

## **Mission Statement**

The purpose of the Montana Association of Symphony Orchestras (MASO) is to encourage, promote, and assist in the maintenance and development of musical programs of quality throughout the state of Montana.

**MASO Board Meeting**  
Wingate Inn, 2009 N. Oakes  
Helena, Montana  
May 19, 2009

## **Minutes**

President Peter Bogy, Helena Symphony, called the meeting to order at 10:10 AM; also in attendance:

Bozeman: Bridget Garnsey

Butte: Mark Hayden, Karen Porter

Billings: Sandi Culhane, David Hummel

Missoula: John Driscoll, Polly Huppert

Helena: Allan R. Scott, Tawna Parisot, Betsey War, Leatrice Lily, Kori Dee,  
Elli Parker,

Great Falls: Marty Cowgill, Bill Larson, Carolyn Valacich, Lorrin Darby,  
Gordon Johnson

Glacier: Alan Satterlee, John Zoltek

Montana Arts Council: Kristin Han Burgoyne

MASO staff: John C. Barsness

### **Public comment period**

Peter introduced Don Frederickson and his daughter Abby. Don thanked MASO for the Volunteer of the Year Award and described the origin of his connection to music, which started during the Great Depression 1929-30, with a dance band in high school and then college in North Dakota. He likes Brahms, Beethoven, Bach, Mozart, and is warming up to Mahler. In July he celebrates his 98<sup>th</sup> birthday and expects to be working on behalf of the Helena Symphony for a few more years.

**Minutes** of the January meeting were accepted as published.

### **March financial statement, FY2010 budget**

Alan presented the financial statement for March 31 and then FY2010 budget the Finance Committee created at its March meeting. He pointed out the line item for license plate sales, which have been fairly consistent of the past several years, is an estimate as of the end of March and will be adjusted to reflect actual income at the end of FY2009. David asked what the policy was for determining the cash reserve level; historically the reserve came from National Symphony residency to be used to benefit all. Peter tabled discussion until later in the meeting and would entertain a motion to amend the budget at that time. Motion from Karen, second from Bill, to accept the financial statement and proposed budget; motion passed unanimously.

**Volunteer Award** call for nominations, deadline for submission is August 31; review committee, consisting of Mary, Karen, and Betsey, will meet by teleconference shortly thereafter and recommend a winner at the September 23 meeting.

**By-Law update**

As Peter has been without a functioning computer for the past three weeks the planned update was not possible and this item is tabled until the September meeting.

**Young Artist Competition**

Allan thanked all who participated and reviewed the winners: College, Chelsea Padilla, piano; Senior, Jesse MacDonald, a previous winner in the Junior Division, violin; and Junior, Sarah Harmsworth, violin. There were 41 applicants, all blind juried by MASO Music Directors, plus much more variety this year with contestants on piano, strings, harp, and percussion. He agreed to coordinate the 2011 competition and begin planning for contest announcement next spring. As perception is as important as reality, it would be helpful to have 3 jurors from out-of-state to avoid conflicts of interest. He will negotiate with MSU on scheduling, but the contest cannot take place later than the third weekend of January as individual member orchestra schedules limit attendance and participation after that date. There is also a tuning convention at MSU that month and a regional competition that may be on the same date. One contestant was scheduled early and then left to attend the competition in Spokane, which is about as accommodating as MASO can be given these circumstances.

**Legislative and MAC update**

Arni Fishbaugh was not able to attend and Kristin presented her report. The legislature is over for this session; there were some difficulties with the agency budget, but House Bill 9, which consists of the Cultural Trust grants, was signed and there was very little alteration from the citizen panel recommendations. Please note those contracts will not be mailed until October and all other final reports first must be submitted and received by September 15. ARRA grants, one-time NEA funding of \$241,000 for next fiscal year, has a potential pool of over 100 applicants, but only 4 have started the on-line submission process. That deadline is June 30 at 5:00 PM; interim reports are due quarterly and must be on time or forfeit remaining funds with no exceptions.

John B. stated that after reading these guidelines, it was determined MASO would not submit an application because it would not be a strong candidate and would compete with member orchestras' applications. Members may go to [www.art.mt.gov](http://www.art.mt.gov) for application guidelines and links to the on-line application. Qualifying organizations may apply directly for NEA funding, MAC ARRA, or Western States Arts Federation (WESTAF) support, but may accept an award from only one of these sources.

**Orchestra reports**

**Billings:** Prior to her report, Sandi raised the issue of sharing cost of listing musician vacancies on-line at a group rate as was done for *Montana's Cultural Treasures* ad. Musicalchairs.com has agreed to post all MASO members for a single \$690 annual fee. Alan thought LAO hosted staff

listings and there was a free site for strings somewhere, but he was not certain it was still in business. Motion from Bridget, second from Karen, to amend budget to include \$690 fee beginning July 1; mechanics of who will handle posting is to be determined, motion passed unanimously.

### **Fundraising for the 21<sup>st</sup> Century**

The following is a presentation by Alan Satterlee which draws on his experience raising money as the Glacier Symphony and Chorale's Executive Director and his past non-profit experience.

Fundraising has two key elements: 1.) it is a team effort, and 2.) personalities matched to their strengths. Within those parameters, the relationship between the Executive Director and Music Director is extremely important.

Roles of board members and staff: staff support board members who must make the peer to peer ask, 100% of board must contribute cash for the effort to be successful, because that is one of the first questions prospective donors ask, and it is very helpful if 100% of staff also make a cash contribution. However, the level of contribution is left up to the individual, but it must be in cash. Also, Glacier Symphony and Chorale requires its board members to serve on two committees, one of which must involve fundraising.

### **Individual donors**

Have a donor database. An Excel spreadsheet may work for small organizations, and is probably where most start, but dedicated donor software like Exceed! (usually available for an administrative fee from [www.TechSoup.org](http://www.TechSoup.org)) is essential for capturing a more complete donor profile of small important bits of information; for example: birth date, family names, schools, and knowing who is related to whom, how, and why.

It is Glacier Symphony and Chorale's philosophy not to hire a development director, but use a model where staff supports the executive director who in turn supports the board.

Q: What is the best way to raise money?

A: See chart below.

<u>Where</u>	<u>Tools</u>
People who know the organization	Personal <u>phone call</u> Involve the <u>Music Director</u> appropriately <u>Face-to-face</u> encounter Get them in the <u>concert hall</u> and <u>feeling good</u> about product <u>Take care</u> of donor <u>Writing proposals</u> with good construction and worthiness (not needy) <u>Ask</u> , people give to people—not causes or organizations. <u>Legacy</u> (planned gifts)

MASO minutes May 19, 2009, page 4

Most givers are connected in some way with the organization or its product; therefore, work on moving donors up the scale of gifts.

Always have a campaign going and engage the board, which is easier in a capital campaign, but is absolutely necessary for success in every campaign. Have an operating campaign in lieu of a capital campaign; employ a reality check: what are the goals for 6 months, 1 year, 5 years, and 10 years?

It took the GSC 6 months to develop and wordsmith a case statement, but it is now easy to read and understand, consequently it is at the heart of all subsequent campaigns for about two years. It also means the entire board is literally on the same page reading from the same script.

The challenge with fundraising is finding leadership. For example, the GSC was challenged by a donor who moved to the Flathead and was the former president of the St. Louis Symphony. Before she would give a major gift, she challenged the board to come up with two things: 1.) 100% of board members make a cash gift and 2.) develop a strategic plan. Only then would she contribute. Out of this plan the “5 by 5” campaign, or \$5,000 a year for 5 years pledge from donors, came into being. During the campaign the board was dogmatic about meeting every 2-3 weeks on progress. At every Board meeting the strategic plan was reviewed, members reported on what they had done (peer pressure works wonders) and there was some ebb and flow, but they stuck to it.

Review: who the supporters are and grow goals accordingly. Keep reviewing lists of season ticket holders, donors from other arts organizations, and those who are philanthropic and support the community.

The focus has not been on large special events, but on small in-home receptions. The host brings his/her own list of friends in addition to the board-developed list. For these events one should prioritize what happens, when, and with whom which means do the research and target people carefully. Always start with the biggest donors and work down the list; do not ask a potential \$50,000 donor for \$5,000; it is disappointing for everyone involved. In other words, avoid the “ready, fire, aim” approach to fundraising. Exclusive dinners are for top donors and can also be used for donor appreciation afterwards; a dinner with contributed food and wine, plus one-to-one access to the maestro, for example. \$1,000 individual donors and \$2,000 corporate sponsors is usually the cutoff line for special benefits.

\$5,000+ donor protocol: within three days (optimally one within 24 hours) they receive

- Tax letter acknowledging gift
- Handwritten note from the executive and music directors
- A thank you note from a board member

Decide what benefits go with which levels of donors. With \$1,000+ donors there is an invitation to attend the first half of an open rehearsal (although this may not be economically feasible depending on the venue) featuring a guest soloist, then a dinner and reception with the soloist

(but not Music Director) while the orchestra continues to rehearse. The event can be at the last concert of the season, but it does not always make sense depending on the program, so it can be earlier in the season. In some ways the lower donor base is shrinking, either through attrition, some were let slide, or because they were successfully moved up the donor ladder.

A MASO question followed on sponsored/endowed chairs. Discussion flowed from not having them if the artist is not paid to also making it clear to sponsors that their gift benefits the entire orchestra and not just the one instrument. An effective fundraising tool is to seat the sponsor next to their musician during a rehearsal. In that way they hear, see, and feel what transpires on stage during a performance, although it might not be advisable for percussion section.

### Corporate Sponsors

Currently Glacier Symphony and Chorale has four at \$10,000 and five at \$5,000. Before asking for a sponsorship it helps to put yourself in the business person's shoes and ask what business purpose a sponsorship would serve? Be ready to provide the answer and have a menu of different levels and benefits which meet a business purpose.

Once they are on board with a sponsorship, you can ask if there is anything special they would like to do at a concert. For instance, wear their corporate badge and be greeters. You can also invite them to a post concert reception or give a "backstage pass" for a photo with the guest artist and/or signed poster. Another effective approach is to ask if they wish to stand and be recognized just prior to the concert.

Create a monthly list of businesses to contact according to the best time in their budget year; i.e., the month before they set their budget.

Be careful of offering an "exclusive benefit" to a single sponsor as that terminology triggers IRS UBIT (Unrelated Business Income Tax) which must be reported and paid with the next 990 filing.

### Legacy

For planned giving there is a major learning curve and time commitment. Large organizations will have a full-time person responsible for no more than seven prospects—meaning they spend all of their time developing those contacts and do nothing else. However, the rewards can be significant. Start with your board.

Create a brochure with inserts on IRS and Montana Department of Revenue rules and distribute stacks to your estate lawyers and financial planners.

To your Maestro Circle of donors add the names of planned givers once you receive the commitment.

Remember: current gift annuities are not good because you pay out benefits during the donor's remaining lifetime; deferred annuities are good because there is no payout to the donor.

MASO minutes May 19, 2009, page 6

Most of the planning takes place in the fourth quarter of the calendar year to maximize tax benefits. 90% take the form of bequests and wills.

### **Next conference, reserve policy, and meeting topics**

#### Conference

There was much discussion followed by consensus that MASO should begin planning for holding another conference, open to organizations in neighboring states, in September or October of 2010. The general concept will be a Thursday-Friday conference with a local Saturday performance tied to it and there should be concurrent tracks.

A committee will report back on initial planning at the September meeting; topic for the meeting will be conference planning. Committee includes: John Driscoll (advice only as he is tied up with another committee planning an LAO event), Carolyn Valacich, Gordon Johnson, Tawna Parisot, and John Barsness.

David suggested taking this idea back to the respective boards for their suggestions on topics of interest.

John B. will gather data on previous conferences as to total cost, cost per person, and number attending.

#### Reserve Policy

After much discussion and suggestions on how to divide up the reserve (Young Artist Competition, individual orchestras, plus how much to keep in reserve, it was agreed to defer the discussion to September.

#### Meeting topics

There was no time left to set topics for next year's meetings beyond September; it will be done by e-mail instead and in the near future.

As a last point of business, John B. said Lynda Frisbey has had about the same response from librarians regarding updates as he did previously. What she truly needs is a current list of holdings each orchestra is willing to share. There are numerous errors and omissions in the current music catalogue and she wants to make it as correct as possible.

Sandi added as a reminder that Lynda should copy executive directors on her e-mail requests to librarians.

Adjournment, 3:24 PM

Respectfully submitted,

John C. Barsness, Executive Director