

Proposed TREE Fund Strategic Plan

2021—2024

Adopted April 2021

Executive summary

The TREE Fund has established a strong record of funding research and education funded by 20 endowment funds and scholarships, most of which have been fully endowed by donations from members of the tree care industry. The COVID-19 pandemic, however, underscored the risks of donor fatigue, reliance on a small number of revenue sources, and the lack of an operational reserve. Nimble adaptations provided the TREE Fund an opportunity to create a strategic plan that seeks to forge a sustainable future for the organization in an uncertain and rapidly changing world.

The keys to that future are:

- the creation of an operational reserve fund,
- a broadening of the TREE Fund's donor base,
- an approach that is experimental and adaptable,
- a demonstration of the relevance of the TREE Fund's work, and • an efficient stewardship of resources.

This plan offers a revised mission and vision that are built on the strong foundation of the TREE Fund's origin, history, core values, and needs of the tree care industry, the broader community, and our planet.

Mission

To explore and share the science of trees contributing to the lives of people, communities, economies, and the environment, and of the planning, planting, and sustainability of urban and community trees.

Vision

By 2024, the TREE Fund is a robust, efficient, and relevant source of funding for research and education into urban and community trees, with diverse sources of income, leadership, and grant opportunities.

Core Values

The TREE Fund values integrity, diversity, and education with a focus on scientific investigation, transfer of knowledge, and the indispensability of trees in our lives.

Goals

Sustainability: The primary goal of this plan is to create a sustainable future for the TREE Fund so that it can continue to serve its mission and build on its history of providing funding for research and education. The following four goals are secondary and serve this goal of sustainability.

Operational Stability: The TREE Fund will create an operational reserve fund sufficient to pay operational costs for three months (with a long-term goal, beyond 2024, of 12 months).

Diversity in Funding: The TREE Fund will generate, at minimum, 25% of its annual operating costs from sources beyond the traditional tree care industry.

Diversity in Leadership: The TREE Fund will achieve 25% membership of its board of trustees and committees from traditionally under-represented demographics.

Efficient Stewardship: The TREE Fund will ensure its donated resources and staff resources are applied to its mission as efficiently as possible by reviewing its governing and committee structures, policies, and procedures.

Fund Relevant Research and Education: Continue to support the expanding collaborative community of practice with research that strengthens both efforts to plan, plant, and sustain trees and community forests and emerging knowledge about the benefit of trees to people.

Enhanced Outreach: The TREE Fund will communicate research findings to demonstrate the benefits of trees and forests to communities and individuals.

Analysis

Prior to the COVID-19 pandemic, the TREE Fund's annual audit had identified the serious risk the foundation faced by a lack of support for operational funding and having too-few sources of revenue. The TREE Fund had already identified a growing donor fatigue and discussed broadening its donor base.

The pandemic's restrictions and effects made the potential damage of these risks more immediate and real. The pandemic forced the postponement of the 2020 Tour des Trees, which is the TREE Fund's primary means of raising the unrestricted funds needed to fund operations. The TREE Fund, while having built a host of strong endowments for research grants, had not created an operational reserve fund on which to draw in a crisis. The TREE Fund faced an existential threat and, in March 2020, had the capacity to remain open for only a few months.

Budget cuts, creation of a virtual Tour des Trees, securing of a PPP loan, and a draw on unrestricted donations and earnings on endowments held at the Chicago Community Trust kept the TREE Fund operating through 2020 and provided an opportunity to analyze the foundation's status and create a plan to forge a sustainable future. While we have gained a reprieve, the existential threat remains. A strategic planning task force was convened to meet the challenge.

The task force identified the TREE Fund's top opportunities, strengths, threats, and weaknesses. The analysis echoed much of what the annual audit had found, and previous discussions had suggested.

The top opportunities were:

1. to attract involvement and donations from people with "green values" from outside the tree care industry, and

2. to engage institutions wishing to position themselves as having "green values" through an investment in research and education.

The top strengths, statistically tied, were:

1. a knowledgeable and dedicated staff, and
2. a reputation for high quality process and results in research grants.

The top threats faced by the TREE Fund, separated from other identified threats by a significant margin, were:

1. over-dependence on a major event and
2. donor resistance to funding operations.

Three top weaknesses, scored as a virtual tie, were:

1. over-dependence on a major event; donor resistance to funding operations.
2. donor fatigue, burnout among traditional funders; and
3. a small, narrow donor base that does not reach sufficiently beyond the traditional tree care industry.

The task force then created this plan to use our strengths to capitalize on the opportunities while minimizing our weaknesses and addressing the threats. Given the unpredictability and pace of change, the task force created an adaptable strategic plan that emphasizes exploration, experimentation, flexibility, values, relevance, and sustainability, rather than a matrix of hard numerical goals as traditionally used in strategic plans.

The intent is that the strategic plan will be regularly and officially reviewed during its implementation and adjusted as needed.

Strategies

The goals of operational stability, diversity of funding, diversity of leadership, and efficient stewardship of resources are related, mutually supportive and dependent, and serve strategies for achieving the primary goal of long-term sustainability for the TREE Fund.

Keeping in mind that in our adaptable strategic plan, we may learn that we need to change strategies, we begin with the following strategies in pursuit of our goals.

Operational stability: We will establish an investment mechanism in which we can build an operational reserve fund that maintains TREE Fund control of its funds and allows the TREE Fund Board of Trustees to draw on those funds when necessary for maintaining operations or enhancing operational capacity.

We will focus our fundraising efforts primarily, but not exclusively, on attracting donations and partnerships that either support operations or build this reserve fund.

Diversity of funding: We will use social media, targeted advertising, and networking to identify and reach out to people, organizations, and institutions that share our appreciation for trees, first building brand awareness and demonstrating our relevance, then cultivating donors and institutional partners.

An important part of demonstrating our relevance will be our efforts to increase awareness of tree knowledge. We will explore methods of making the emerging knowledge about trees available and accessible to all who are interested.

Another way to demonstrate our relevance is to broaden the diversity of the subjects for which we will endow and award grants. While maintaining its current grant offerings, the TREE Fund will explore creation of endowed grants that fund research or education focused on the effects of trees in the lives of people, communities, economics, and the environment. Research into quantifying the benefits of trees and encouraging equitable distribution of the benefits of trees are of particular importance.

Diversity of leadership: We will add to our board of trustees and committees, people who will bring greater diversity in gender, race, ethnicity, age, industry, and profession. We will begin with open calls and advertising for volunteers, along with specific appeals to targeted demographics, perspectives, or skill sets, while being vigilant for other opportunities.

Efficient stewardship: We will annually review our bylaws, governing structure, policies and procedures, committee structure and purposes, grant review and grant-making policies and procedures, allocation of staff time and expertise, and operational policies and procedures to ensure that our primary strengths (our

staff and grants) and resources (received donations and endowments) are applied as efficiently as possible to our mission.

Fund and share relevant research: We will continue to engage an expanding community of practice with relevant research that supports the daily work of planning, planting and sustaining trees in urban and community and forests. An important part of demonstrating our relevance will be our efforts to increase awareness of tree knowledge. We will explore methods of making the emerging knowledge of trees available and accessible to all who are interested.

General: The TREE Fund will implement its strategic plan as an adaptable plan that encourages exploration, experimentation, and adaptation to new information and changes in the environment. Goals, strategics, objectives, and other factors will be regularly reviewed and adjusted, as necessary.

Measurable objectives

Traditionally, the past could guide projections and objectives for the future. Next year's budget, for example, could reasonably be projected from the previous and current years' actuals. In philanthropy, the success of fundraising could reasonably be projected from what experience taught us about donors, demographics, the economy, and various appeal methods.

In the midst and aftermath of a pandemic, unprecedented political division, social unrest, and economic upheaval, the past is less helpful in guiding our future. Our comfortable equations of yesteryear are weakened by too many unknown and unpredictable factors.

The objectives offered here are suggested starting points that should be considered flexible and open to change as we implement our adaptable strategic plan. Many of these objectives are measurable by answering yes or no to whether they have been achieved.

The annual objectives listed below are categorized by the goal(s) to which they most specifically apply, although the effects of others may be overlapping and reinforcing. For example, four of the goals serve a larger goal of sustainability.

For 2021

Diversity of Leadership

- Identify opportunities and methods of recruiting for greater diversity in volunteer leadership.
- Begin recruiting for volunteer leadership for 2022 and 2023.

Efficient Stewardship

- Submit to the board an analysis of the TREE Fund bylaws, structure, policies, and procedures as identified in this plan with any recommendations for changes to achieve more efficient stewardship of resources and application of strengths to our mission.
- Establish quarterly review of the strategic plan for progress, applicability, and possible adaptation.

Operational Sustainability

- Explore opportunities for managing an investment-based operational reserve fund.
- Create an investment-based operational reserve fund.

Diversity of Funding and Enhanced Outreach

- Identify initial target audiences for expanded outreach.
- Begin building database of potential donors and partners withing the identified target audiences.
- Create outreach materials designed to appeal to the identified target audiences. • Create and implement branding/fundraising efforts for the identified target audiences.

Relevant Research and Education

- Create and implement a method of scanning the environment for, or receiving suggestions on, potential new grant subjects and for assessing those ideas.

For 2022

Diversity of Leadership

- Achieve a minimum of 10% greater diversity (using 2020 as the benchmark) in volunteer involvement.

Efficient Stewardship

- Submit to the board an analysis of the TREE Fund bylaws, structure, policies, and procedures as identified in this plan with any recommendations for changes to achieve more efficient stewardship of resources and application of strengths to our mission.
- Adapt the schedule of review as needed or maintain quarterly review of the strategic plan for progress, applicability, and possible adaptation.

Operational Sustainability

- Achieve operational reserve fund equal to one month of operational expenses (based on monthly average of operational expenses in 2020 and 2021).
- Achieve a minimum of 10% of unrestricted donations from non-traditional donors.

Diversity of Funding and Enhanced Outreach

- Expand database of potential donors and partners withing the identified target audiences.
- Explore opportunities for additional diversified target audiences and create and implement outreach materials if needed.

Relevant Research and Education

- Review and adjust as necessary the method of scanning the environment for, or receiving suggestions on, potential new grant subjects and for assessing those ideas.
- Assess a minimum of three new grant ideas. Make recommendations to the board of trustees for any deemed worthy.

For 2023

Diversity of Leadership

- Achieve a minimum of 25% greater diversity (using 2020 as the benchmark) in volunteer involvement.

Efficient Stewardship

- Submit to the board an analysis of the TREE Fund bylaws, structure, policies, and procedures as identified in this plan with any recommendations for changes to achieve more efficient stewardship of resources and application of strengths to our mission.
- Adapt the schedule of review as needed or maintain quarterly review of the strategic plan for progress, applicability, and possible adaptation.
- Convene a strategic planning task force to create a plan for 2024—2026.

Operational Sustainability

- Achieve operational reserve fund equal to three months of operational expenses (based on monthly average of operational expenses in 2021-22).

Diversity of Funding and Operational Sustainability.

- Achieve a minimum of 25% of unrestricted donations from non-traditional donors.

Diversity of Funding and Enhanced Outreach

- Expand database of potential donors and partners within the identified target audiences.
- Explore opportunities for additional diversified target audiences and create and implement outreach materials if needed.

Relevant Research and Education

- Review and adjust as necessary the method of scanning the environment for, or receiving suggestions on, potential new grant subjects and for assessing those ideas.

- Assess a minimum of three new grant ideas. Make recommendations to the board of trustees for any deemed worthy.