

Curt Buchholtz
Executive Director
Rocky Mountain Nature Association Estes Park, Colorado
Testimony to the National Parks Subcommittee of the
House of Representatives Natural Resources Committee

February 15, 2006

Mr. Chairman and honorable committee members, thank you for the invitation to testify today about the proposed changes to the National Park Service policies related to philanthropy in Director's Order 21. I'm Curt Buchholtz, Executive Director of the Rocky Mountain Nature Association, a nonprofit membership organization working to assist Rocky Mountain National Park, enhancing the experiences of park visitors, and engaging citizens in stewardship. The Rocky Mountain Nature Association was established in 1931 and is long-term partner with the National Park Service helping with dozens of park improvement projects and hundreds of educational programs.

Permit me to add that I am also the President of the National Park Friends Alliance, a confederation of some forty nonprofit organizations engaged in fundraising to benefit the National Park System. These organizations, along with the National Park Foundation, work to engage the American public in philanthropy and volunteerism and help protect, enhance, and interpret park resources. Many local organizations, like the Yosemite Association, the Mount Rushmore Society, and our own Nature Association have helped our individual parks each in excess of seventy-five years.

Allow me to summarize: 1) Our organizations are collectively proud of our philanthropic track record and level of accomplishments—which includes hundreds of completed projects, ranging from the well-known \$550 million campaign to preserve and protect the Statue of Liberty and Ellis Island to a host of more modest accomplishments, like a \$250,000 wheelchair accessible trail in Rocky Mountain National Park, or an educational endowment fund for the Blue Ridge Parkway. We are carrying forward a rich heritage of philanthropic enhancement of our National Park System; 2) We cherish deep and positive relationships with the Park Service and a generous American public; 3) We applaud Congressional support and concern for our parks; 4) We welcome this update of DO-21 because philanthropy for parks has evolved in positive ways over the past decade, and particularly since this policy should enhance the future of philanthropy for our parks; 5) We hope DO-21 expands opportunities for Americans to demonstrate their support of national parks and maximizes flexibility for local organizations like ours; and 6) We expect such policies to maintain a balance between the NPS need for oversight and a nonprofit mandate for efficiencies, while also respecting donors' rights, enhancing partnerships, and expanding opportunities for stewardship .

Sometimes we are called “friends groups” because we consider ourselves friends of the parks and friends of the National Park Service. It is in the spirit of friendship that I offer the following comments regarding Director's Order 21. In our opinion, policies should enhance the fundraising capacity of park philanthropies or be modified or eliminated.

1.Regarding improvements that appear in the Draft Director's Order 21, the Friends Alliance appreciates many positive changes that strongly support philanthropy and show that the NPS has been receptive and responsive to past concerns of the Alliance. Among many specifics, we appreciate the acknowledgment that NPS cannot directly regulate nonprofit groups; we appreciate the more flexible donor recognition guidelines; we affirm the “no one size fits all” approach to working with a spectrum of philanthropic partners.

2. But additional work is needed before this revision becomes policy. In a spirit of candor, the Alliance asks for continued improvements in DO 21 and respectfully states it cannot comply with some policies as proposed. We want to be forthright in stating here that we feel a resolute obligation not to comply with policies that, in our collective judgment, jeopardize ethical relations with donors and our professional responsibilities to them, and/or that actually would regulate or infringe our rights as independent nonprofit organizations.

Issues of Park Service interference in nonprofit governance arise in several places in draft DO 21. We ask that a generic statement be added to the document: “NPS has no authority to regulate the governance or fiduciary activities of nonprofit partners.”

3. Since nonprofits strive to be ethical organizations, the Alliance asks that DO 21 carry a section describing the regulatory constraints and the ethical principles by which friends groups operate. Nonprofit standards are equal in force and importance to, and are in no way inferior to, the standards of probity expected of any public agency and its employees.

This does not mean that friends groups don't make mistakes or aren't occasionally inept. And there are a tiny number of instances of groups that have broken trust with their donors and with NPS. The agency must deal justly with such cases. Fortunately, they are exceptions. As a matter of self-imposed professional obligation, the huge majority of park philanthropies operate on principled high ground.

4. On the subject of vetting donors, the Alliance asks that DO 21's donor vetting requirements be eliminated because they are intrusive, not a proper role for the National Park Service and illegal and they breach confidentiality principles.

The Alliance believes that the Park Service has no right to receive from any source the names of a given organization's prospective donors (i.e., *ante facto*) or actual donors (i.e., *ex-post facto*), except as routinely published in friends group annual reports, etc. To the extent that DO 21's vetting requirements may apply to nonprofits, we respectfully ask that those requirements be eliminated entirely.

We believe that the best way to ensure against such problems is for each friends group to work closely with its park superintendent. After consulting with his or her board of directors, the friends CEO should inform the superintendent of any possibly sensitive donation that may be in the works. The two should agree on actions to resolve the potential problem before it can rise to a public issue. This process will reduce risk levels for both NPS and the friends group.

5. The proposed NPS approval of partner fundraising plans and fundraising approval procedures are unworkable and costly to park philanthropies and need wholesale modification. A mandatory 30-day turnaround for review is requested.

6. The proposed restrictions on nonprofit friends groups meeting with Congressional members and advancing their purpose and projects are unacceptable. The IRS has clearly defined standards and restrictions for nonprofit organizations advocating with elected officials. NPS policies forbidding this activity by partner nonprofits are unacceptable and infringe upon their legal rights to petition Congress

7. The requirement that all private construction funds must be deposited in the U.S. Treasury, which pays no interest, is costly in the extreme to philanthropies and unfair to donors. The Alliance asks NPS and the Interior Department to lead an effort to seek federal legislation to rectify the problem.

8. Regarding the demand by the NPS for feasibility studies, the assessments of a nonprofit's fundraising capacity by paid consultants must not be required in all campaigns. A philanthropy's fundraising record must be taken into account.

9. On the subject of fundraising by National Park Service employees, we believe that NPS employees should not be allowed to raise funds from individuals, corporations or foundations. With some exceptions, all fundraising should be done by friends groups with information and support from key NPS personnel, especially superintendents.

If superintendents, for example, are given the task of raising money and are evaluated on fundraising performance, they will focus less on managing natural and cultural resources. That is an inefficient use of an expert resource manager's time. Instead, superintendents should be evaluated on their ability to work well with a park philanthropy and educate themselves about its fundraising activities, and by how much donated money the friends group brings to the park.

The Friends Alliance strongly holds to, and reaffirms here, this core principle: charitable funds given to a friends groups or directly to a national park must not be used to pay for basic government operations or to offset losses in appropriated funds, unless the donor affirmatively and knowingly restricts the funds to park operations. As the Alliance has consistently stated, the purpose of philanthropy is to add value to national parks--to create a margin of excellence beyond what the Park Service can accomplish alone.

10. While we greatly appreciate the effort to give donors greater recognition, we believe in-park recognition of donors must be decided in the unique context of each park and accomplished in ways that preserve park resources and values.

In most cases acknowledging benefactors can be accomplished by means not visible in a national park, as through a friends group's letters, periodicals, awards, news releases, special non-park events, etc. Sometimes, however, restrained, tasteful in-park recognition is appropriate. Each case must be decided on the unique merits, always based on the touchstones of protecting the park first and foremost. Blanket service-wide proscriptions will not allow for sensitive, nuanced acknowledgment of donations customized to the unique context of the park's history and traditions.

11. In the arena of corporate support for national parks, friends groups prefer to seek corporate philanthropic gifts over funds from cause-related or other marketing programs. Corporations should not be exempt from the general civic responsibility

of helping fund America's national parks.

We believe that corporations, just like good neighbors or fellow citizens, should be asked to provide monetary support for our national parks. Just as friends groups ask private individuals to give, so should we encourage corporate donations to benefit the nation's heritage of parks.

In raising funds from corporations, friends groups prefer, promote and accentuate philanthropic giving. In the case of funds received from cause-related or other marketing programs, the Alliance believes that strict park protection standards must prevail in donor recognition. No natural or cultural features should be marred with affixed signage or otherwise identified by logo or script.

12. Regarding national and international solicitations of gifts, we will argue that business is increasingly global and Friends groups should have wide latitude in approaching large companies for contributions.

13. Regarding endowment funds being established by our nonprofit organizations, we believe the NPS must stay completely clear of attempting to direct nonprofits in the creation and managements of endowments, lest it interfere in the legal responsibilities of boards of directors.

14. In park donation boxes help friends groups raise money for special projects, but the nonprofit organizations must recover from donation boxes the direct costs of operating and repairing them. All remaining proceeds should be directed to NPS-sanctioned projects.

15. On the matter of guest donation program, current check-off programs for overnight guests have provided unrestricted funds to a friends group. These should be grandfathered and not subject to the approval of a superintendent. Proceeds from existing and new check-offs should go directly to the group as unrestricted income.

16. In accounting for funds raised by friends groups, we certainly owe the NPS accurate, audited, transparent accounting reports and records for funds raised. The choice of investment instruments and financial policies lies solely with the nonprofit board.

17. The proposed policy appears to diminish the role of park superintendents. The Alliance calls for NPS to delegate partnership decisions to superintendents, whose roles could be overseen by Regional Directors. Decision-making under DO 21 is too centralized in Washington.

18. Land Trusts may have difficulty working under the DO 21 policy and we suggest that all land transactions involving charities should be exempted from DO 21 rules.

The National Park Friends Alliance restates its respect for the National Park Service and believes it can become the most progressive partnership agency in government.

Thank you for allowing the Friends Alliance to voice their collective opinion. Permit me to submit for the public record the complete text of the National Park Friends Alliance response to the Draft DO 21.

Thank you for your attention.