests of nonprofit public lands partners on Capitol Hill with one voice, and in demonstrating the impacts of these partnerships in terms of service, philanthropy, and visitor experience.
- Strength of representation with agency divisions is also enhanced, as nonprofit partners demonstrate their cohesiveness in implementing the best policies, procedures, and training to support public lands partnerships.

### ***Capacity Building:***

- Through an expanded membership, APPL members will benefit from diversified expertise and perspectives, and enhanced coordination of activities among partners.
- A more comprehensive approach to APPL membership parallels agency efforts to foster nonprofit partnerships. This results in more opportunities for APPL and its members to provide and benefit from training, as well as increased access to information.

### ***Financial Incentives:***

- Increased dues revenues would become a sustainable funding source for basic member services such as communications and representation. This enables other revenue generating activities to focus on educational programs and enhanced member services.
- A broader number of participating members will enable APPL to contain cost increases for educational products and services such as the convention.
- As the organization grows in membership, the dues burden per member is lessened, resulting in more value per membership dollar and less potential for dues increases.
- Recruiting incentives, such as vouchers for APPL training or convention programs can be employed to encourage current members to enroll new members in the organization and at the same time gain something of value to their own organization.

## **Proposed Membership Categories and Dues Structure**

### ***Nonprofit Members***

Nonprofit membership is open to any not-for-profit 501(c)(3) organization with a formal agreement with one or more public lands agencies. Applications are reviewed and approved by the board of directors.

The current tiered dues structure remains intact, with a sliding scale based upon gross unrestricted revenue (donor restricted contributions as summarized on the organization's financial statement deducted from IRS form 990, line 12). APPL's database currently lists 390 organizations that could qualify in this category. If all joined at a minimum dues level of \$500, this would represent \$195,000.00 in new dues revenue.

### ***Associate Members***

Associate membership recognizes other categories of like-mission and like-minded organizations and individuals who may benefit from, support, and contribute to the goals of APPL. These associates receive many of the communication and educational benefits of APPL, but do not qualify as voting members of the organization.

Categories of Associate Membership will include:

- Local or site-based state government agency (i.e. state park, municipal park, university, museum or historical site)  
Dues: \$500  
Benefits: same as for nonprofit members, with the exception of voting privileges
- Nonprofit associate (an organization that supports APPL mission and interests, but may not work under a formal agreement with a public lands agency, i.e. a nonprofit trust managing a historical estate)  
Dues: \$500  
Benefits: same as for nonprofit members, with the exception of voting privileges
- Emerging nonprofit (an organization that has not yet received its 501(c)(3) status)  
Dues: \$200 (not eligible for introductory reduced dues rate)  
Benefits: same as for nonprofit members for one year, with the exception of voting privileges. After one year the organization should ascend to the appropriate full or associate category once its 501(c)(3) status is confirmed
- Emeritus membership (an individual who was formerly employed by an organization eligible for APPL membership or by a government agency who wishes to support the goals and objectives of APPL – benefits are not transferable and they do not have voting privileges)  
Dues: \$100 (not eligible for introductory reduced dues rate)  
Benefits: To be determined

### ***Vendor Support Program***

The Vendor Support Program will retain its current structure. Involvement does not signify membership within APPL, which will retain its focus on nonprofit partners to public lands.

### **Next Steps in Implementation**

The following steps are necessary to accomplish the restructuring of APPL's membership.

<b>Action Item</b>	<b>Status</b>
1. Brief Washington-office agency leadership and secure their verbal and written support	In progress
2. Draft a briefing paper and circulate it to APPL's membership	Completed
3. Communicate with each member organization through the APPL Ambassador program	Completed
4. Discuss membership restructuring during the APPL Stakeholder Meeting at the Sacramento Convention (March 21, 8:30 – 9:30 a.m.)	Scheduled

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| 5. Hold a telephone forum with membership to discuss the change and answer questions                        | To Be Scheduled |
| 6. Draft voting documents and distribute to current membership (one vote per each full member organization) | To Be Scheduled |
| 7. Announce results to membership along with schedule for implementing changes                              | To Be Scheduled |
| 8. Organize recruitment with regard to new membership categories  | To Be Scheduled |