

LEADERSHIP KITSAP FOUNDATION

STRATEGIC PLANNING COMMITTEE

(PROPOSAL)

Report Date: March 10, 2009

Participants

Greg Abell	(LK Foundation Curriculum Committee Co-Chair)
Ken Bagwell	(LK Foundation Board Member; 2006 LK graduate)
Bruce Bordenick, Chair	(Former LK Foundation Board Member; 2002 LK graduate)
Kim Churchill	(LK Foundation President; 2004 LK graduate)
Irmgard Davis	(LK Foundation Board Member; 1997 LK graduate)
Greg Hunt	(LK Foundation Executive Director; 2007 LK graduate)
Denise Ledingham	(Former LK Foundation Board Member; 2003 LK graduate)
Kathy Nelson	(Former LK Executive Director; 2004 LK graduate)
Andrea Spencer	(LK Foundation Board Member; 2008 LK graduate)
Melissa Tippets	(LK Foundation Fundraising Chairperson; 2005 LK graduate)
Keith Van Hook	(LK Foundation Curriculum Committee Co-Chair)

Leadership Kitsap Foundation: values, vision, and mission

Values: *servant leadership, civic volunteerism, collaboration, diversity, and continuous community improvement.*

Vision: *a community where there is a diverse network of effective leaders educated in public policy issues and committed to serving as stewards.*

Mission: *to educate, prepare and connect a new group of committed leaders for community involvement in Kitsap County.*

Leadership Kitsap Foundation: goals established at June 2008 retreat (in order of priority, highest priority first)

Goal One: *Improve, develop, and expand programs and curriculum*

Goal Two: *Improve marketing efforts in community*

Goal Three: *Create a multi-year organizational (strategic) plan*

Goal Four: *Improve/increase fundraising efforts*

Goal Five: *Develop youth program*

Goal Six: *Increase board training & establish orientation program*

Goal Seven: *Increase role and involvement of LKAA.*

Strategic Planning Committee: Guiding Principles & Assumptions

Guiding principles were established by the strategic planning committee to connect and provide overall consistency to individual strategic planning initiatives while recognizing board goals. Principles and assumptions include (no particular order):

- *The benefit of leadership development for small, medium and large businesses in Kitsap County is increasing and thus the need for high quality/cost effective services is increasing. Leadership Kitsap is capable of meeting Kitsap County's leadership development needs.*
- *Servant leadership and non-servant leadership are interrelated such that non-servant leaders recognize the importance of servant leadership to their personal development and success. Leadership Kitsap's growth in the non-servant leadership field will therefore catalyze the continued improvement and growth of its servant leadership program.*
- *Interest in the Leadership Kitsap course will continue to grow, causing growth in class size and budget.*
- *As the organization grows, the budget (income and expense,) staffing, and executive director functions have to change in relation.*
- *Increasing class and board diversity (gender, ethnicity, profession and political preference) results in beneficial growth (class size and organizational recognition).*
- *In order to grow, Leadership Kitsap must leverage its alumni and network as planners, facilitators and donors.*

Strategic Planning Committee: Topics Discussed

- Class size
- Class diversity (gender, color, age, business size, business type, political preference)
- Target student (servant leadership course)
 - High school students
 - Developing leaders
 - Experienced leaders (Flagship Program)
- Professional Development (non-servant leadership)
 - Continuing Education
 - Seminars
 - Consulting
- Business metrics
 - How are we doing (Quality Control)?
 - What don't we do that is needed?
- Leadership Kitsap Foundation visibility in/impact on the community
- Organizational structure/future needs
 - Executive Director Functions
 - Future staffing needs
 - Budget growth (expenses/income)
 - Hands-on Board vs. Managing Board
 - On-going strategic planning process

Strategic Planning Committee: Summary of Recommended Strategic Planning Initiatives (in no particular order)

- By the start of the 2012/2013 class year, increase the class size to 40 and increase tuition such that tuition finances the Leadership Kitsap course while maintaining or increasing the diversity and experience level of applicants. Basis: The optimal class size results in tuition paying for all program costs (self sustaining), a close-knit group, projects that are diverse and don't overwhelm the community, and an adequate number of venues. For the current course offered by Leadership Kitsap, the optimal class size is 40 to 50 people.
- Evaluate current curriculum-based program and explore additional community programs and services including:
 - *A program designed for high school students. Curriculum would include servant leadership subjects, community service and basic leadership skill development. Targeted to public and private high school sophomores and juniors.*
 - *A program designed for emerging leaders. The curriculum would include servant leadership subjects and leadership skill development that emerging leaders need. Alternate scheduling will also be explored.*
 - *Reevaluation/modification of current program to meet the needs of more experienced leaders including integrating advanced leadership skills development topics (e.g. executive level training, candidacy, board governance, philanthropy, etc).*
 - *Establishment of leadership skill (professional) development business segment consisting initially as a clearinghouse for leadership development services. The purpose of the new program is to provide services to business segments that need short duration leadership development programs, to meet an existing need in the community, and to improve awareness of existing Leadership Kitsap programs (overall marketing value). Secondary benefit is improved organizational visibility to local community (LKF seen as go-to source for leadership training needs). Leadership Kitsap would become a service provider and/or establish relationships with service providers such that referrals result in compensation to Leadership Kitsap.*
- Develop business metrics to measure:
 - Current program impact on class member sponsors, class members, and contributors. Impact would be measured during course, at conclusion of the course, and years after completing the course. Metrics would measure also curriculum performance and Leadership Kitsap impact on the community.
 - Effectiveness of strategic planning initiatives.
 - Class diversity and marketing diversity (geographic, business type/size).
- Establish target markets and target market organizations to increase class diversity and improve Leadership Kitsap impact on the community. Determine target market leadership development needs and the time and financial commitment available for participants to fulfill those needs.
- Develop an ongoing strategic planning process that provides the basis for curriculum, marketing and fundraising plans. The strategic planning process would become the central focus for the board. Non-board members (e.g. alumni and experienced community members) would be used as a resource for planning and executing curriculum events. .

ACTION PLAN

Leadership Kitsap Foundation Goal One: improve, develop, and expand programs and curriculum

HIGH PRIORITY ACTION ITEM 1A: Establish a 2009-2010 curriculum plan to that implements elements of Appendix D to Reference (1) (*LK Foundation Board Retreat Minutes, June 2008*) and incorporates additional leadership skill development. The plan will include cost, timelines and milestones to measure progress. The optimal class size results in tuition paying for all program costs (self sustaining), Due: June 2009 Board Retreat for approval. Lead Group: Curriculum Committee.

HIGH PRIORITY ACTION ITEM 1B: Establish business metrics to: (a) measure program impact on class member sponsors, class members, and contributors. Impact would be measured during course, at conclusion of the course, and years after completing the course. Metrics would measure curriculum performance and Leadership Kitsap impact on the community; (b) Measure effectiveness of strategic planning initiatives, and; (c) Measure class diversity and marketing diversity (geographic, business type/size). Due: June 2009 Board Retreat for approval. Lead Group: Executive Director.

MEDIUM PRIORITY ACTION ITEM 1C: Establish a Curriculum Committee sub-committee to develop and implement an emerging leaders program. Specific action items include:

- (1) Establish a committee chair. Due: August 2009 Board Meeting for approval. Lead Group: Curriculum Committee.
- (2) Complete a community needs assessment and implementation plan for the Leadership Kitsap Emerging Leaders Program. The implementation plan should identify short term plans (e.g. pilot programs), a budget, and a plan for a sustainable long-term program. The committee should target pilot programs for the 2009-2010 curriculum year and implementation of the long-term program by the 2010-2011 curriculum year. Due: December 2009 Board Meeting for approval. Lead Group: Curriculum Committee, Alumni.

LOW PRIORITY ACTION ITEM 1D: Develop a plan to establish a leadership skill development business segment consisting initially as a clearinghouse for leadership development services. Leadership Kitsap would establish relationships with service providers such that referrals result in compensation to Leadership Kitsap. Develop initial business which includes implement timeline, costs, milestones, etc. Due: November 2009 Board Meeting for approval. Lead Group: Executive Director.

LOW PRIORITY ACTION ITEM 1E: Establish a metric to track progress to the initiative of 40 class members for the 2012-2013 curriculum year. To meet the initiative, there should be 35 class members for the 2010-2011 year and 38 by the 2011-2012 year. The metric should track the number of applicants, with an overall growth rate target of 20% per year. Due: February 2010 Board Meeting for approval. Lead Group: Executive Director.

Leadership Kitsap Foundation Goal Two: improve marketing efforts in the community

HIGH PRIORITY ACTION ITEM 2A: Establish a 2009-2010 curriculum year marketing plan to increase class size, diversity and Leadership Kitsap impact on the Community. The plan elements will identify target individuals, organizations and/or business segments for existing and planned curriculum programs. The plan will include cost, timelines and milestones to measure progress. Due: June 2009 Board Retreat for approval. Lead Group: Marketing Committee.

Leadership Kitsap Foundation Goal Three: create a multi-year organizational (strategic) plan

HIGH PRIORITY ACTION ITEM 3A: Revise the Leadership Kitsap Foundation Bylaws to include:

- (1) Establishment of a permanent strategic planning element of the board (possible expansion of Executive Committee responsibilities).
- (2) Revision will include expectations for committee members, responsibilities and membership. If appropriate, revise the expectations for committee responsibilities and membership of existing committees to minimize the number of committees and utilize non-Board members.
- (3) Revision of the Curriculum Committee into a "Programs Committee," that utilizes sub-committees to manage individual programs (current and future programs.)

Due: June 2009 Board Retreat for approval. Lead Group: President-elect.

Leadership Kitsap Foundation Goal Four: improve/increase fundraising efforts

HIGH PRIORITY ACTION ITEM 4A: Establish a 2009-2010 curriculum year fundraising plan to coordinate fundraising needs for existing programs, scholarships, alumni activities and establishment of new programs. The plan elements will identify target individuals, organizations and/or business segments. The plan will include cost, timelines and milestones to measure progress. Due: June 2009 Board Retreat for approval. Lead Group: Fundraising Committee.

Leadership Kitsap Foundation Goal Five: develop youth program

MEDIUM PRIORITY ACTION ITEM 5A: Establish a Curriculum Committee sub-committee to develop and implement a youth program for Kitsap County high school students, specifically sophomores and juniors. Specific action items:

- (1) Establish a committee chair. Due: April 2009 Board Meeting for approval. Lead Group: Curriculum Committee.
- (2) Complete a needs assessment and an implementation plan for the Leadership Kitsap Youth Leadership Program. The implementation plan should identify short term plans (e.g. pilot programs), a budget, and a plan for a sustainable long-term program. The committee should target pilot programs for the 2009-2010 school year and implementation of the long-term program by the 2010-2011 school year. Due: June 2009 Board Retreat for approval. Lead Group: Curriculum Committee, Alumni.

Leadership Kitsap Foundation Goal Six: increase board training & establish orientation program

NO ACTION PLANS IN THIS GOAL AREA

Leadership Kitsap Foundation Goal Seven: increase role and involvement of LKAA

NO ACTION PLANS IN THIS GOAL AREA Alumni involvement has been incorporated into many of the action items as a resource or to provide input to the organization.

Strategic Planning Committee: References

1. LK Foundation Board Retreat Minutes, June 2008.
2. Community Leadership Program Recruitment Report, June 2008. Prepared by Erin Hoffrance, Nancy Klinefelter and Keith Pitts.
3. Bylaws of Leadership Kitsap Foundation, Approved by the Board, March 6, 2008
4. Leadership Kitsap Guidelines, Last updated, March 2006

Strategic Planning Committee: Attachments

Leadership Kitsap 10 year comparison (tuition, class size, and budget growth)
Leadership Tomorrow/Leadership Kitsap budget comparison spreadsheet

Leadership Kitsap 10-year Comparison

(Tuition, class size, and budget growth)

	Year									
	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	
Number of Students	19	21	22	23	24	26	32	33	33	
Tuition	1200	1500	1500	1500	1750	1750	1750	1750	1750	
Revenue										
Fundraising										
Board	3750		3500	4000	4000	5000	4500	4500	4500	
Advisory Board			1500				1500	2000	750	
Unrestricted Gifts			2800	1000	1000	2000			500	
Graduation Dinner and sponsors	6000		5000						7500	
Endowment								700	300	
Community Sponsors	7000		4200				5000	7500	7500	
Challenge Day Sponsorships										
Cash				2000	3000	4800	5400	6000	6000	
Inkind	2800			1000	500	1200	600	600	600	
Interest			200	350	500	500	350	400	910	
Tuition	24000		26400	36000	36000	39000	56000	56000	57750	
Application Fee	200									
Scholarships	2275		1400							
Cash Reserves Funding	1020					10500				
Total Revenue	47045	0	45000	44350	45000	63000	73350	77700	86310	
Expenses										
Bad Debt (Tuition)				0	250		500	500	100	
Bank Charges			70	70	75	30	30	40	40	
Board Expenses			2100	500	500	500	1000	1000	600	
Bookkeeping				192	1200		1000	1000		
Curriculum (32 students @\$380 each)	7000		8500	8308	9600	9360	12160	12160		
Food									5500	
Speakers									500	
Supplies									1500	
Opening Retreat									3100	
Equipment	500		1000	500	1000	500	500	500	1000	
Graduation	6000		7000	2000	2000	500	600	600	7400	
Insurance	200		260	1300	1670	1600	1600	1600	1600	
Licenses & Permits	20		20	30	30	60	30	30	10	
Newsletter	1000		1000	3000	2500	1600	2000	2200	2500	
Advertising	250		250						250	
Misc. Printing	900		450	1000	1000	500	500	500	100	
Brochures									400	
Invitations									400	
Website	550			600	650	350		700	0	
Yearbook	600			500	850	900	1200	1300	1800	
Memberships	285		650	300	250	300	300	300	500	
Office Expenses	900		300	300	200	400	500	550	1500	
Postage & Photocopying	900		500	750	750	800	900	900	150	
Staff & Board Development	700		2500	3000	2000	2500	3000	3200	3200	
Staff Salaries (Consulting)	17250		20000	21000	21600	42500	45500	47775	50000	
Staff local Travel									500	
Telephone	456		400	500	500	600	750	750	1000	
Rent								1200	1200	
Total Expense	37511	0	45000	43850	46375	63000	71570	76305	84750	
Over/Under	9534	0	0	500	(1375)	0	1780	1395	1560	

Leadership Tomorrow/Leadership Kitsap budget (Comparison spreadsheet)

	LEADERSHIP TOMORROW			Ref	LEADERSHIP KITSAP FOUNDATION		
	2007-08 Budget (80 students)	Actual EOY 2007-08 (80 students)	BUDGET 2008-09 (80 students)		BUDGET 2008-09 (33 students)	BUDGET Adjusted (80 students)	Variance
REVENUES							
Tuition	\$222,250	\$221,650	\$226,300	1	\$57,750	\$140,000	-38.1%
Application Fees	8,000	6,950	9,000	2	\$0	\$0	-100.0%
Financial Aid	17,750	17,750	13,700	3	\$1,500	\$3,636	-73.5%
Celebration Event Fees-Standard Price	30,000	14,050	20,000	4	\$7,000	\$16,970	-15.2%
Celebration Event Fees-Contributions	4,000	5,775	5,000		\$500	\$1,212	-75.8%
Interest Income	5,000	7,758	7,500		\$910	\$2,206	-70.6%
Misc Income	500	410	400		\$800	\$1,939	384.8%
Subtotal	\$287,500	\$274,343	\$281,900		\$68,460	\$165,964	-41.1%
Corporate Contributions & Sponsorships	\$95,000	\$104,500	\$105,000		\$13,500	\$32,727	-68.8%
In-Kind Sponsorships	5,000	5,000	5,000	5	\$600	\$1,455	-70.9%
Individual Contributions	20,000	22,589	23,000		\$5,250	\$12,727	-44.7%
Subtotal	\$120,000	\$132,089	\$133,000		\$19,350	\$46,909	-64.7%
Alumni Contributions	\$15,000	\$11,372	\$15,000	6	\$2,600	\$6,303	-58.0%
Alumni Events	5,000	5,840	5,000	7	\$4,400	\$10,667	113.3%
Subtotal	\$20,000	\$17,212	\$20,000		\$7,000	\$16,970	-15.2%
Total Revenues	\$427,500	\$423,644	\$434,900		\$94,810	\$229,842	-47.2%
EXPENSES:							
Personnel Expense:							
Salaries	154,837	156,427	189,896	1	\$45,000	\$109,091	-42.6%
Benefits	37,267	35,282	46,675	2	\$0	\$0	-100.0%
Payroll Taxes	15,981	14,854	20,645	3	\$5,000	\$12,121	-41.3%
Temporary Assistance	1,000	562			\$0	\$0	
Subtotal	209,085	207,125	257,216		\$50,000	\$121,212	-52.9%
Rental Expense:							
Office Rental/Overhead	25,753	25,834	30,209	4	\$1,200	\$2,909	-90.4%
Subtotal	25,753	25,834	30,209		\$1,200	\$2,909	-90.4%
Administration Expense:							
Office Supplies	4,500	4,945	5,000		\$1,500	\$3,636	-27.3%
Printing/Copying	5,000	4,296	4,500		\$50	\$121	-97.3%
Postage & Delivery	4,200	2,875	3,000		\$100	\$242	-91.9%
Telephone & Fax	2,664	2,670	3,234	5	\$1,000	\$2,424	-25.0%
Local Expense (Board/Insurance)	3,836	3,881	3,850		\$2,210	\$5,358	39.2%
Training & Conferences	8,500	10,258	8,500	6	\$3,200	\$7,758	-8.7%
Organizational Dues/Subscriptions	750	789	1,050	7	\$500	\$1,212	15.4%
Recruitment/Marketing Materials	8,000	7,486	15,000	8	\$2,950	\$7,152	-52.3%
Website/Database Annual Support	7,000	12,985	7,000	9	\$0	\$0	-100.0%
Retreats	36,211	32,424	35,000		\$3,100	\$7,515	-78.5%
Challenge Days	15,120	15,689	16,000		\$7,500	\$18,182	13.6%
Challenge Days--In-Kind	5,000	5,000	5,000		\$600	\$1,455	-70.9%
Special Needs Expense (Sign Lang. Int.)	11,900	12,566	0		\$0	\$0	
Celebration (Graduation) Event	30,000	24,707	25,000		\$7,400	\$17,939	-28.2%
Public Relations	3,500	3,780	5,000		\$0	\$0	-100.0%
Volunteer Support	5,700	5,816	5,800		\$0	\$0	-100.0%
Taxes	9,100	9,730	9,800		\$0	\$0	-100.0%
Bank Fees	2,200	1,537	1,500		\$140	\$339	-77.4%
Depreciation	1,600	741	750		\$0	\$0	-100.0%
Subtotal	164,781	162,175	154,984		\$32,650	\$73,333	-52.7%
Alumni Events	3,000	6,481	5,000		\$4,200	\$10,182	103.6%
Website/Annual Support (Scholarship)	7,000	11,445	7,000	10	\$1,500	\$3,636	-48.1%
Alumni Awards	1,500	0	0		\$0	\$0	
Alumni Printing/Copying	2,000	695	700		\$300	\$727	3.9%
Alumni Newsletter	7,500	8,751	6,600	11	\$2,500	\$6,061	-8.2%
Alumni Postage	600	669	700		\$100	\$242	-65.4%
Subtotal	21,600	28,041	20,000		\$8,600	\$20,848	4.2%
Total - Expenses	421,219	423,175	462,409		\$92,450	\$218,303	-52.8%
REVENUE SURPLUS (DEFICIT)	6,281	469	(27,509)		\$2,360	\$11,539	-141.9%
FUND BALANCE							
Beginning of Year	169,194	169,076	169,194		\$40,103	\$97,219	-42.5%
End of Year	175,475	169,545	141,685		\$42,463	\$108,759	-23.2%

RESTRICTED FUNDS BUDGET				
REVENUES				
25th Anniv Celebration Fees - Std Price			\$57,500	8
25th Anniv Celebration Fees - Contrib.			50,000	9
25th Anniv Celebration - Sponsorships			52,000	10
25th Anniv Celebration - In Kind Sponsors			30,000	11
Subtotal - Revenue			\$189,500	
EXPENSES				
25th Anniversary Expense			92,550	12
25th Anniversary Expense - In Kind			30,000	
Subtotal - Expense			122,550	
REVENUE SURPLUS (DEFICIT)			66,950	

Revenue Assumptions:

1. Based on 80 participants at \$3,000 each, less \$13,700 in financial aid awards.
2. Based on 150 applications at \$60 each.
3. Based on revenue transferred from restricted scholarship fund.
4. Based on 200 paid registrations at \$100 each. (80 class members comped)
5. Assumes 2 in-kind Ch. Day sponsorship at \$5,000.
6. Assumes 300 contributing alumni at \$50 each.
7. Assumes 4 alumni events, with 50 in attendance at each, paying \$25 per person.
8. Based on 45 tables @ \$1,000 each and 100 individual tickets at \$125 each
9. Based on selling 1,000 raffle tickets
10. Based on 1 \$10,000 sponsorship; 7 \$5,000 sponsorships; and other smaller sponsorships totalling \$7,000. (\$52,000 in pledged sponsorships already received.)
11. Based on three in-kind sponsorships at \$10,000 each (already committed)

Expense Assumptions:

1. Assumes 3% increase for Levy effective 1/1/09; 6% increase for Prog. Director, Thal Schroeder, effective 9/1/08; 8% increase for Prog. Coordinator, Myslewski, effective 12/1/08 and the addition of .5 FTE Development Coordinator at approximately \$27,000 including benefits.
2. Based on 3.5 FTE. Per chamber, assumes 15% anticipated increase in medical, and 10% decrease in dental, effective 1/1/09.
3. Per chamber, assumes 3.5 FTE.
4. Per chamber, includes space rental (2 offices, 1.5 cubicle), and overhead including computer network, accounting, human resources, payroll/benefits processing and support services for 3.5 FTE. (Note -- Chamber lease expenses have increased this year significantly, and those costs have been passed on proportionally, to the affiliate organizations.)
5. Per chamber, includes telephone communications fee plus long distance for 3 FTE.
6. Based on 5 national leadership conference attendees @ \$7,500 (Levy, Thal Schroeder, Board Chair-elect, Curr. Comm. Chair-elect and ALC Chair-elect; and \$1,000 in additional training opportunities for staff.
7. Includes dues for CLA; CityClub; Executive Alliance; Greenleaf Center; and NDOA.
8. Estimated costs for new annual report, application materials, and recruitment costs (i.e. affinity breakfasts).
9. Includes 1/2 portion of projected costs for website updates & maintenance, hosting, support and additional data-base maintenance (other 1/2 charged to alumni website maintenance).
10. Includes 1/2 portion of projected costs for website updates & maintenance, hosting, support and additional data-base maintenance.
11. Assumes printing for 2 newsletters at \$3,300 each.
12. Based on projected expenses for LT 25th anniversary celebration