



# Proposed Tools & Process for Evaluating Funding Priorities: A Guide for Discussion

Submitted to Fort Edmonton Foundation Board of Directors

January 18, 2022

## Contents

Background .....	2
Purpose .....	2
Process .....	2
Consultation & findings from other organizations .....	2
Suggested Tools & Decision-Making Process.....	3
Funding Priorities Evaluation Criteria & Rating Scale .....	3
Other considerations and assumptions .....	5
Our current process for Funding Priority Projects .....	5
Suggested revised process .....	5
Other .....	5
For consideration and discussion.....	6
Criteria .....	6
Funding Priorities Evaluation and Rating Scale.....	6
Revised Process.....	6
Next Steps .....	6
Appendix .....	7
Organizations Consulted .....	7

## Background:

Fort Edmonton Foundation (Foundation or FEF) is the charitable fundraising arm for Fort Edmonton. The Board of Directors is responsible for organizing and managing fundraising activities that support capital projects and special projects at Fort Edmonton. The Foundation funds priorities that are identified by Fort Edmonton Management Company (FEMCo). Historically, FEMCo has presented priorities to the Foundation Board and the Capital Campaign Committee/Board of Directors has had a discussion with FEMCo and foundation staff to determine what projects to fund and to what degree. A list of criteria is currently used to evaluate proposed projects. However, it may be useful to expand on the criteria and to have a tool to help evaluate the merit of each opportunity.

## Purpose:

The purpose of this document is to facilitate a discussion with the BOD regarding how the FEF will establish funding priorities and solicit feedback on proposed changes to our process.

This document outlines criteria to help identify and evaluate proposed funding priorities for the Foundation. Suggested changes to the current process for identifying and communicating funding priorities are also outlined in the document.

The new tools and process will inform FEMCo in terms of how the Foundation will evaluate proposed projects and request for funding and assist them in identifying priorities that meet the criterion. We anticipate that a transparent process will help to foster open lines of communication and consistency of practice over time.

## Process:

Information from other funding organizations was used to help determine what criteria to include to evaluate the proposed priorities put forth by FEMCo and/or others such as donors and funders. Themes were identified and then incorporated into the list of criteria for determining priorities. A rating scale was then created to help the Board of Directors rate each funding priority. Integrating this new tool will require a change in the Foundation's process for approving any funding priorities. Hence, a new process is proposed.

## Consultation & findings from other organizations:

Several organizations that support municipal or provincially based activities such as libraries, hospitals and museums are supported by a charitable organization such as a foundation or a "Friends of .... Society." These organizations often provide funding support for various activities such as capital campaigns and special projects. These foundations and "Friends" organizations are autonomous organizations that by function, must work closely with government funded entities. Although aligned in vision, at times, priorities and method may differ. It is assumed that having a having a structured evaluation criteria and process that is shared with FEMCo will increase the potential for alignment. We also assume this will help to foster transparent communication and productive working relationships with our stakeholders that include FEMCo in particular as well as donors and other funders.

Other organizations were consulted in order to determine what criteria and process they used to determine funding priorities. All of the organizations consulted received a list of priorities from the Executive Director of the organization; some also included a review of the management group's Annual and/or Strategic plan. All organizations relied on discussion between the two parties to help determine

priorities. Some had a very formal process that was documented and made available to both parties (funding body and the management organization). Regardless of the process themes regarding what criteria was used to determine funding priorities emerged:

- Does it align with the mission?
- Ability to fund or secure funding
- Historical value
- Guest experience
- Ability to generate revenues (identified by historical organizations).

## Suggested Tools & Decision-Making Process:

The evaluation criteria was revised based on our recent FEF Board discussions and input from other organizations. A rating scale was developed to solicit documented feedback from individual Board of Directors. The revised criteria and rating scale is intended to augment or be in addition to our discussions with FEMCo, FEF staff, and the Board of Directors.

## Funding Priorities Evaluation Criteria & Rating Scale:

Name of Priority/Project/Purchase:			
Name of Evaluator:		Date:	
Criteria:	Description:	Rating Scale out of 5	Rating:
<b>1. How does it align with our vision, mission &amp; values?</b>	<p>Our <b>vision</b> is to ensure a meaningful, authentic and memorable visitor experience in the Park.</p> <p>Our <b>mission</b> is to create and promote an internationally acclaimed living history experience.</p> <p><b>Our values:</b> Integrity for others, accessibility, historical integrity and respect. <a href="https://supportfortedmonton.com/who-we-are/about-us/">https://supportfortedmonton.com/who-we-are/about-us/</a></p>	<p>5 indicates closely aligned</p> <p>3 indicates somewhat aligned</p> <p>1 not well aligned</p> <p>0 no alignment perceived</p>	
<b>2. Ability to secure funds through philanthropy, fundraising &amp; grants</b>	<p>How much needs to be raised? What is our ability to secure private donations? Do we have sufficient prospects? Grants available?</p> <p>Foundation's resources to fundraise?</p> <p>What is required in terms of staff time, expertise and expenses?</p>	<p>5 indicates most funds have been secured and high confidence that funds can be secured within the established timeline;</p> <p>3.0 is average ability</p> <p>2.5 is modest ability;</p> <p>0 indicates no funds have been secured to date and very little or no confidence in raising the funds in the established timeline</p>	

<b>3. Historical value</b>	What will this program or project enhance the historical value of the park? Who and what will be represented? What historical understanding will result from the project or program? How will it reflect diverse voices, experiences, and perspectives from our community?	5 perceived to be of high historical value 3 moderate historical value 1 low historical value 0 no historical value	
<b>4. Guest experience</b>	How will the program or project enhance guest experience? Is the project or program something that is expected from outdoor museums or is an obvious element that is missing from our park? Is it exclusive, new or novel? Something that significantly improves the service/comfort and/or understanding for guests.	5 indicates high degree of enhancing guest experience and/or very novel or highly expected by guests. 3 perceived as moderate enhancement to guest experience 1 perceived as low degree of enhancement	
<b>5. Diversification of guest markets &amp; exposure in the community</b>	What is the potential to bring in new guests from various segments of the community? Will it attract return visitors?	5 high confidence in attracting new or return visitors 3 moderate ability to attract new and/or return visitors to the park 1 very low or marginal increase 0 no increase in guests/visits	
<b>6. Potential for revenue generation</b>	Is there an element that is suitable for commercialization? What is the potential for revenue generation? What is the ROI?  <b>Additional consideration:</b> How does that impact this impact the other criteria such as guest experience?	5 perceived as high potential for generating revenues and ROI 3 moderate potential for revenue generation and ROI 1 low potential for revenue generation and low ROI 0 no potential for revenue generation	
<b>Total Score:</b>			<b>Total of ratings for each criterion</b>

#### Other considerations and assumptions:

- Costs of maintenance, programming and park interpretation are the responsibility of FEMCO as operators of the park. We assume that these costs are considered by FEMCO prior to the priority being forward to the Fort Edmonton Foundation Board of Directors.

#### Our current process for Funding Priority Projects

1. FEMCo identifies top list of projects in rank priority each year
2. FEF Management reviews preliminary list with FEMCo for initial feedback of priorities
3. FEMCo provides details and budget for each project including the amount of the request from FEF and any other funding partner ie: City, Province, Federal Gov.
4. Capital Campaign Cabinet reviews proposed list of projects and brings forward to Board for decision.

Decisions are based on the following criteria:

- Feasibility for fundraising for this project
- Availability of cash on hand for projects
- Impact to the visitor experience
- Enhancement to the core heritage programming
- Other criteria as applicable on a case-by-case situation.

#### Suggested revised process:

1. President of the Board of Directors for the Fort Edmonton Foundation shares criteria with the President & CEO of FEMCo so they have an understanding of the Foundation's decision-making process
2. FEMCo does strategic planning and identifies priorities
3. FEMCo shares strategic plan with Fort Edmonton Foundation staff and Board of Directors
4. FEMCo shares what they have identified as potential funding priorities or projects that require funding with Fort Edmonton Foundation staff and Board of Directors
5. FEMCo, Foundation staff & Board of Directors meet to discuss priorities and rationale, ask questions and discuss details.
6. Foundation staff and Board of Directors will discuss the list put forward by FEMCo
7. Foundation staff and Board of Directors use specific criterion to rate each priority. The aggregate rating scores will help determine short list of priorities.
8. The rating score along with other considerations such as cash flow, timing of initiatives, community dynamics, volunteer and Foundation staff capacity to move projects forward will help determine funding priorities
9. The BOD vote to approve individual priorities based on the short list as above. Projects receiving the majority of votes, at least 60% will be approved
10. The President and Executive Director of the Fort Edmonton Foundation will communicate decisions or approved list of funding priorities to FEMCo.

#### Other:

From time to time both FEMCo and the Foundation may identify an emerging priority or opportunity to fund a project or initiative. The Foundation will use the same process to evaluate the request or

opportunity. FEF may also use this same criteria and the rating scale to evaluate opportunities brought forward by other stakeholders such as donors and other funders.

### For consideration and discussion:

Please review the following and provide feedback.

#### Criteria:

- Is it comprehensive?
- Does it reflect our values as an organization?
- What changes would improve the criteria?

#### Funding Priorities Evaluation and Rating Scale:

- Is the tool helpful?
- Is it easy to follow and understand?
- Do you think it will help guide or inform your evaluation in the future?
- What changes are needed?

#### Revised Process:

- Is it easy to understand and for all stakeholders to follow?
- Is anything missing?
- What changes are required?
- Do you think the new tools and process will help to create transparency and foster transparency among stakeholders (Foundation staff, BOD & FEMCo, donors/funders)?

#### Next Steps

Feedback from the BOD will be incorporated and any tools, criteria and processes will be adjusted accordingly.

## Appendix

### Organizations Consulted:

1. Darryl Fortini, Executive Director, Estes Park Museum in Colorado.
2. Friends of Edmonton Public Library
3. Royal Alexandra Hospital Foundation
4. Alzheimer Society of Alberta & Northwest Territories
5. Joan Kanigan, Chief Executive Officer Western Development Museum in Saskatchewan
6. Lisa Falksey, Director Calgary Heritage Park Village