

DRAFT

North Carolina Wesleyan College 2012-2015 Strategic Plan

APPENDIX E

Financial Strength

Implement Best Spending Practices: The practice of sound financial management is clearly identified in the best practices model. Fundamental to this model is that revenues will equal or exceed expenditures and that when budget preparation is underway, the various revenue producing streams will be reviewed and expenditures will be reviewed and prioritized.

Implement Best Practices Budget Model: Budgets are created in a number of ways. The best way to create a budget is by adopting a best practices approach that addresses certain fundamental practices. 1) It is necessary to tie in the budgeting process to established institutional strategies. The budgeting process should take into consideration the primary revenue streams of enrollment, retention, the unrestricted and restricted goals of the development office, and what adjustments may need to be made when these goals are exceeded or are not met. 2) Strategic and studied consideration needs to be given for the allocation of resources for operating and capital needs. This will involve discussion and assessment under intense scrutiny. 3) Cost management efforts involved in the budgeting process must rely on unequivocally accurate information. Cost management projections include the processes involved in planning, estimating, budgeting, and controlling costs so that the project can be completed within the approved budget. 4) Often a budget is put together with only a few people involved. Unless this small group understands the needs of all of those affected by the proposed budget, such a preparation will result in being shortsighted and incomplete. Budget preparation is a detailed and complicated process. Participants that are directly involved need to be pivotal members of the budgeting process so that they may understand budget construction and allocation. Preparation of the budget does not belong to a small cadre of individuals. 5) The budget needs to be revised to reflect the impact of the most current conditions and then benchmarked to the original adopted budget to ascertain areas that are over and under budget. 6) VPs are responsible for establishing a subcommittee in their area for purposes of inclusion and transparency during the budgeting process in order to enhance communication.

Expand Fundraising: There are two major revenue streams for the college: enrollment/retention and development. The Office of Institutional Advancement is the primary source of soliciting unrestricted and designated contributions. Unrestricted gifts primarily support daily operations. Designated gifts are usually given to support specific efforts, capital and other. The college's efforts in development must be aggressive and all inclusive. It is not the singular responsibility of the development office staff to solicit gifts. A successful expansion of any development enterprise involves all constituencies associated with the college community. Fundamental to the success of such an annual effort may include but is not limited to the following: 1) It is imperative that the organization of any fundraising effort emanate from and incorporate a business plan model. In this area it is necessary to have an annual development calendar to know when an event or solicitation effort will be held. This calendar will allow the development office to evaluate the timing of an event or appeal based on when it was held during

the year and to make necessary adjustments in the timing of the event based on the annual calendar. Once events and appeals have found a home, the college's constituency will look forward to the event or appeal and be comfortable with the timing of it based on repeated positive past experiences. 2) It is imperative that the college expand its donor base. This is the responsibility of the board of trustees and all others associated with the college. As this is an on-going effort, it will never be completed. As prospective donors are identified, cultivating these donors is imperative. Donor appeal to the college is based on establishing personal relationships. Primary among donor solicitation will be to identify donors who have an affinity to unrestricted giving and will therefore help to increase our Wesleyan Society membership and those that view capital or designated operational areas as primary to their giving interests, thus increasing Wesleyan Society membership as well. 3) The Strength of Heart capital and comprehensive campaign is critical to the next fifty years of the college. The development office will spearhead this effort and along with the board of trustees and the campaign committee assume responsibility to insure its success. 4) Every effort needs to be made to consider all of the efforts in the college's current fundraising model and to consider every idea that may contribute to expanding how the college may increase its fundraising potential. 5) Successful fundraising rests in the relationships the college is able to establish with all of its constituent groups. The success of this effort belongs to everyone regardless of one's ability to give. This is an on-going and fundamental enterprise.