



Volume 2, Number 8

ARS & YOU, 2008
Editor, Jim Delahanty

Page One: News:

- At the Denver Convention the ARS Board decided the print publication of the specialty bulletins would cease as of December 31, 2008. On January 1, 2009 all specialty bulletins become available to all members--*at no extra charge*--in the 'Members Only' section of the ARS website. (<http://www.ars.org/>). The password will appear in each issue of the *American Rose* magazine, page 5.
- **The Free Trial ARS Membership Initiative**, which gives each new member of a local society, who is not already an ARS member, a FREE four-month membership in the American Rose Society at no cost to the new member or to the local society, is available **now**. This \$34 dollar value includes 2 *American Rose* magazines, free or reduced admission to over 2,000 botanical gardens throughout the nation via the Reciprocal Garden Program, The Reciprocal Garden Guide which lists the participating gardens, discounts with ARS Partners through the ARS Member Benefits Program, and an invitation to apply for a U.S. Bank Credit Card. **The only requirement for the local society is to have a designated member of the local society send in the names of the new members on the trial member submittal form. That form is located on the ARS website at: <http://www.ars.org/pdf/TrialMemberTransmittalForm.pdf>.**

*****Be on the lookout** for an important letter from Jeffrey Ware, the Executive Director of the American Rose Society outlining 3 new recruitment tools to assist local societies in their Recruitment efforts:

--**The Free Trial ARS Membership Initiative (mentioned above)**

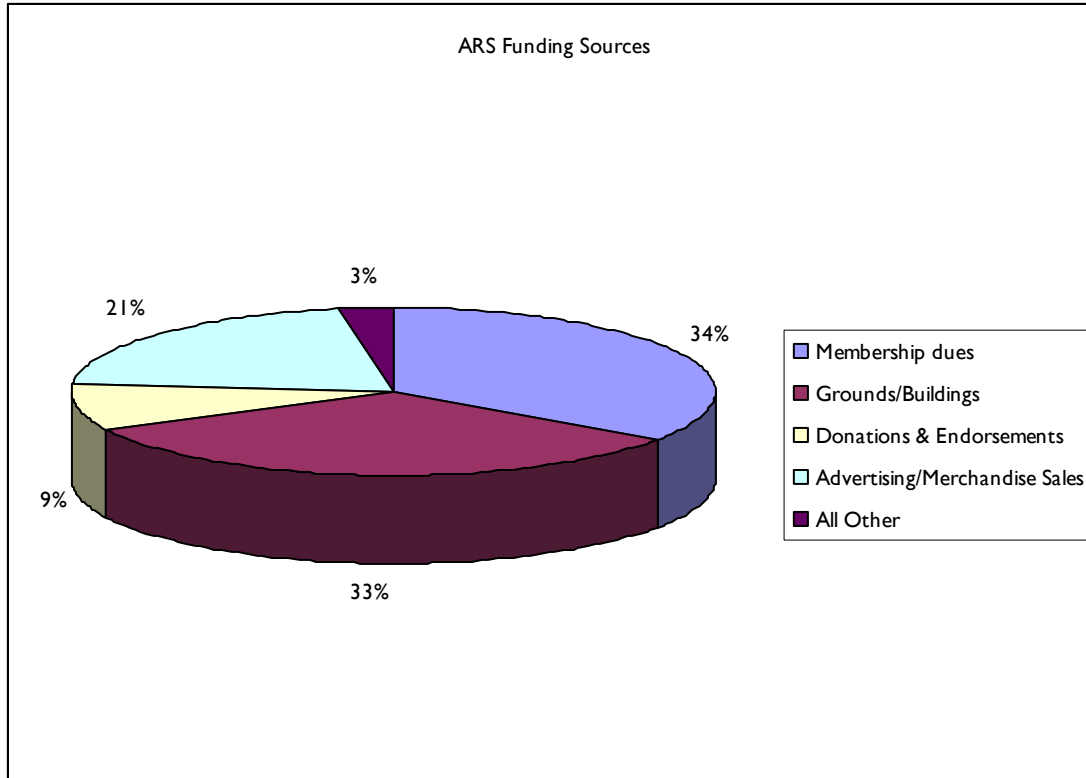
--**All-American Rose Selections 2009 brochures (50 per local society)**

--**2007 and 2008 American Rose Society Handbooks for Selecting Roses**

The latter two items are free as well, but local societies are asked to pay for the expenses involved in shipping them. To take advantage of these recruitment tools, please email: Laura Pfender, the ARS Membership Director at laura@ars-hq.org

Page Two: Views: Budgets: The ARS: Diane Sommers, Director of the North Central District and Chair of the ARS Finance Committee describes the ARS budget review process.

At least twice a year at our National ARS Conventions, the ARS Finance Committee meets to review the overall financial condition of the American Rose Society. Over the past few conventions, the discussion has not only included 'how have we done' (by reviewing the monthly financial statements), but also 'what does the future look like'? Certainly, there are many variables that are supportive or cause some challenges in the overall cash flow of any organization. Staying on top of those and being proactive in addressing any concerns is the objective of the Finance Committee. At the spring convention in Denver, the Finance Committee reviewed a new three-year forecast for 2009 – 2011. The basis for the modeling was our past performance, layering on top of that key initiatives and expected outcomes. We generally apply simple growth rates to our projections for the current year (in this case 2008). This model becomes a tool to help us assess how successful we will be, critical areas of performance, priorities of the organization and what actions or other strategies may be necessary to achieve our overall goals.



The 2008 forecast for the American Rose Society includes approximately \$1.4 million in revenue offset with \$1.4 million in expenses. This has remained relatively constant over the past few years, with our expenses actually decreasing slightly due to some very careful expense management. The funding sources for our operating budget consist primarily of membership dues, income from the grounds and buildings of the American Rose Society, donations and endorsements, advertising income from our various publications and miscellaneous other activities. With membership dues being our primary funding source, focus on our membership numbers with an emphasis on growing our membership base continues to be a top priority. Not only does our membership base bring in annual dues, but it also provides the basis for attracting other investments through sponsorships, partnerships, advertising and contributions/donations. We also continue to look for new opportunities to fund the needs of our organization so that we can reduce our dependency on membership dues. We are very fortunate to have the Maintenance Endowment Trust that contributes over \$160,000 dollars a year to our operating budget to support the ARS grounds in Shreveport. In 2006, a new endowment trust was established, the American Rose Society Endowment Trust, to support ongoing operations of the American Rose Society. Growing this new Trust is a key area of focus for the Board of the American Rose Society, as it will support our membership for many years to come, and minimize the need to increase membership dues.

Page Three: Re-Views: Budget: Local Societies:

Jim Delahanty reviews the gap between dues and operating expenses in several local societies in the Southern California area. Only the conclusions are included here. To read the entire article, go to <http://www.ars.org/pdf/Delahanty-Dues-and-Budgets.pdf>

1. Wherever fundraising becomes necessary, 'mission drift' is always a danger.

The need to cover a gap between operating expenses and dues income poses danger for any non-profit organization. Some members can grow to believe that the only interest an organization really has is raising money, or that the constituent members are valued for their financial contributions only. An organizational culture can be adversely affected by attention to the means of fundraising as equally or more important when the mission is primarily educational in nature. Successful fundraising has its own

downside: the belief by donors or participants that the organization doesn't really need any money because it has been so successful in the past.

2. The 'new member paradox'

Where there is a gap between the dues and the operating expenses, at some point there is a realization that the addition of a new member exacerbates the gap. At Ventura County Rose Society, the cost of the newsletter was twice the amount of dues collected per member; thus, the addition of new members simply increased the deficit to be covered by other activities.

3. Immutable social constraints

Several societies attempted to bridge the gap between income and outgo by reducing expenses, the most attractive of which is to move to some version of electronic transmission of the newsletter. Generally, newsletters represent the most pervasive connective link between the members of the rose society and the organization. However, while electronic transmission has been successful, that success depends on the computer skills of the membership. Where the membership is divided fifty-fifty between those who have home computers and those who do not, a wholesale move to total electronic transmission may have to be postponed until the balance is much higher in favor of computer access. Alternatively, some mixed system of electronic and hard copy transmission of the newsletter could be maintained, but at reduced cost savings, and the possibility of some residual resentment as a hidden cost in the reduction of benefits.

4. Detrimental Reliance

Almost all of the societies in the survey have diversified their efforts to raise funds; some have even developed particular niches. As an example, if a rose auction is the main or only source of additional income, that reliance quickly exhausts the interest or the ability of a single set of people to sustain the auction. Others must be brought into the matrix of buyers and donors, lest the home society members suffer from 'rose fatigue,' or the supply of roses become too repetitive.

Particular events can shatter an established routine. Ventura County used to raise money by selling rose arrangements and corsages on Mother's Day weekend at a local mall. That weekend was not attractive to many members and the site became unattractive to almost all members once a murder was committed at the location. A diversified approach is almost a must, but that approach tends to divert the society human resources away from the original purpose of the group to an incidental one, that of sustaining the finances of the society.

Conclusion: Just as monoculture in roses may have hidden costs, even successful efforts to supplement rose society income beyond that supplied by dues may incur hidden costs.

A note from the Local Society Relations Committee: If you have had a particular success in budget matters, recruitment, or any other aspects of local society endeavor, please share that information by sending a note to Jim Delahanty, Editor, ARS & YOU at jjzdelahanty@earthlink.net.

ARS & You is archived on the ARS web site – Members Only – ARS & You – left menu bar.

The Local Society Relations Committee welcomes comments on the contents and character of this publication. There is a listing of committee members on the ARS website at ARS Committees.

Opinions expressed in this monthly email are not necessarily those of the American Rose Society or its subsidiaries.

To respond to items in this ARS & You, please write to any committee member of the Local Society Relations Committee:

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