

USFS Conservation Finance Toolkit: Voluntary Surcharge

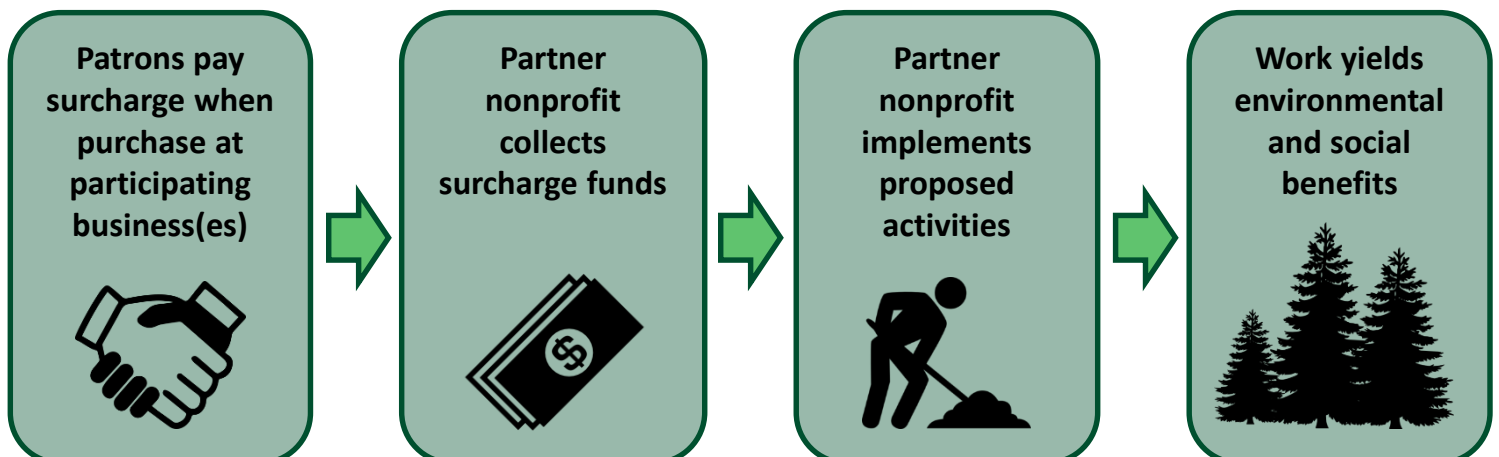


What is a Voluntary Surcharge?

A **voluntary surcharge** is a micro-donation that is added to a customer's retail, hospitality, lodging, or recreation activity bill to raise funds for a specific cause. Surcharges are often collected to fund work located in the same geographies as participating businesses, meaning that the surcharge payer is likely a direct beneficiary of the funded work. Partnerships between environmental groups and local businesses around voluntary surcharge programs can take many forms depending on the issue being addressed, the local context, and participating businesses' interests.

- Surcharges can be set up so that customers either opt in or opt out of making a donation.
- Surcharge programs may involve just one business or a network of businesses (e.g. all breweries in a specified geography, or all businesses on a certain street).
- Surcharges may be determined as a percent of the total charge or as a flat fee.
- Programs may be long-term, short-term, or single day in duration.
- Programs may target local or visitor/ tourist consumers.
- Programs can fund a competitive grant program or set projects.
- Funded projects can include on-the-ground work, maintenance, or general capacity building.

How Does a Voluntary Surcharge Program Work?



How Do Voluntary Surcharge Programs Help the Forest Service?

- Raise additional capital to fund FS and partner priorities, accelerating the pace and scale at which work on FS priorities can be undertaken
- Build relationships with local nonprofits and businesses that have shared stakes in forest health and/or recreation economies
- Raise public awareness of forest health and recreation needs on NFS lands
- Raise public awareness of FS nonprofit partners
- Help consumers understand the role of national forests in their communities

What are the Criteria for Success for Voluntary Surcharge Programs?

Criteria for Success	
Landscape	Identified need (forest restoration, recreation infrastructure, etc.) and projects that can address the need
	NEPA decisions signed and notice published
	Plans for implementation complete and project is “shovel ready”
Community	Nature/outdoor rec tourism is an economic driver (less burden on locals)
	Local or out of town visitors will provide a broad participation base
Partners	Partner nonprofit to market/administer surcharge collection and implement funded work
	Anchor business to help establish the fund and encourage others to join
	Business(es) willing to host surcharge
Capacity	Participating businesses have technology to intake surcharge funds
Scale	Generate at least \$25,000 in annual revenue to be viable

Voluntary Surcharge Partner Highlight: National Forest Foundation

As a federal agency the FS cannot set up voluntary surcharge programs on its own, it must collaborate with partner nonprofits such as the National Forest Foundation (NFF) to do so. To establish a successful program NFF works with the FS to understand local needs and gaps in funding. NFF then conducts outreach to local businesses to raise awareness of FS needs and encourage participation in the surcharge program. Outreach to businesses typically focuses on how the specific to-be-funded-work benefits the business, as well as the larger reputational benefits of participation. Once participants are confirmed, NFF works with businesses to create joint-marketing for the surcharge campaign, and trains participating staff in the logistics of implementing the surcharge. In addition to tracking and collecting surcharge payments over time, NFF maintains relationships with business owners to encourage sustained commitment.