

Friends of the Earth Joint Cost Allocation Procedures

October 2015

Friends of the Earth (FOE) is an environmental advocacy organization. Our programs are designed and implemented to advocate for policies that benefit the environment and social and economic justice. Educating our members and the general public about environmental and justice-related issues and about ways they can take action is a core part of our mission.

In Fiscal Years 2014 and 2015 the majority of the costs to which joint allocation was applied were associated with our public advocacy campaign to save bees and other pollinators from neonicotinoid pesticides that have been linked to pollinator decline.

This campaign has had significant successes that have only been possible because of the substantial public pressure brought to bear on corporations and local and federal government. Our direct mail and email action alert programs have been instrumental in generating this public pressure.

In FY2014 and FY2015 Friends of the Earth led a coalition that delivered:

- 500,000 petitions to Home Depot urging the company to stop selling products and plants treated with bee-killing pesticides. In June 2014 this effort resulted in a commitment from Home Depot to label plants containing these pesticides.
- One million petitions to Lowe's urging the company to stop selling products and plants treated with bee-killing pesticides. In April 2015 this effort resulted in a commitment from Lowe's to phase out these pesticides as alternatives become available, redouble existing integrated pest management practices for suppliers and provide additional material educating customers about pollinator health.
- 500,000 petitions to the EPA urging them to put a moratorium on all bee-killing neonicotinoid pesticides, which resulted in EPA placing a moratorium on new and expanded uses of bee-killing neonicotinoid pesticides.
- 25,608 comments to the EPA urging immediate action on bee-toxic pesticides and for adoption of a federal, unified state plan to protect bees and beekeepers as part of a public comment period.
- 33,404 comments to the EPA on behalf of our members regarding Syngenta's petition to increase existing tolerances and create new tolerances for the neonicotinoid thiamethoxam on food crops.
- 4 million petitions to the White House urging the Obama administration to take action to ban bee-killing pesticides, which resulted in the adopted of a national federal strategy to protect bees.
- 500,000 petitions to Bayer urging them to stop making and distributing bee killing pesticides.
- 200,000 petitions to Ace Hardware and True Value urging the companies to stop selling products and plants treated with bee-killing pesticides.

- 200,000 petitions to Michelle Obama asking her to make the White House garden a bee-safe zone.
- 500 petitions to the city of Portland, OR to ban on the use of neonicotinoid pesticides on city property, which resulted in the passage of the ordinance.
- 200 petitions to the Montgomery County Council resulting in the passage of a bill in Montgomery County to restrict the non-essential use of toxic lawn pesticides, including banning the use of bee-killing neonicotinoid pesticides.
- 500,000 petitions to the Fish and Wildlife Administration to add Monarch Butterflies to the endangered species list.

FOE applies joint costing to both its direct mail program and online action alert emails to distribute an appropriate amount of the cost to fundraising, lobbying and public education/advocacy about our programs. Direct mail eligible for joint costing includes only those pieces which have a call to action, usually in the form of an advocacy petition. In the fiscal year ending June 30, 2014, FOE joint costed four of its five appeal mailings, all three of its acquisition mailings, and none of its renewal mailings. Most of the calls to action contained in these communications were petitions related to our Bee-Action campaign.

FOE's methodology for joint costing the mailing program includes pooling the costs associated with each mailing, counting the lines in each piece that are associated with fundraising, lobbying and public education, and then allocating those costs pro-rata to each cost center. FOE mailings are rich in public education content, however it attempts to be conservative in the sense that it allocates generously to fundraising.

For its online activities, FOE uses its action alert emails as the cost driver. As with the direct mail, we pool the cost of all online activities (salaries, overheads, hosting and web design and maintenance), then examine each action alert's content for fundraising, public education and lobbying. We then weight the results based on the number of emails to which we distributed each alert. This results in an overall pro-rata cost split, which we then apply to the cost pool.

Joint costs for the fiscal year ended June 30, 2014, are as follows:

Grass roots lobbying	\$ 8,030 (0.9%)
Direct Lobbying	\$ 956 (0.1%)
Fundraising	\$ 96,748 (10.4%)
Public Education (Outreach)	\$ 824,818 (88.6%)