

# **Supplemental Materials**

## **The Arboretum Strategic Plan, 2013-2018**

### **Appendix A.**

#### **Members of the Commission on Arboretum Strategic Planning**

Dewayne Ingram, Commission Chair  
Marcia Farris, Director of The Arboretum

#### Committee Chairs

Lisa Collins, Assistant Dean, College of Agriculture -- Funding and Finance  
Susannah Denomme, UK Office of Development -- Funding and Finance  
Richard Durham, UK Horticulture Department -- Mission, Values and Programming  
Linda Gorton, LFUCG Vice Mayor -- Partnerships and Organization Structure  
Vange Lear, Arboretum Friend -- Public Relations  
Danielle Clore, Director, Center for Nonprofit Leadership Network

Kameshwari Ambati, Friend  
Jim Browder, Lexington Convention and Visitors Bureau  
Susan Campbell, Finance Director, College of Agriculture  
Linda Corridoni, Volunteer, Master Gardener  
Warren Denny, UK Architect  
Eric Crowden, UK Office of Development  
Sheila Ferrell, BG Trust, Summerfest  
John Hartman, President of the Friends  
Sally Hamilton, LFUCG Commissioner of General Services  
Jerry Hart, Maintenance Superintendent, UK PPD  
Jimmy Henning, Director, UK Cooperative Extension  
Marci Hicks, Office for Advancement, College of Agriculture  
Melanie Hosey, Arboretum neighbor  
Ellen Karpf, Arboretum Friend  
Chris King, LFUCG  
David Koester, UK County Agent for Horticulture  
Michelle Kosieniak, LFUCG, Parks and Recreation  
Kevin Kreide, UK-PPD Director  
Bill Lear, Arboretum Friend  
Vange Lear, Arboretum Friend  
Jessica Martin, KY Tourism, Arts and Heritage Cabinet  
Dorothea Oatts, Arboretum Friend  
John Obrycki, Chair of the UK Entomology Department  
Jennifer Osterhage, UK Dept. of Biology  
Gary Palmer, Assistant Director of Cooperative Extension  
Derek Paulsen, LFUCG  
Bleik Pickett, UK Office of Development  
Mike Richey, UK Vice President for Development

Todd Rounsaville, Arboretum Staff  
Don Sands, Past President of the Friends  
Matt Sawyers, KY Tourism, Arts and Heritage Cabinet  
John Shaw, Past President of the Friends  
Scott Smith, Dean of the College of Agriculture  
David Stevens, Arboretum Friend  
Darryl Stith, Hospice of the Bluegrass  
Myra Tobin, Arboretum Friend  
Amy VanMeter, Office for Advancement, College of Agriculture  
Kenneth Wiley, UK Physical Plant Division  
Bob Wiseman, UK Vice President for Facilities Management  
Susan Westrom, 79<sup>th</sup> District Representative, Kentucky Legislature

## **Appendix B. Committee Reports**

### **Mission, Values and Programming**

#### **Mission Statement**

The Arboretum highlights Kentucky landscapes and serves as a center for environmental and horticultural education, research and conservation.

#### **Vision**

The Arboretum belongs to the people of Kentucky and should be maintained through recurring funding by its founding partners, The University of Kentucky, the Lexington/Fayette County Urban Government, and the Commonwealth of Kentucky, as well as supported by private grants and philanthropy. Stable funding that allows increases in permanent staff positions and expanded infrastructure will enable The Arboretum to maintain and further develop excellence in several unique program areas, including:

- Demonstration plantings that allow visitors to experience native and non-native species in designed landscapes
- A unique and comprehensive living collection of the native flora from the seven physiographic regions of the Commonwealth of Kentucky
- Designed features that offer emotional and physical respite for visitors
- Engagement in the teaching, public service and research programs of the University of Kentucky
- Engagement of the community through opportunities for both passive education and active teaching/learning
- Active promotion of The Arboretum's educational, aesthetic, and cultural opportunities to Kentucky and beyond.

## **Values**

Decisions on programs, projects and events at The Arboretum are based on the following values and expectations:

- Fiscally and environmentally sustainable programs
- Enhanced discovery in a living natural laboratory
- Conservation and stewardship of nature, natural diversity, and physical resources
- Initiative, innovation and creativity
- Environmental enhancement and urban remediation made possible by public horticulture gardens and plant collections
- Collaboration and teamwork of diverse disciplines, cultural institutions, government agencies and environmental organizations
- Importance of serenity, beauty and solitude for personal development
- Outreach to diverse audiences while strategically targeting specific clientele groups including children and young adults
- Fostering appreciation of formal and informal research and inform visitors regarding research activities involving staff, grounds, and collection of The Arboretum

## **Partner Responsibility/Organization Structure**

The Commission recognizes that The Arboretum has evolved with support from UK, LFUCG, private donations, volunteers and much collaboration and in-kind support. This support structure has been a strength and a weakness of The Arboretum. This support model has been essential to advance The Arboretum to this point, but a more concrete organizational structure with defined partner responsibilities is necessary for The Arboretum to advance in the future. In light of this statement, the CASP recommends the following.

### **Short Term Recommendations**

#### Friends of the Arboretum:

1. The Friends, in collaboration with the Arboretum Advisory Committee and the University of Kentucky Office of Development, should address and resolve the question of becoming a 501 c3 entity.
2. Operating procedures for the Friends organization may need to be reviewed, clarified and documented as other Arboretum organizational issues are revised.
3. Regardless of the decisions about non-profit status, the relationships between University of Kentucky Office of Development, The Arboretum and the Friends, in their fund-raising roles should be strengthened and clarified.

4. The Friends should be formally recognized in a revised UK-LFUCG agreement and provided with representation on the Advisory Committee.

#### UK-LFUCG Agreement:

1. The 1987 agreement should be reviewed and revised. This agreement has to date provided The Arboretum with the closest thing it has to a Charter.
2. The revised agreement should update and redefine the boundaries of The Arboretum. We recommend that all of the 100 acres currently maintained and occupied by The Arboretum be included in the agreement.
3. The duration of the agreement should be extended. We recommend a minimum of a 100-year extension from the date of the new revision.
4. An easement or an “in perpetuity” commitment by the University would further assure the future benefits of The Arboretum and also be an asset in planning and fund-raising. We recommend that such options be analyzed and considered by the University, whether or not they are included in the revised UK-LFUCG agreement.
5. Organizational provisions of Section 4 of the 1987 agreement should be updated and revised to:
  - a. Adjust the composition of the Advisory Committee to allow for more complete and active participation of the members, and to formalize representation of the Friends of The Arboretum.
  - b. Consider clarification of the role of the Advisory Committee. Whom does it advise and what is its role in decision-making, planning and operations?
  - c. Better recognize their current status and contributions, and commonly used terminology, by re-designating the Committee as the Advisory Board.
  - d. Identify the Director as a UK employee and provide general clarification of the role of the Director, the Advisory Board, UK administration and LFUCG.
6. Operational provisions of Section 4 of the 1987 agreement should be revised to more appropriately reflect the future shared role of UK and LFUCG in operation and maintenance.
  - a. The sentence ascribing “sole” responsibility for maintenance and operational costs to UK should be separated from the organizational elements of Section 4 and included in a new section to allow pursuit of shared responsibility among UK, LFUCG, state government, and other funding sources.

#### The Partnership between UK and The Arboretum: [alternative: Relationships of The Arboretum in UK and with Partners]

1. Operating procedures, organizational structure and administrative responsibilities within UK should be reviewed, clarified, and documented by The Arboretum leadership and the UK administration.
2. A document similar to the “Rules of Procedure” required of academic departments at UK should be written and approved for The Arboretum.
3. Major job responsibilities, position descriptions and reporting relationships for the Director and other The Arboretum staff should be reviewed.
4. The operational and maintenance responsibilities currently shared by UK PPD and the College of Agriculture should be reviewed, documented and clearly communicated to The Arboretum leadership and supporters.
5. Operational and maintenance costs to UK Physical Plant Division and the College of Agriculture are currently not budgeted, or are budgeted well below actual essential expenditures. We recommend that operational and maintenance costs, at least at the current level of expenditures, be budgeted on a recurring basis in the appropriate UK unit.

### **Long-term Organizational Structure to be Considered & Discussed**

1. UK and LFUCG should consider the feasibility of entering into an interlocal cooperation agreement pursuant to KRS 65.220-65.300.
2. Pursuant to such an agreement, the two entities would create a Kentucky non-profit corporation to operate, maintain, control, and manage the Arboretum.
3. The non-profit corporation could have a board with eleven members, six appointed by the University of Kentucky, four appointed by the LFUCG, and one appointed by the Governor (e.g. Director of the Kentucky Division of Forestry, Director of the Kentucky Division of Conservation or other). The non-profit corporation would then have two entities attached to it: (a) The Friends of The Arboretum, which would be responsible for the same types of functions as currently; and (b) a 501(c)(3) foundation, the major gift fundraising arm of the Arboretum. The non-profit corporation could ask the General Assembly to make a one-time contribution, perhaps funded by bonds, to the Foundation. For example, this could be a \$5 Million challenge grant to be matched by private contributions and/or a bond contribution from the local government.
4. The non-profit corporation would lease the full 100 acres and all facilities from the University of Kentucky for \$1.00 per year. Alternatively, UK could grant a license or easement for the property to the non-profit corporation. The term of the lease, license, or easement would be fifty years with a number of ten-year extensions, each of which would go into effect unless the corporation notified UK of its intent to cancel the arrangement not less than one year before the end of the then-current term.

5. The interlocal cooperation agreement would provide for all of the above and for funding of the entity by the University of Kentucky, LFUCG, and earnings from the endowment maintained by the foundation.

## **Funding and Finances**

The fact that The Arboretum is a unit in the University of Kentucky, administered in the UK College of Agriculture but supported by other units at UK, particularly the Physical Plant Division, creates several funding and financial management advantages and disadvantages. The cumbersome nature of the UK accounting system is sometimes not appreciated by those outside the system but is in place to protect individuals and the university. This situation is further complicated by the partnerships with outside organizations with their own systems, i.e. LFUCG. The Commission has reviewed some of these issues and offer recommendations related to charitable grants, research grants, fees, Friends of the Arboretum, philanthropy, taxing district/LFUCG funding, state funding and university operations and support.

### **Charitable grants, research grants**

#### Current situation:

All 501(c)3 non-profit foundation grants have been channeled through the Bluegrass Community Foundation, which has non-profit status, and then through the Friends of The Arboretum. Municipal grants are applied for and administered through Lexington-Fayette Urban County Government (LFUCG). Research grants are administered through the UK College of Agriculture via the UK Research Foundation.

#### Recommendations:

1. The Arboretum Director, Marcia Farris, should have a discussion with the UK Corporate and Foundation Relations Office to determine alternative ways to identify, solicit, and accept these gifts and grants
2. The Director and her staff should work with the Kentucky Tourism, Arts and Heritage Cabinet to facilitate the completion and submission of federally funded grants
3. The Director should continue to meet with the UK Office of Sponsored Project Development regarding grant possibilities

### **Fees**

#### Current Situation:

The Kentucky Children's Garden at The Arboretum charges various entrance fees including \$3.00 per person (children under age 2 are free), \$10 per day for up to 5 people, and \$50 for season household memberships. Wedding fees include

charges of \$250 for use of The Arboretum, with additional charges for tents (\$100) and restrooms (\$125). The Arboretum also charges fees for some programs and events, ranging from \$1-2 to \$4-5 per participant, to classes that are \$490 per participant. The Arboretum provides Guided Garden Discovery tours to school groups at \$1 per student. Income has also been derived from dedicated benches and trees (although bench dedications are currently suspended due to space limitations). However, most visitors to The Arboretum are not members of the Friends of the Arboretum, nor do they participate in programs or events. There is currently no charge for parking in The Arboretum lot (115 spaces), which is the only “free” parking lot on the UK campus. Commuters use the Arboretum parking lot on week days.

#### Recommendations:

1. Additional revenue may be obtained by instituting entrance fees to the Arboretum. The grounds are presently unfenced and restricting entrance to the Arboretum is currently impossible; however, a plan for future perimeter fencing to protect the collection and generate revenue should be put in place in the coming months. Fencing the Arboretum grounds would involve a significant capital investment and instituting entrance fees would require additional staff to collect those fees, but projections show a potential for substantial income from this initiative.
2. Other possible sources of income include: receiving an allocation from the existing UK student recreation fee (since UK students use the Arboretum for health and recreation, student activity organizations and formal classes) or the sustainability fee; plant sales at various events in cooperation with other groups; corporate sponsorships; admission charges for special exhibits featuring outdoor sculpture (perimeter fence required); enhanced facility and equipment rentals (additional staff and equipment required); retail gift shop (additional staff required); and concerts and other events (perimeter fence, additional staff, and equipment required). See addendum for additional information.
3. The Arboretum has explored the idea of charging for parking but been dissuaded due to maintenance concerns for parking lot gates. However, this option needs to be explored again and with some speed.

### **Friends of the Arboretum**

#### Current Situation:

The Friends of The Arboretum have been and will continue to be a mission-critical component of support for The Arboretum. The Friends’ mission statement defines their role is “to stimulate interest in The Arboretum, to encourage participation in its

educational and recreational features, and to raise funds to assist in its development.” The Friends have consistently supported The Arboretum in its fund-raising efforts since 1992; membership dues for the Friends of the Arboretum are used to provide educational and cultural activities. Other Friends fundraising events include the Birdhouse exhibit and benefit auction; Gala in the Garden; Trees, Trails, and Creatures; and lectures. Through its efforts to assist in the development of The Arboretum, the Friends group has historically evolved to not only raise funds, but also to administer them. In a recent review of the University’s Governing and Administrative Regulations, it was noted that Advisory boards, like the Friends of The Arboretum, are often part of development programs, and are often composed of outside persons who offer invaluable advice and who serve as volunteers. However, for consistency with University regulations and for the purposes of ethics and liability, coordination and administration of all aspects of the program must be conducted by employees of the University, thus disallowing a volunteer role in administering university funds.

Recommendation:

True to their mission, the functions of the Friends of The Arboretum should be to stimulate interest and encourage participation in The Arboretum, and to raise funds. In the new era of close regulation of university funds, the Friends can only be involved in an advisory capacity and cannot provide administrative responsibilities such as grant administration or spending oversight of university funds.

## **Philanthropy**

Current Situation:

The Arboretum and the Friends of The Arboretum have recently raised substantial funds (over \$545,000) for the construction campaign for the Kentucky Children’s Garden. The Friends routinely engage in numerous fund raising events and activities and a few campaigns, such as the Dorothea Smith Oatts Visitor’s Center and the Kentucky Children’s Garden.

To date, the Arboretum has not been identified as a philanthropic funding priority for the College of Agriculture, nor does the Arboretum have professional staff devoted to philanthropy.

Recommendations:

1. The Arboretum administration, university administration, and local government need to explore the development of a philanthropic council



2. The University of Kentucky and the College of Agriculture need to determine the status of The Arboretum on the philanthropic priorities list
3. If The Arboretum is a college priority, the College of Agriculture Office for Advancement and University of Kentucky Office of Development should create a development plan and work with the Friends of The Arboretum and Arboretum staff to implement a long-range planned giving campaign strategy, and implement a major gift feasibility study
4. Arboretum staff should use the services of the College of Agriculture Office for Advancement to print and mail fundraising letters, to be included in the annual giving program and other fundraising initiatives
5. Consider the creation of a native plant society with a membership fee from \$1,000-\$10,000
6. Develop naming opportunities and promotional materials for specific gardens, collections, walking trails, or endowed staff positions
7. The Arboretum staff should work with the COA Office for Advancement and the UK Office of Development to promote corporate sponsorships

### **Tax district, LFUCG funding**

#### Current Situation:

There is no recurring line item within the Lexington-Fayette Urban County Government (LFUCG) budget for support of The Arboretum. The LFUCG fiscal year (FY) 2012-13 budget includes a one-time \$125,000 line item for the construction of a detached restroom facility at The Arboretum.

#### Recommendation:

UK officials should work with the LFUCG mayor and council members to explore the feasibility of a “sunset” tax to fund city parks that includes The Arboretum as a financial beneficiary of that tax, as well as explore other tax-based opportunities. Other funding from LFUCG could take the form of a specific annual line item in the LFUCG budget specifically for Arboretum funding.

### **State funding, Kentucky Tourism, Arts and Heritage Cabinet**

#### Current Situation:

In March 2000, The Arboretum was named the “Official State Botanical Garden for the Commonwealth of Kentucky.” However, the Commonwealth of Kentucky has not and does not provide annual budgetary support to The Arboretum. Further, according to the CASP representative from the Tourism Cabinet, this committee understands that due to budget limitations and other constraints, it is currently not

feasible to explore the idea of The Arboretum being incorporated into the state park system.

Recommendations:

1. The UK legislative liaison should work to foster support for a legislatively-mandated line item within the state's biennial budget for the support of The Arboretum, as the official State Botanical Garden, and explore the possibility of seeking state funding for an addition to the Dorothea Smith Oatts Visitor Center
2. The Kentucky Tourism, Arts and Heritage Cabinet should work with Arboretum staff to assist in the submission of National Park Service Land and Water Conservation Fund grants and Department of Transportation TEA-21 Protecting Our Environment: Recreational Trails grants
3. The Kentucky Tourism, Arts and Heritage Cabinet has already included Arboretum information on its Web site and in applicable promotional material, and should continue to do so, as well as look for other opportunities to promote The Arboretum

## **University**

Current Situation:

In general, the University of Kentucky budget provides over \$500,000 in funds for The Arboretum annually. There are several sources for these funds: through administrative salaries paid through the College of Agriculture (COA), through grounds work salaries and maintenance fees paid through the Physical Plant Division (PPD), by additional support provided by the Dean of the College of Agriculture, and by faculty members and extension specialists who provide program expertise and support to The Arboretum. Currently, there are 17 Arboretum accounts under the COA. The \$290,000 in support from UK PPD is currently administered by PPD, which for the most part decides what budgeted services will be provided and when. The budgeting process is complex and confusing and limits a controlled approach to management and spending.

Recommendations:

1. The number of UK Arboretum-related accounts should be decreased by merging 10-11 gift accounts. This will reduce the complexity of the current Arboretum accounts
2. Of the \$290,000 "budgeted" for The Arboretum by UK PPD, \$240,000 should be reallocated to The Arboretum as a department within the College of Agriculture. This would allow Arboretum staff to more accurately plan and control the annual budget and would also facilitate the application for 501(c)3

grants which require a detailed budget summary. Under the current arrangement, The Arboretum is impeded from applying for many external grants because of the numerous budget partners and a lack of budget control therein. Additionally, following accounting rules and regulations governing internal service centers at research universities, PPD must fully allocate all costs of providing services. The university should explore how a budgetary change might eliminate this administrative overhead.

3. Projected staffing needs (estimated at \$650,000 annually) will drive a need for a funding strategy (Table below). Staffing needs include an operational manager that will allow the director to devote time to working with the university's and college's development officers to cultivate external fund raising relationships. Whether funded from additional fees, endowments, or state or local tax dollars, additional staffing needs to be a consideration in developing future funding sources.

#### Arboretum: Projected Staffing Needs

<u>Current Staff</u>	<u>Current Budget</u>
	\$217,945 COA funds
Director	
Staff Associate	
Horticulturist (paid 1/3 each by COA, Friends & PPD)	
Native Plant Curator	
KY Children's Garden Education Coordinator (PT)	Paid by LFUCG
FT PPD grounds worker	PPD funded along with
4 Temporary PPD grounds workers	non-personnel items for a total of \$290,000 in 2012, higher in previous years.
PT staff	LFUCG grant Arboretum earned income Funding provided by Friends
<u>Projected Staff</u>	<u>Projected Budget</u>
	\$650,000
Executive Director	
Operations Manager	
Administrative Assistant	
Horticulturist	
Horticulturist Assistant	
Native Plant Curator	
Education and Volunteer Coordinator	
Development Officer	
KY Children's Garden Education Coordinator	
Part-time and seasonal staff	
6-8 grounds workers	

## Public Relations and Marketing

It has been recognized that The Arboretum programs and facilities are attracting many visitors, from the community, the state and nationally. At this juncture in its development, The Arboretum must educate partners, policy makers, users and the general public about the mission of The Arboretum and how it is organized and supported. In addition to advertising events and opportunities at The Arboretum, effort must continue to attract new users, to instill The Arboretum's message the full range of constituents and to define financial needs using proven and new methods. Ideas of garnering support from the community and beyond through media relations and marketing are presented below.

We began our discussion by asking the following questions:

- Who are the people who visit the Arboretum and why do they visit?
- How do we attract people to the Arboretum?
- What is the message of the Arboretum?
- How do we garner financial support?
- How do we let people know the full range of attractions and activities at the Arboretum?
- How do we get information to the regular visitor?

The methods that have worked in the past:

- Getting people to be Friends of the Arboretum.
- Advertising (most get information from newspaper; Louis Hillenmeyer's radio program).
- Social media (Blogging, Facebook, etc.)

Ideas for getting support from the community and beyond:

### Advertising/Marketing

1. Use social media to let people know what is going on at The Arboretum; needs to be updated regularly so people don't lose interest; this should be done by volunteers; need links; **connecting brands is the goal** (reason for partnering and sponsoring). Have Arboretum tweet linked in with UK tweet. Make sure there are links with different web sites.
2. Use all methods to advertise since there is no one way to get information (blogs, Facebook, radio, such as Louie Hillenmeyer's program, TV, newspaper, Kentucky Kernel). Develop personal contacts with media. Get information in neighborhood newsletters such as Chevy Chaser and Southsider, Bluegrass Trust magazine. Partner with UK English students to write articles.
3. Find out if UK will allow more signage.
4. Work with Visitors Bureau in downtown Lexington.
5. See if Arboretum can be publicly recognized as a city or state park since this currently does not show up in literature; educate public about this.
6. Offer specials to be a Friend of The Arboretum.

7. Have targeted open houses.
8. Advertise in venues that young people frequent.

### **Community Relations and Outreach**

1. Educate public: What is the Arboretum? Where does it get its funding? Many feel as though UK funds and city taxes fully support The Arboretum and there is no need for extra funding from the community.
2. Use school PTA's for education purposes. Go into the school room to educate children.
3. Develop relationships with all those who use Arboretum: gardeners, walkers, runners, dog walkers, parents/grandparents with children, people in care facilities.
4. Have Arboretum "clubs" for different groups:
  - Runners/walkers club: They get a chip to put in their shoes to log how many miles they run/walk at The Arboretum.
  - Birthday club: People get special deals during their birthday month.
  - Mother's Day Club (or other special function).
5. Educate elected officials for support.
6. Build an extension on the Visitors Center in order to have more meeting room for community events as well as more catering space.
7. Form an Arboretum Neighborhood committee to maintain good relations between The Arboretum and its neighbors. The committee would have no power. It would include a member of The Arboretum staff, a member of the Advisory committee, a member of the Friends of the Arboretum, and representatives of the neighborhoods that border The Arboretum.

### **Partnering and Sponsorship**

1. Get corporate sponsorships (KU, Kroger, companies that make garden products); this can make Arboretum self-sufficient and less dependent on UK; explore local companies; link company to Arboretum for "feel good" for the company; potential corporate community sponsors can get their message and Arboretum's message across out to public. The goal should be to build an endowment through corporate sponsors. Representatives of the Arboretum would visit companies and explain the benefits of being a sponsor.
2. Look at national arboreta to get ideas of how they generate support (names on particular gardens for supporters, community partners, banner for partner for making donation. Generally get ideas from other botanical gardens.
3. Form sponsorships with organizations such as YMCA, John's Running Shop, Farmers Market (as a sponsor for the vegetable garden), Ronald McDonald House, etc.
4. One possible partner would be a health insurance company since many people come to the Arboretum to exercise.
5. Develop sponsorship packets.

6. Form relationship with Keeneland for a possible source of plant material since they have an extensive nursery.
7. Find a corporate sponsor for Kentucky Children's Garden.