



Minnesota State Zoological Board.
Zoo-Related Organizations Files.

Copyright Notice:

This material may be protected by copyright law (U.S. Code, Title 17). Researchers are liable for any infringement. For more information, visit www.mnhs.org/copyright.



Minnesota Zoological Society

March 1, 1983

Dear Zoo Board members:

The Minnesota Zoological Society voted overwhelmingly to reject the request of the Zoo Board from its December meeting that the Society dissolve and turn over its assets to the Foundation. This decision was made at a special meeting of the membership on February 17, 1983 that was attended by 54 Society members (voting 53 to 1), and about an equal number of interested citizens.

In addition, 74 members unable to attend requested that the Society continue. Only four suggested that we vote in favor of your request.

The Society board of directors was disappointed to see that no representative of the Zoo Board was in attendance to hear the discussion at this open meeting. We did tape the meeting, however, if you would like to listen to the proceedings. Several citizens that are also members of the zoo staff felt strongly enough about the need for an independent, private, citizen-based organization that they risked their jobs to speak out on this issue, as did many other Society members.

Copies of the members responses to your request are enclosed for your review.

As a result of this vote, the Society board must now determine a new direction for the organization. We would be more than happy to receive constructive suggestions of areas of support from either you or Mr. Iserman. We intend to revise our by-laws, establish a new membership program, and develop a mission for future support of the Minnesota Zoo. We intend to have a new program in place as rapidly as possible, and we will keep you apprised of our progress. Our next meeting is Thursday, March 10.

We are more than willing to work cooperatively with you to attain these objectives and we intend to actively pursue your cooperation.

The Society, as an organization, has no intention of jeopardizing the future of the Zoo, or withdrawing support. The will of our membership was quite clear: Support for the Zoo does not necessarily mean yielding to the will of the Zoo Board. We will actively pursue a cooperative program, but we will support our valued state institution with or without it.

Sincerely,

Board of Directors
Minnesota Zoological Society

Mark Jacobson, President; Don Block, Vice President; Dennis Albrecht, Secretary; Stephanie Fox, Treasurer; Robert Bonawitz, Past President; Joseph Bohlen, Narvel Brooks, Jr.; David Dunn; Karen Ferguson; Craig Halvorsen; Clayton Hatzenbuhler; Ingrid Holley; Patricia Leefeldt; Marilyn Nordaune; Roger Palmquist; Marialice Seal; Vicki Uchida.

555 Wabasha Street • Saint Paul, Minnesota 55102

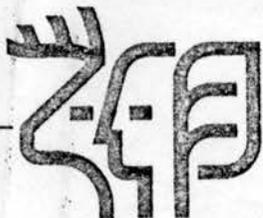
Telephone 612 222-1706

1/7/83

St. Paul Pioneer Press (small column on "Metro and Region Briefing")

Zoo Unit to Meet

Minnesota Zoological Society members will decide February 17 whether to go out of business and turn over the group's remaining funds to the Minnesota Zoological Garden Foundation. The Society which was a support organization even before the Zoo was established has been asked by the Zoo's Board of Directors to dissolve and let the Foundation be the sole support organization. After a special meeting Wednesday, the Society issued a statement that members will meet "to vote on this (request) and other alternatives".



Minnesota Zoological Society

*Society
transition*

January 6, 1983

PERSONAL AND CONFIDENTIAL

Mr. Richard Arndt
Arthur Andersen & Company
386 North Wabasha, Suite 900
St. Paul, MN 55102

Dear Dick:

A special meeting of the members of the Minnesota Zoological Society will be held on Thursday, February 17, 1983, at which the members will be asked to determine whether the Society should continue in existence or dissolve as requested by the Zoo Board.

During the interim period from January 1, 1983, until the membership meeting on February 17, there may be Society members who will seek admission to the Zoo with group tickets purchased on their behalf by the Society. There are many group tickets that have been purchased and sent to our members that bear an expiration date of December 31, 1982. In order to avoid the expense and additional handling of exchanging those tickets for current tickets valid for use in 1983, the Society Board would like to request that the Zoo honor through February 28, 1983, any group gate admission tickets presented by Society members with a 1982 expiration date. If this request is approved, we would appreciate your advice as to the procedure for honoring any such expired tickets, such as requiring that the member produce a current Society membership card or other action required to validate the expired tickets. We should inform our members of any such requirement.

Thank you for your consideration.

Sincerely,

Mark E. Jacobson

MEJ/jmh

cc: Mr. Steve Iserman
Minnesota Zoological Gardens

PROPOSED ALLIANCE OF ZOO SUPPORT ORGANIZATIONS

The Alliance will be a new organization. It will select a new appropriate name. Its objective will be to give all possible support to the Minnesota Zoo including capital, operating, and research funding.

Initially it will be governed by a board of twenty-six (26) members. Twelve members will be appointed by the Chairman of the Foundation. Twelve members will be appointed by the Chairman of the Society. The Chairman of the Zoo Board or his designee will be a member. The Chairman of the Zoo Volunteer group will be a member.

The Foundation and the Society each will designate four of their appointees to the first board for a one year term, four for a two year term, and four for a three year term. As the initial term for board members ends, the successors will be elected for three year terms at the annual membership meeting as provided in the by-laws.

The board will meet twice a year, once at the annual meeting and once at a mid-term meeting.

The organization will be managed by a seven member Executive Committee. Initially three members will be appointed by the Chairman of the Society and three members by the Chairman of the Foundation. The seventh member shall be the Chairman of the Zoo Board or his designee. At the first annual meeting of the board following the organization meeting, the Executive Committee shall be elected by the board as provided in the by-laws.

Candidates for election to the Board will be elected by the membership at the first annual meeting at which initial board terms expire and annually thereafter pursuant to nominations made by a Nominating Committee composed of two members from the Endowment Committee, two members from the Membership Committee, and three members selected by the Executive Committee from the members at large.

There will be two standing committees, an Endowment Committee and a Membership Committee. All of the board members will serve on one of the two committees. These committees will organize and act immediately.

The Endowment Committee will be responsible for capital fund development, will manage investments, and manage the organization's finances. It shall determine policy for all fund-raising efforts of the organization.

The Membership Committee will have the responsibility of coordinating the following activities with the Zoo staff:

1. Zoo Goer membership drive.
2. Scheduling of activities and special events for Zoo Goer members.
3. Zoo Goer newsletter content.
4. Volunteer recruitment and volunteer recognition events.
5. Education programs held off site including a speaker's bureau.

An Audit Committee, if any, will be a subcommittee for the Endowment Committee, but will not include any officer of the organization.

The organization will make an annual report to the Zoo Board, at which time the year's operation of the organization will be reviewed, the next year's budget and program presented, and recommendations relating to them and the dispersal of funds approved. The recommendations will be prepared jointly by committees from both organizations and will include agreements previously made. All records of the organization will be available to the Zoo Board. The organization's annual budget will provide for a cash reserve carried over from previous year's operations which will be adequate to cover six months operating expenses of the organization.

The Zoo News will be published by the Zoo staff unless otherwise agreed upon by actions of both boards. The Zoo News shall be available to the organization for membership service and fund raising purposes.

All advertising and promotional programs relating to general attendance to the Zoo will continue to be a Zoo staff function except when agreed upon by both organizations. Fund raising will be the responsibility of the organization in accordance with recent assignment to the Foundation. In the interest of maximizing benefits, applications for philanthropic grants or for substantial promotional support from outside organizations, will be coordinated in a plan approved by both staffs.

There will be no change in designation of funds now held by the Foundation. The organization will need funds for membership drive and operating expenses, and it is recommended that sufficient Society funds be made available for this purpose, subject to an approved budget.

Relationships between the Zoo Board and the organization as spelled out in this proposal will be negotiated by the Zoo Board and the board of the new organization once it is organized.

Once the new organization is organized a method of continuing communication between the organization's board and the Zoo's board will be determined by agreement of the Executive Committee of both boards.

The new organization will have its office at the Zoo in space furnished by the Zoo.

PROPOSED ZOO-ALLIANCE MEMBERSHIP AGREEMENT

Responsibility of the Zoo Board

The Zoo Board has the responsibility of setting policy and operating the Minnesota Zoological Garden. Part of that responsibility runs to making sure that all activities, programs, fund raising, etc., relating to the Zoo are carried out in the best interests of the Zoo, including those activities, events, etc., which may be sponsored by other related or unrelated organizations. The Zoo Board also has the authority to contract for services with outside parties and in that context wishes the Alliance to perform the following services:

1. Sell Zoo Goer memberships by any means, location, etc., except at the Zoo. All membership applications sold at the Zoo or received by the Zoo will be processed by the Zoo regardless of origin.
2. Sponsor and coordinate with Zoo all shared program advertising.
3. Sponsor and assist in developing and/or preparation of Zoo newsletter.
4. Sponsor Zoo volunteer recognition events and assist in recruiting volunteers.
5. Develop a Speaker's Bureau.
6. Conduct other activities or events which will enhance the Zoo's attendance and/or community image. All such events or activities will have the prior approval of the Zoo Board of Directors.

For providing the above services, the Zoo will give the Alliance:

1. The exclusive right to market and sell Zoo Goer memberships except at the Zoo. Alliance membership will include all Zoo Goer privileges.
2. The use of Zoo meeting facilities when such use does not interfere with Zoo operations.
3. Free parking for Alliance staff when on official Alliance business or scheduled to work.
4. The right to office at the Zoo in space furnished by the Zoo.

Other matters

1. The Zoo will print and control all free passes to the Zoo.
2. The Alliance will reimburse the Zoo for any and all incremental costs incurred by the Zoo in connection with Alliance activities, events, education classes, etc.
3. The Alliance should adopt a procedure to inform its members regarding the final disposition of their contributions, i.e. for Alliance operations or designated for the Zoo.
4. The Alliance will develop policies and procedures to clarify advertising and/or public announcements relating to their program, events, etc.
5. Zoo Director and/or Zoo staff will have final authority regarding content of newsletter and Alliance sponsored educational programs.

6. The contract will be automatically renewable each year unless 90 day notice by either party is given, provided, however, the existing memberships at the time of such termination of this contract shall be honored by the Zoo until the expiration thereof and any other contractual obligations between the Zoo and the Alliance will continue in effect for the term thereof or until terminated according to the terms of such contracts.

Financial Responsibility of the Alliance to the Zoo

1. For each Zoo Goer membership sold by the Alliance, the Zoo will receive one-third (1/3) of the on site Zoo Goer fee. Such amount represents approximately the average attendance cost less services performed by the Alliance for the Zoo. Such amount shall be paid at least quarterly based on memberships sold during the prior quarter. The amount will be deposited in the State General Revenue Account.
2. An annual dollar contribution from the Alliance is desirable, and the 1982-83 contribution will be the remainder of the reserves not required for Alliance operating budget needs for 1982-83.
3. Annual contributions commencing with the Alliance's fiscal year beginning 1983 will take the form of:
 - a. All dollars received over the base membership fee, i.e. all dollars received in excess of stated membership fees will be designated in a separate Alliance account for future use by the

Zoo, subject, however, to the Alliance's budgetary needs based upon the annual budget approved by the Zoo Board. Such transfer shall be made on May 31 of each year or earlier if the Alliance desires.

- b. The Alliance will determine as a part of its approved operating budget a level of fund balance equal to six months operation. Any amount in excess of such fund balance will be transferred at the end of Alliance's fiscal year or earlier at the request of the Zoo Board, to a restricted account for future Zoo use.
 - c. Alliance funds transferred to the special account for the Zoo shall be used only for plant and animal purchase, exhibit development and improvement, including exhibit graphics, education, research and capital improvements in accordance with action taken by the Zoo Board.
- 4. The Alliance shall operate in a reasonable and prudent business manner during the term of this agreement with every effort made to maximize revenue and hold expenses to a minimum.
 - 5. The Alliance will meet with the Zoo Board or its designated committee each year during the term of this agreement to present the Alliance's proposed programs and budget for the succeeding year for review and approval by the Zoo Board.

6. In the interest of maximizing benefits, applications for philanthropic grants or for substantial promotional support from outside organizations, will be coordinated in a plan approved by both staffs.

The Zoo and Alliance Board will perform a combined study not later than one year from the date of this agreement to determine if:

1. The complete administration of the Zoo Goer Program should be transferred to the Alliance.
2. The administration and publishing of the newsletter should be transferred to the Alliance.
3. The Zoo Gift Store should be transferred to the Alliance.

DEPARTMENT Minnesota Zoological Garden

STATE OF MINNESOTA

Office Memorandum

TO : Steve

DATE: 9/8/82

FROM : Dave

PHONE: Ext. 298

SUBJECT: Staff Recommendation on a Zoo Alliance

I have discussed the possibility of formation of a new single zoo support organization with a number of staff members, particularly persons currently involved with programs which at one time or another were shared with or solely administered by the Minnesota Zoological Society. I also add my personal observations and opinions. We have approached this whole issue not from consideration of the recently drafted proposal of the two parties considering merger, but rather from the perspective of what we as staff feel our agency requires at this point in time of a support organization.

Support can be considered in terms of dollars and programming. It is our collective opinion that our primary need continues to be financial support for further completion and growth. Although support in terms of programming is highly desirable, it should not be undertaken at the expense of primary capitol development needs. In this context, financial support must be in the form of new funding dollars, not repackaged and redistributed revenue monies already coming to us through existing zoo administered programs such as Zoo Goer membership.

Program funding and support programming is desirable but not essential. Proper safeguards must be present so that these operations by a support organization do not adversely deflect tight zoo staffing resources from their basic mission of providing for animal presentation. When this occurs it becomes a question of whom is supporting whom. Criteria applied to determination of support organization role should include programs or projects that are desirable for furthering a positive zoo image in the community, increasing zoo awareness, developing a broad financial and political support base and increasing zoo usage. Support should focus on mission related objectives that are desirable but can not be obtained by the zoo due to existing resources, labor intensity, citizen support, etc.

We have outlined below with no particular priority intended possible support roles we see desirable and possible through a proposed alliance. Some have operational benefits and some would enhance the products and experiences available to our clientele.

1. Total administration of a continuing education program - including classes, seminars, lectures, displays and field trips.
2. Administration of special citizen fund raisers such as runs or walks for the animals.

*fill - MZS**Soothy**Aggi**my response the last time we showed note of Foundation*

3. Solicitation and administration of staff identified grant subsidized programs. (e.g. gifted classes, research projects, special busing programs).
4. Financial support for volunteer recognition.
5. Development of networking channels with community organizations for the bilateral or multilateral furthering of education conservation, political action, and fund raising objectives. Partners might be wildlife organizations, other agencies such as the DNR or other private foundations or societies like the Freshwater Biological Society.
6. Cooperative effort in the identification and development of special marketing promotions that incorporate capitol expansion monies. (e.g. Dayton's).
7. Development of alliances and joint programming with statewide organizations such as scouts, 4-H, county fairs, Lions clubs, etc. for the purpose of building a broad based zoo constituency.
8. Funding and execution of seasonal displays, events and activities to increase zoo awareness and/or attendance.
9. Administration and expansion of currently zoo administered speakers bureau.
10. Promotion and offsite sale of Zoo Goer membership.
11. Support for and development of additional Zoo Goer membership benefits and programs such as classes, travel, discounts or premiums on books, field trips, etc.
12. Funding and program support for an outreach program to community centers, public service groups, hospitals, etc.
13. Editorial contributions to existing zoo publications.

This list is not exhaustive but points a general direction for discussion. In conclusion, I would reiterate our strong recommendation that the support groups' primary task be capitol fund development and attendant investment management. We also see the need for immediate short term development of what you might term small scale exhibit additions that can be accomplished in-house at the rate of one a year. A support organization could work with staff on identifying and obtaining funding for these minimal level growth needs that are so important to monitoring our current attendance base.



Minnesota Zoological Society

MZS

June 23, 1982

PROPOSAL

TO: Minnesota Zoological Garden (S. Iserman)
FROM: Minnesota Zoological Society (P. Wetzel)
SUBJECT: Request for Zoo Site Usage and Staff Assistance
for Minnesota Zoological Society Member Events.

The Minnesota Zoological Society requests use of the Zoo site and assistance of Zoo staff for two member events at the Minnesota Zoo during the months of August and September 1982.

1. Monthly Members Day. Pronghorn presentation and hospitality room. Sunday, August 22, 1-3 p.m., Zoo Lodge.

Monthly zoologically-related activities are offered to Society members free of charge as a benefit of membership. These activities include lectures by Zoo staff and other zoological experts and field trips. While not all activities are held on the Zoo site, on-site activities serve to increase member attendance at the Zoo. Average attendance at these monthly events is 35-50 participants.

Zoo staff assistance: The Society requests a member of the Biological Programs staff to present current information and history of the Pronghorn exhibit at the Zoo which is featured in the August issue of the Society newsletter. Time needed: 1/2 to 1 hour at 1 p.m. 8/22.

Space requirement: Use of the Zoo Lodge meeting room from 1-3 p.m. on 8/22.

Society will provide: Hosts/hostesses at the Zoo Lodge and refreshments in the Lodge from 1-3 p.m. The Society customarily offers a \$30 honorarium to guest speakers and would offer it also in this case.

In order to notify members of this activity through the newsletter, the Society requires approval on 7/28/82.

(MORE)

2. Fourth Annual Society Open House at the Zoo, Saturday, September 11, 1-4 p.m.

In accordance with the termination procedures of the Zoo/Society Reciprocity Contract, a Society member open house will be held at the Zoo this year. We propose a Saturday afternoon event, 1-4 p.m., September 11, 1982 to accommodate approximately 500 participants (a projection based on the ratio of open house participants to total memberships from previous years).

This date was chosen for three reasons:

- 1) Tradition. The three previous open houses were held on Saturday afternoon, two in September.
- 2) Convenience. Attendance at the Zoo drops significantly after Labor Day. A post-Labor Day open house in September will not create traffic flow problems at the Zoo and will still take place during weather that allows enjoyable outdoor activity.
- 3) Creates an opportunity to showcase the Red Panda exhibit. We feel it is very important to stage the open house after the new exhibit is open to create a sense of positive growth at the Zoo.

An Open House should include the following elements:

- 1) Presentation of information about the Zoo and its plans for the future. Highlighting the Red Panda exhibit and creating a hospitality room where members can meet Zoo and Society staff and board members fulfills this function.
- 2) Special recognition. Society members must be identified as such and receive some "special" treatment that they believe indicates recognition of their support of the Zoo project. Behind the scenes tours are important for this reason.
- 3) A festive atmosphere appropriate to a family recreational activity.
- 4) A solid plan and schedule of events easily communicable to participants and well-known to staff.
- 5) Advance notice to members.

The Society proposes the following activities:

1. Behind the scenes tours:
Red panda special tours
Animal Hospital/Necropsy

(MORE)

ISIS
Photo/Graphics Lab
Greenhouse
Minnesota, Tropics, Sealife holding areas
Tiger maternity

2. Music on the plaza.
3. Special Bird Show performances.
4. Special theater performances. Suggested: Dennis L. Olson as Critterman. Special performances would be in addition to regular Zoo Theater programming.
5. Use of the Zoo Lodge for a hospitality room.
6. Booths promoting ZooCare, Zoo Wise classes, the Volunteer Program, and Society membership.
7. Signage marking the entry points of tours and places of scheduled activities.

Zoo Staff Impact:

1. Planning time in all Divisions.
2. Staff to determine best tour areas, be present during tours, indicate where signage is needed for tours, and provide that information to Society for inclusion in event handout to participants.
3. Signage production.
4. Assistance in putting up Society banner and booths, also tear-down.
5. Education department materials and staff to man Zoo Wise booth.
6. Staff or volunteers to promote Zoo Care program.
7. A/V staff to assist in Theater programming and handle set-up.
8. Volunteers to provide assistance at tour entries and in hospitality room.
9. Admission staff to distribute day's schedule of activities.
10. Bird Show performances.

(MORE)

Society Will Provide:

1. Printed schedules of the day's activities.
2. Buses to Internal Services for tours.
3. Banner for entry.
4. Any extra equipment necessary including booths.
5. Board members and staff at Hospitality Room and tour entry points.
6. Music and any other additional performances scheduled.
7. Notice to members.
8. Assistance as requested by Zoo staff when physically or financially possible.
9. After-event party for volunteers, staff and board members of the Zoo and Society who assisted with the project.

In order to adequately inform members of the Open House, the Society requires six weeks advance approval. If September 11 were approved, the Society would need notification by August 2.

Prepared by: P. Wetzel



Mailed to Bd
4-16-82

For Immediate Release:
April 16, 1982

For More Information Contact:
Nancy Gibson (612) 432-9010, Ext. 217

ZOO BOARD DEMANDS SOCIETY DISCLAIMER

The Minnesota Zoological Board, governing body of the Minnesota Zoo, unanimously acted at its meeting on April 15 to require the Minnesota Zoological Society to identify in its mailing that the Society is not an agency of the State of Minnesota and is not affiliated with the Minnesota Zoo. The purpose of the disclaimer is to eliminate the public confusion concerning the nature of the relationship between the Minnesota Zoo and the Society.

Board member Jim Weaver, speaking for the Zoo Board, said, "We have an obligation to the public to make it clear that the Society and its programs are not the programs of the zoo. This is particularly important," he said, "since the Society intends to sell memberships promising unlimited admission to the zoo through its purchase of group discount tickets."

Weaver said that until assurance is received that the disclaimer will be included the zoo will not sell group tickets to the Society. Through a letter from the State Attorney General's Office dated March 24, the Society was requested to include a clear disclaimer of affiliation in any of its material that speaks of the Minnesota Zoo. Yesterday a Society spokesman confirmed to the Zoo Board that the Society would not do so.

In response to the Society's stand on the issue, the Board has asked the Attorney General's Office to formally advise the Society again of the requirement for the disclaimer.

On November 19 the Zoo Board terminated a contract with the Society under which all annual zoo membership income had been collected by the Society. A new annual membership program called "Zoogoer" is now being offered to the public directly by the Zoo.

Dear Mr. Jacobson:

By letter dated March 24, 1982, I advised you of the Minnesota Zoological Board request that the Minnesota Zoological Society include the following disclaimer in any publication or literature that it distributes which uses the name or symbols of the Minnesota Zoo:

"The Minnesota Zoological Society is not an agency of the State of Minnesota and is not affiliated with the Minnesota Zoological Garden."

The purpose of the request was to eliminate the public confusion concerning the nature of the relationship between the Minnesota Zoo and the Society. As you know, disclaimers that have been used in the past have been ineffective in preventing misperceptions. Moreover with the termination of the reciprocity agreement and other direct program ties between the Zoo and the Society the nature of the relationship has changed in recent months sufficiently to require a more clear statement. My letter also requested a written response within two weeks and indicated that absent compliance with the request, the Zoo Board might take action necessary to compel it.

By letter dated March 23, 1982, you advised Jim Hetland, Chairman of the Zoo Board, that the Society's promotional literature did include a statement to the effect that the Society is an independent, non-profit organization, but refused to disclaim affiliation with the Minnesota Zoo. While your letter preceded my direct request, Karla Williams' comments at the Zoological Board meeting yesterday confirmed the position taken in that letter as that of the Society.

In view of the Society's refusal to voluntarily cooperate, the Zoological Board has requested me to inform you that effective immediately, permission to use the name or any of the symbols of the Minnesota Zoo in Society publications or literature is withdrawn unless used in conjunction with the disclaimer quoted above. Furthermore, until the Zoological Board receives adequate written assurance that

the Society will comply with this condition, no admission tickets to the Zoo will be sold to the Society. Accordingly, the Society's checks totalling \$3,500.00 delivered to the Zoo yesterday for the purchase of group sales tickets are returned herewith.

The Board has also asked me to inform you that should the Society continue to use the name or any of the symbols of the Minnesota Zoo in its publications or literature without the required disclaimer, it may take any and all further action provided by law.

SY,

Rick Slowes

cc: MZB

Edward Kohn

Karla Williams

Enclosure

YES, I want to renew my membership in "THE FAMILY"!



\$50
SUPPORTER

\$100
DONOR

\$32.50
FAMILY

\$21.50
INDIVIDUAL

My check is enclosed.

Please charge to my VISA MASTERCARD

Charge Account Number _____ Exp. date _____

Name as it appears on credit card _____

Number in FAMILY: Adults _____ Children _____
(6-11) (12-16)

005862 01 5 05/82 20 MN
MR AND MRS MICHAEL SMITH
4028 RAHN RD.
EAGAN, MN 55122

Please correct your name and address if they are shown here incorrectly.

YOU ARE THE HEART OF THE FAMILY

Dear Mr. and Mrs. Smith,

The social critics tell us that we are living in the "me generation" - a period when people are supposedly interested only in themselves, and their own interests.

You are evidence to the contrary.

During the past several years, a select group of people like you unselfishly gave time and money to help support the Minnesota Zoological Society.

When you joined the family, you helped the Society grow to over 9,200 memberships, and last year become the 5th largest zoological society in the nation.

Through the Society, you helped create the first (and perhaps the best) state zoo in the country. You helped the Society to develop a nationally recognized volunteer corps - a highly qualified and dedicated group of people who work on the zoo site.

You made it possible for people of all ages and interests to learn more about their world at Society sponsored education classes. Your membership also helped the Society to sponsor a variety of events which raised hundreds of thousands of dollars for the zoo.

These are significant accomplishments, thanks to you and people like you.

Now, as the Society enters its 21st year, we need your support more than ever.

Our work has only begun. There are new opportunities and areas of zoological need just around the corner. As a non-profit citizens organization, the Society must and will be there to meet the challenges of the future.

With your membership in the Society, you help the efforts of the 'people' side of the zoo. This includes our work in building public support for the zoo and providing educational opportunities for both members and the public alike.

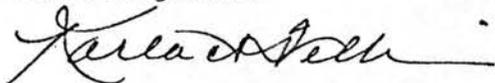
And, as a member of the family, you will continue to receive all the benefits you have become accustomed to - plus a few new ones. They are:

- . Free Unlimited TICKETS* to the Zoo
- . Subscription to Animal Kingdom
- . Subscription to ZOONEWS
- . Annual Members Day
- . Monthly Member Activities
- . Opportunities for Wildlife Study
- . Opportunities for National and International Travel
- . 20% Discount on Guest Tickets
- . Discount on Books
- . Annual Lecture Series
- . Tax Deduction

We sincerely hope you renew your membership in the Minnesota Zoological Society. It is only with your support that we can continue our good work.

If you have any questions about your membership or wish to share your ideas and opinions, please call me personally at the Society office, 222-1706.

Kind regards,



Karla A. Williams
Executive Director

P.S. We think Society Members are like endangered species.
We can't afford to lose a single one.

PLEASE RENEW

*Due to a change in zoo policy, you will now receive individual zoo TICKETS upon request to the Society's St. Paul office.

YOU ARE
THE HEART OF
THE  FAMILY.

The Minnesota Zoological Society is a non-profit citizens organization.

cc: Sl ad

Minnesota Zoological Garden Apple Valley, MN 55124 612/432-9010 Cable MZOO

April 29, 1982

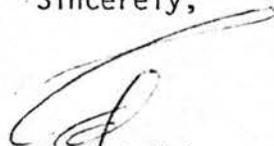
Karla Williams, Executive Director
Minnesota Zoological Society
555 Wabasha Street North
St. Paul, Minnesota 55102

Dear Karla:

I am pleased things have worked out through the Society's agreement to apply the disclaimer requested by the Zoo Board. The letter addressed to Rick Slows from Mark Jacobson, dated April 28, 1982 fulfills the requirements set forth in the Zoo Board's motion of April 15. Accordingly, your Purchase Order Nos. 511 and 512 totalling \$3,500 for the purchase of group discount tickets may now be processed.

In order to document the Society's cooperative compliance, please send us copies of the materials showing the addition of effectively placed disclaimer statements. In addition, if you would kindly place us on your mailing list for future copies of the Society's publications and promotional materials, we'll be able to stay current with you.

Sincerely,



Edward Kohn
General Director

EK:gd

cc: Minnesota Zoological Board Transition Committee
Susan Hoffman





Minnesota Zoological Society

April 28, 1982

Mr. Richard S. Slowes
Special Assistant Attorney General
515 Transportation Building
St. Paul, MN 55155

RE: Minnesota Zoological Society

Dear Mr. Slowes:

At the monthly meeting of the board of the Minnesota Zoological Society on Wednesday, April 21, 1982, the Society board took formal action to comply with the request of the Minnesota Zoological Board that the Society include in any of its publications or literature a disclaimer as set forth in your letter of April 16, 1982 to the undersigned. The Society board does not wish to perpetuate any public confusion that may exist concerning the identity of the Society as an independent non-profit citizen's support organization.

It is my understanding from your letter of April 16, that the Zoo Board took action to withhold sale of discount tickets to the Society until the Society gave the Zoo board its assurance that the Society will comply with the request to include the disclaimer in Society literature. You have my assurance, as president of the Society, that no further literature will be distributed by the Society unless it is accompanied by the requested disclaimer. As such, I would appreciate your advising Ed Kohn to authorize Zoo staff to issue group discount tickets to the Society upon request.

Sincerely,

Mark S. Jacobson

MSJ/jah

cc: James Hetland, Chairman, Minn. Zoo. Board
Edward Kohn
Karla Williams



STATE OF MINNESOTA
OFFICE OF THE ATTORNEY GENERAL
ST. PAUL 55155

WARREN SPANNAUS
ATTORNEY GENERAL

March 24, 1982

ADDRESS REPLY TO
415 TRANSPORTATION BLDG.
ST. PAUL, MN 55155
TELEPHONE: (612) 297-2400

Mark Jacobsen, President
Minnesota Zoological Society
555 Wabasha Street
St. Paul, Minnesota 55101

Dear Mr. Jacobsen:

As you know, at its meeting on March 18, 1982, the Minnesota Zoological Board voted to request the Zoological Society to include in any of its promotional literature that contains or uses the name of the Minnesota Zoo a disclaimer to the effect that the Society is not affiliated with the Zoo. I have been asked to formally advise you of this request and the basis on which it is made.

You are no doubt well aware of the considerable confusion that exists in the public concerning the nature of the relationship between the Zoo and the Society. To clarify the situation the Legislative Auditor has twice recommended the use of a disclaimer in literature linking the Minnesota Zoo and the Society. Use of a disclaimer is even more necessary now that there is no contractual relationship between the Zoo Board and the Society. Accordingly, the Society is requested to include the following disclaimer in any publication or literature that it distributes which uses the name or any symbols of the Minnesota Zoo:

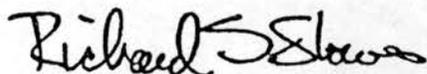
The Minnesota Zoological Society is not an agency of the State of Minnesota and is not affiliated with the Minnesota Zoological Garden.

The Board would appreciate your written response regarding the Society's compliance with this request within two weeks.

Mark Jacobsen, President
March 24, 1982
Page 2

In view of a comment attributed to you in a recent newspaper article that the Society might ignore this request, I feel it appropriate to advise you that the Zoo Board may elect to take legal action pursuant to Minn. Stat. § 333.54 (1980) or employ other means at its disposal to compel compliance. I hope that such action will not be necessary.

Sincerely,



RICHARD S. SLOWES
Special Assistant
Attorney General

Telephone: (612) 296-2638

RSS:fw

cc: James L. Hetland, Jr.
Edward Kohn
Steve Iserman



Minnesota Zoological Society

April 26, 1962

Mr. Richard S. Slowas
Special Assistant Attorney General
515 Transportation Building
St. Paul, MN 55155

RE: Minnesota Zoological Society

Dear Mr. Slowas:

At the monthly meeting of the board of the Minnesota Zoological Society on Wednesday, April 21, 1962, the Society board took formal action to comply with the request of the Minnesota Zoological Board that the Society include in any of its publications or literature a disclaimer as set forth in your letter of April 16, 1962 to the undersigned. The Society board does not wish to perpetuate any public confusion that may exist concerning the identity of the Society as an independent non-profit citizen's support organization.

It is my understanding from your letter of April 16, that the Zoo Board took action to withhold sale of discount tickets to the Society until the Society gave the Zoo board its assurance that the Society will comply with the request to include the disclaimer in Society literature. You have my assurance, as president of the Society, that no further literature will be distributed by the Society unless it is accompanied by the requested disclaimer. As such, I would appreciate your advising Ed Kohn to authorize Zoo staff to issue group discount tickets to the Society upon request.

Sincerely,

Mark E. Jacobson

MEJ/jah

cc: James Wetland, Chairman, Minn. Zoo. Board
Edward Kohn
Earle Williams

cc 58, 8, 2

April 20, 1982

Mr. Mark E. Jacobson
President
Minnesota Zoological Society
430 Marquette Building
Minneapolis, MN 55401

Dear Mark:

On behalf of the Minnesota Zoological Board, I request disbursement to the Minnesota Zoological Garden of the unrestricted fund balance retained by the Society for the benefit of the Minnesota Zoo. It is understood that funds necessary to provide membership benefits other than Zoo admission to those who were members on November 19, 1981, through their remaining annual term, are retained by the Society for those purposes. Admission benefits for those members are at no direct expense to the Society.

These unrestricted funds will be applied in support of Zoo research, education and animal presentation. Be assured that we will keep you informed as to the use of these funds.

Sincerely,

James L. Hetland, Jr.
Chairman, Minnesota State
Zoological Board

JLH:rb

cc: Minnesota State Zoological Board

April 20, 1982

Mr. Mark E. Jacobson
President
Minnesota Zoological Society
430 Marquette Building
Minneapolis, MN 55401

Dear Mark:

The Zoological Board members have been reminded by legal counsel that they are not now, nor have ever been, authorized in their official Zoo Board capacities to serve as either members or directors of a private corporation.

Accordingly, the Zoo Board members have asked me to advise you that no one of them chooses to serve as "Class II" members of the Minnesota Zoological Society.

Sincerely,

James L. Hetland, Jr.
Chairman, Minnesota State
Zoological Board

JLH:rb

cc: Minnesota State Zoological Board



STATE OF MINNESOTA
OFFICE OF THE ATTORNEY GENERAL
ST. PAUL 55155

WARREN SPANNAUS
ATTORNEY GENERAL

ADDRESS REPLY TO:
515 TRANSPORTATION BLDG.
ST. PAUL, MN 55155
TELEPHONE: (612) 297-2040

April 16, 1982

Mark Jacobsen, President
Minnesota Zoological Society
555 Wabasha Street
St. Paul, Minnesota 55101

HAND DELIVERED

Dear Mr. Jacobsen:

By letter dated March 24, 1982, I advised you of the Minnesota Zoological Board's request that the Minnesota Zoological Society include the following disclaimer in any publication or literature that it distributes which uses the name or any symbols of the Minnesota Zoo:

The Minnesota Zoological Society is not an agency of the State of Minnesota and is not affiliated with the Minnesota Zoological Garden.

The purpose of the request was to eliminate the public confusion concerning the nature of the relationship between the Minnesota Zoo and the Society. As you know, disclaimers that have been used in the past have been ineffective in preventing this confusion. Moreover, with the termination of the reciprocity agreement and other direct program ties between the Zoo and the Society, the nature of the relationship has changed in recent months sufficiently to require a more clear statement. My letter also requested a written response within two weeks and indicated that absent compliance with the request, the Zoo Board might take action necessary to compel it.

By letter dated March 23, 1982, you advised Jim Hetland, Chairman of the Zoo Board, that the Society's promotional literature would include a statement to the effect that the Society is an independent, nonprofit organization, but refused to disclaim affiliation with the Minnesota Zoo. While your letter preceded my direct request, Karla Williams' comments at the Zoological Board meeting yesterday confirmed the position taken in that letter as that of the Society.

AN EQUAL OPPORTUNITY EMPLOYER

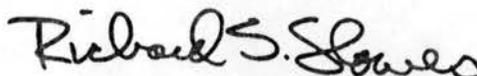


Mark Jacobsen, President
April 16, 1982
Page 2

In view of the Society's refusal to voluntarily cooperate, the Zoological Board has requested me to inform you that effective immediately permission to use the name or any of the symbols of the Minnesota Zoo in Society publications or literature is withdrawn unless used in conjunction with the disclaimer quoted above. Furthermore, until the Zoological Board receives adequate written assurance that the Society will comply with this condition, no admission tickets to the Zoo will be sold to the Society. Accordingly, the Society's purchase orders and checks, delivered to the Zoo yesterday for the purchase of group sales tickets, are returned herewith.

The Board has also asked me to inform you that should the Society continue to use the name or any of the symbols of the Minnesota Zoo in its publications or literature without the required disclaimer, it may take any and all further action provided by law.

Sincerely,



RICHARD S. SLOWES
Special Assistant
Attorney General

Telephone: (612) 296-2638

RSS:rlb

Enclosure

cc: Minnesota Zoological Board
Edward Kohn
Karla Williams

DEPARTMENT MZG

Office Memorandum

TO : Edward Kohn

DATE: February 12, 1982

FROM : David Bender *DB*

PHONE: 202

SUBJECT: SOCIETY TRANSITION

I met with Peg Wetzel today to discuss possible means of reaching and retaining current Society members as their memberships run out. I've been informed that the Society Executive Committee has put together a transition committee. Peg says the idea is to phase out operations by November of this year since service runs out on the 19th of November.

Peg plans on staying with the Society until about April. She has suggested that we explore cooperatively developing a series of activities and travel options that could be available for current Society members and our new Zoo Goer members. I feel that this is an excellent idea. It allows us an opportunity to reach current Society members and convert them to our program. We get detailed expertise and input from Peg on organization, contacts, and planning for events and travel. I would propose that she work with Kathy, Doug and Sharon in developing Continuing Education, events and travel options. Peg has mentioned that in the area of travel she feels there is interest for another African trip in the fall. She says that this is a cost-effective option with a \$2,000 profit.

She has taken our ad layout for the "Encounters" Zoo Goer ad to include in the next Zoo News issue which she lays out next Tuesday. She will also include an article from you or our Board such as the one she has outlined in the attachment. I'd like to mention our Open House in May and make the offer that we will be sending a complimentary issue of our Zoo Quarterly to Society members in May. Peg sees no reason to incur cost of Zoo News run in May also.

She believes we should seek current set of labels for membership and a computer disk program for list transfer when our system is ready.

Please comment on your reactions to suggestions prior to February 16.

DB:pn

Attachment

2/9/82

Dave,

Here's my effort at an outline + draft for a letter to Society members.

The best possible event would be to get ~~a~~ the list from the Society, of course. I feel certain, however, that the Society bd would honor a request by the Zoo to send a letter to its members. Only Marialuce + Mark Jacobson have deluded themselves to think the Society can continue. Everyone else is ready for a graceful way out. (Except for Bonawitz + K. H. who are still feeling vindictive)

Greg

Outline

Letter to members

- I. Recognize the problem
Reassure members
Request zoo goer participation
- II. Explain the Zoo's viewpoint.
Identify the problem as publicity (not as politics, which angers members).
Emphasize difference in philosophy is about the real dollar needs of the Zoo.
Emphasize critical needs of Zoo.
Do not call Society names. Do not bring up the fact that the Society has not turned over the membership list--what you don't say is just as important as what you do say. If you mention ~~its~~^{this}, the Society board will only dig in its collective heels. Do not apologize for the Zoo's action. The Zoo tends to be seen as a "bully" in this situation, so it is important not to attack the Society in any way.
- III. Show appreciation for what the Society has done, while showing in a subtle way that the membership program is a new endeavor ^{for} the Society, not its original function.
- IV. Repeat Zoo Goer offer.
Encourage participation in Volunteer Corps for those who want to be more actively involved.
No one knows when the Zoo will finally get the membership list, so make the Zoo Goer an outright sales pitch, not hinged on renewal. Since November, renewals have been

(MORE)

lost from the membership base and will continue to be lost each month until the Zoo gets the list. This is very detrimental to the Zoo Goer Association. Once those renewals are lost, the recovery rate is very grim indeed. Always, always, concentrate on renewals as they are much more cost/effective than new sales. By the way, when you request that such^a letter as this, be sent to the Society list, be sure to qualify that you want it sent to the full roster back to 10/81 expiration dates. That should be about 9500. The Society also sends its newsletter to about 200 state legislators--ask for that list too!

Draft

Dear Minnesota Zoological Society member:

✓ The media controversy stirred by the non-renewal of the Society/Zoo reciprocity contract has created a difficult situation for us all. Members, volunteers, staff and directors alike have been confused and upset by the prolonged media coverage. We hope this short letter reassures you that the Minnesota Zoo recognizes and appreciates your personal support. The new Minnesota Zoo Goer Association has just been created for zoo supporters like yourself. We hope you will show your continued support of the Zoo in these difficult times by joining the new Association.

What happened to create this unfortunate ^{publicity} situation? Frankly, we were surprised at the explosive result of our decision not to renew our contract with the Society. Negotiations, which had begun in May 1981, had not proceeded smoothly. At the Zoo, we attributed this to differing philosophies. The Zoo, as a State Agency, was being cut closer and closer to the bone as declining State revenues required bigger and more frequent budget cuts. In that light, a separate, independently run membership program was not attractive to us. The duplication in overhead, administration and staff expenses seemed wasteful to those of us who were facing painful staff and program reductions. Dollar-wise it just didn't make sense. How could we justify providing free service to a separate organization that did not return any direct financial support? The Society apparently was concerned only with its successful membership program and seemed, to us, unwilling to deal with the very real and crucial dollar needs of the Zoo.

(MORE)

draft *-2-*

We have always appreciated the support the Society has provided the Zoo. From its early lobbying efforts, through its annual fund-raising events, to the development of a membership program, the Society's efforts have been of great service to the Zoo. It was not our intention to destroy the Society, nor to confuse its members. We have encouraged the Society board to explore new areas of support to the Zoo, and sincerely hope they continue.

In the meantime, we welcome you aboard the new Minnesota Zoo Goer Association. Membership in the Association gives you unlimited free admission privileges, plus a portion of your fee will go directly to the Zoo Gift Account. (For those who wish to be more personally involved, the Zoo Volunteer Corps is the perfect place to be. Call 432-9010 for a volunteer application form.)

Minnesota Zoo Goer Association

\$10	<i>~~~~~</i>	\$50	<i>~~~~~</i>
\$15	<i>~~~~~</i>	\$100	<i>~~~~~</i>
\$30	<i>~~~~~</i>		

- Unlimited free admission to the Zoo for one year.
- 10% discount in the Zoo gift stores.
- 20% discount on additional ticket purchases.
- Quarterly newsletter of zoo activities and events.

Sincerely,

Enclosure: application form and business reply envelope.



STATE OF MINNESOTA
OFFICE OF THE ATTORNEY GENERAL
ST. PAUL 55155

WARREN SPANNAUS
ATTORNEY GENERAL

March 24, 1982

ADDRESS REPLY TO:
515 TRANSPORTATION BLDG.
ST. PAUL, MN 55155
TELEPHONE: (612) 297-2040

Mark Jacobsen, President
Minnesota Zoological Society
555 Wabasha Street
St. Paul, Minnesota 55101

Dear Mr. Jacobsen:

As you know, at its meeting on March 18, 1982, the Minnesota Zoological Board voted to request the Zoological Society to include in any of its promotional literature that contains or uses the name of the Minnesota Zoo a disclaimer to the effect that the Society is not affiliated with the Zoo. I have been asked to formally advise you of this request and the basis on which it is made.

You are no doubt well aware of the considerable confusion that exists in the public concerning the nature of the relationship between the Zoo and the Society. To clarify the situation the Legislative Auditor has twice recommended the use of a disclaimer in literature linking the Minnesota Zoo and the Society. Use of a disclaimer is even more necessary now that there is no contractual relationship between the Zoo Board and the Society. Accordingly, the Society is requested to include the following disclaimer in any publication or literature that it distributes which uses the name or any symbols of the Minnesota Zoo:

The Minnesota Zoological Society is not an agency of the State of Minnesota and is not affiliated with the Minnesota Zoological Garden.

The Board would appreciate your written response regarding the Society's compliance with this request within two weeks.

Mark Jacobsen, President
March 24, 1982
Page 2

In view of a comment attributed to you in a recent newspaper article that the Society might ignore this request, I feel it appropriate to advise you that the Zoo Board may elect to take legal action pursuant to Minn. Stat. § 333.54 (1980) or employ other means at its disposal to compel compliance. I hope that such action will not be necessary.

Sincerely,



RICHARD S. SLOWES
Special Assistant
Attorney General

Telephone: (612) 296-2638

RSS:fw

cc: James L. Hetland, Jr.
Edward Kohn
Steve Iserman



cc SE, DB, SF,
Rd (w/RS a/c) g
9d

Minnesota Zoological Society

March 23, 1982

PERSONAL AND CONFIDENTIAL

Mr. James L. Hetland
First National Bank of Mpls.
Urban Development Department
515 Marquette Avenue
Minneapolis, MN 55402

Dear Jim:

At some point I am hopeful that the news media will allow any differences between the Minnesota Zoological Board and the Minnesota Zoological Society to fade into a well-deserved place of obscurity. Unfortunately, the media has found it more profitable to highlight the differences between the organizations rather than to dwell on the positive aspects of both organizations.

I did express my personal feeling this past Thursday that the matter of distribution of admission tickets by the Society at the Zoo site is unresolved. In the first place, the Zoo Board did not take formal action on the subject. Secondly, I am not sure that it is legally possible to prohibit distribution of tickets by the Society in the public concourse area of the Zoo. Nevertheless, the Society Board has decided that, for the present, our purposes will be better served and we will be less likely to exacerbate the differences between the two organizations if we seek an alternative method of distributing admission tickets to our Society members. For the present, therefore, it is our intention to distribute admission tickets to our Society members by some means other than on-site distribution.

With respect to the request for a disclaimer of affiliation between the Zoo and the Society on Society literature, I reaffirm what I informed the Board at its meeting on Thursday, March 18. The Society's promotional literature will be designed to avoid any confusion in the eyes of the public regarding the identity of the Minnesota Zoological Society as an independent organization. In the past our printed literature has clearly identified the Society, and we do intend to include in our promotional literature a statement to the effect that the Society is an independent, non-profit organization. Any further disclaimer of affiliation we feel to be inappropriate and, for the present, inaccurate in light of the direct affiliation of the Zoo Board as Class II members of the Society.

If you or any other members of the Zoo Board wish to discuss this matter further, please feel free to call me.

Sincerely,

Mark E. Jacobson

MEJ/jmh

555 Wabasha Street • Saint Paul, Minnesota 55102

Telephone 612 222-1706

*cc Zittel; MZS Pres.**EA*

STATE OF MINNESOTA

DEPARTMENT ATTORNEY GENERAL

Office Memorandum

TO : ED KOHN
General Director
Minnesota Zoological Garden

DATE: 3/22/82

FROM : RICHARD S. SLOWES *R. S. Slowes*
Special Assistant
Attorney General

PHONE: 6-2638

SUBJECT: Minnesota Zoological Society

Steve Iserman has asked that I provide the Zoo with written advice on two issues relating to the Minnesota Zoological Society that were mentioned in a newspaper article about last Thursday's meeting of the Zoo Board. Those issues are: (1) stationing of a Society representative on the Zoo site for distribution of Society tickets, and (2) inclusion of a disclaimer in any Society literature that mentions the Minnesota Zoo.

With respect to the first issue, Society president, Mark Jacobsen, implied in the newspaper article that because the Zoo is a public place, it could not prohibit Society members from distributing admission tickets on the Zoo grounds. However, I am aware of nothing that would compel the Board to permit that activity. A recent U. S. Supreme Court case between the Minnesota State Fair and the International Society for Krishna Consciousness makes it clear that even "pure speech," such as distribution of literature, can be regulated to some extent in facilities such as the Zoo. The distribution of admission tickets to Society members would be what is referred to as "commercial speech," which can constitutionally be subjected to even greater regulation. Factors such as interference with the normal flow of visitor traffic and the fact that the proposed Society activity on Zoo grounds would be in direct commercial competition with the Zoogoer program would provide sufficient reason not to allow the activity to take place.

The second issue relates to the Zoo's demand that Society promotional literature mentioning the Minnesota Zoo contain a disclaimer to the effect that the two organizations are not affiliated. In the newspaper article, Mr. Jacobsen indicated that the Society might choose to ignore that demand. As you know, the Legislative Auditor, in both of the reports he has done on the Minnesota Zoo, has noted the need for the use of such a disclaimer in literature that links the Zoo and the Society. However, even beyond those recommendations, Minn. Stat. § 333.53 (1980) makes it unlawful to use the name of the Minnesota Zoo or any of its symbols without the permission of the Board if the use is intended to acquire or obtain a benefit or advantage for personal or business purposes. Even though it is a nonprofit corporation, the Society is

Ed Kohn
March 22, 1982
Page 2

engaged in the "business" of selling membership packages that include admission to the Zoo. Accordingly, it is prohibited from using the name or symbols of the Minnesota Zoo for that purpose without the authorization of the Zoo Board.

If you have any further questions on any of these issues, please do not hesitate to contact me.

RSS:fw
cc: Steve Iserman

cc SD, DSS, R
94

RICHARD M. ARNDT
386 NORTH WABASHA, SUITE 900
SAINT PAUL, MINNESOTA 55102

February 24, 1982

Mr. Mark E. Jacobson
President
Minnesota Zoological Society
555 Wabasha Street
Saint Paul, Minnesota 55102

Dear Mark:

I have read your letter of February 17 regarding the Society memberships which expire beyond November 19, 1982, and want to inform you that all the Society memberships expire on that date due to the termination of the Reciprocity Agreement. Accordingly, the Zoo Board is requesting reimbursement from the Society, for those memberships issued by the Society which extend beyond that date, based on our normal Zoo-goer rates. I believe Steve Eiserman covered this in a recent letter to Carla Williams.

Mark, this matter is not negotiable and we expect to be reimbursed as outlined above.

Sincerely,

Dick

Richard M. Arndt

cc: Patricia Davies
James Weaver
Randy Gort
Ed Kohn ✓
Steve Eiserman



Minnesota Zoological Society

February 17, 1982

Mr. Richard Arndt
669 Laura Court
Mendota Heights, MN 55118

RE: Society Memberships Extending
Beyond November 19, 1982

Dear Dick:

You recently inquired about the nature of memberships of those members of the Minnesota Zoological Society whose membership terms extend beyond November 19, 1982.

The Minnesota Zoological Society has not accepted new membership applications following the November 19, 1981, termination of the reciprocity agreement between the Zoo and the Society. Those Society memberships which extend beyond November 19, 1982, which I believe are approximately 75 in number, are memberships which were renewed for one-year terms prior to the expiration of the then current term of the renewing member. The Society has not had any membership category for terms extending beyond a one-year period. In some cases, however, members have submitted their membership applications well in advance of the expiration of their then existing membership term and have been issued renewal memberships for a one-year term commencing as of the expiration of the then existing membership term.

I assume you will agree that the issuance of memberships for one-year terms to commence following the expiration of existing memberships as described herein complies with the spirit and intent of the reciprocity agreement. In light of the relatively insignificant number of memberships extending beyond November 19, 1982, I assume that the Zoo will have no problem in honoring the admission benefits for those members whose terms extend beyond that date. Please advise me if you do not agree.

Sincerely,

Mark E. Jacobson

MEJ/jmh

Society Board refused to send
2-19-82

February 24, 1982

Dear Minnesota Zoological Society Member:

I thank the Society for permitting the Zoo to communicate directly with you about our commitment to you and our need for the continuing loyal involvement of each of you. Media coverage, sought or unsought, is not an adequate means to deal with your needs to understand the basis of recent actions. In the service of such understanding, I would like to share with you a perspective on the organization of the Zoo.

The Minnesota Zoo is the direct management responsibility of the Minnesota Zoological Board, a gubernatorially appointed, legislatively confirmed, citizen board. The Zoo further has delegated certain of its program responsibilities to two additional corporately independent citizen boards -- the Society and our fund-raising organization, the MZG Foundation. The Foundation's role is to foster the private sector financial aid that is such a vital contribution to the success of the zoo venture.

The primary purpose of this letter is to focus on YOU -- each member. The benefits you have purchased from the Society will continue to be honored fully through the term of your current membership. We invite you then to come directly on board the Zoo's annual plan. The goal of our new annual plan, the Minnesota Zoo Goers Association, is to bring your membership and association home to the Zoo so that your participation can be even closer than in the past, and our services to you may be administered daily and directly, not through a contract with an off-site, independent organization, but as a built-in feature of the Zoo with the full commitment of our entire program, staff and volunteer corps. We simply can give more to one another directly, than indirectly.

The economics underlying the non-renewal of the Society/Zoo reciprocity contract, of course, had a significant bearing on bringing the annual membership program home to the zoo now. The continuing net outflow of approximately \$200,000 each year in revenue to the Society as a contract agency could simply not be justified particularly in these tough times of budget cutbacks, despite the good value of the Society's indirect services. The Zoo Board's responsibility dictated that it face these realities and seek substantially different terms. I witnessed a solid effort over many months by members of both Boards to find financially adequate terms that in the Society Board's minds would not compromise their separateness and independence. Such terms were not found.

We have enclosed a fact sheet on the benefits of the Minnesota Zoo Goer plan along with an application for use when your Society membership expires. If you have further questions about Zoo Goer members' benefits, please call us at the Zoo (432-9010) and ask for the Zoo Goer Membership Coordinator.

As you know, our programs continue to blossom at the Zoo. We are designing activities for you for every season. I invite each one of you to remain a part of the marvelous growing venture that is the Minnesota Zoo. Bring your friends and loved ones with you, and, together, let us keep building a zoological experience to cherish.

Sincerely,

A handwritten signature in cursive script, appearing to read "E. Kohn", with a long horizontal flourish extending to the right.

Edward Kohn
General Director

EK:gd

Enclosure



MINNESOTA ZOO GOER

Society

February 24, 1982

Karla Williams, Executive Director
Minnesota Zoological Society
555 Wabasha Street North
St. Paul, Minnesota 55102

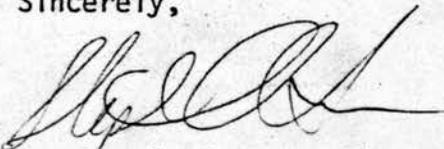
Dear Karla:

Several weeks ago we discussed the termination of the Society sponsorship program including finalizing the financial records. You indicated that the Society would be turning over 70% of the gross receipts from the program to the zoo after the close-out of the program's books, which you estimated to be approximately two months.

In the interim, I am requesting that the 70% portion of the sponsorship proceeds received by the Society through December 31, 1981 be released to the zoo for immediate application to our needs. This would allow the vast majority of the donations to be put to work immediately while allowing the Society sufficient time to proceed with an orderly close-out of the remaining matters of the sponsorship program.

Thank you.

Sincerely,



Stephen A. Iserman, Director
Business Management Services

SAI:gd





Minnesota Zoological Society

February 22, 1982

Mr. James Hetland
President
Minnesota Zoological Board
Minnesota Zoological Gardens
Apple Valley, MN 55124

RE: Zoo Mailings to Minnesota
Zoological Society Members

Dear Jim:

I am writing to confirm to you my communication to Edward Kohn on Friday, February 19, in which I reaffirmed that the Society will send Zoo mailings to Society members regarding the Minnesota Zoo Goer's Association, subject to the Zoo's defraying the postage for such mailing, but that the Society will not allow the use of its mailing list to perpetuate the discussions that have occurred in recent months regarding the reasons for the termination of the reciprocity agreement between the Zoo and the Society.

As you know, it has been very disheartening for me, as well as for other Society Board members, that this matter was given such extensive public attention. We know that the members of the Zoo Board also regret the adverse publicity that this matter generated.

We are now committed to going forward with our plans to serve the Zoo in whatever way our finances and other resources will permit. We look forward to input from the Zoo Board as to areas of service in which the Society may be useful. The public's attention should no longer be focused on the differences that have occurred between the Society and the Zoo Board. Rather, we feel that it is time to set the matter aside with the hope that, in time, any differences that may have existed or may continue to exist between the two organizations will be resolved for the good of the Zoo.

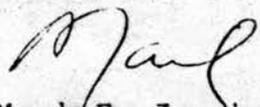
I apologize for being less than articulate in my letter of February 11 as to the mailings that the Society will send to its members. We will support the Minnesota Zoo Goer's program by sending Zoo mailings regarding the program to our Society members. I quite simply did not anticipate that the Zoo Board would perceive the offer in my February 11 letter as an invitation to a forum to continue the discussion regarding termination of the reciprocity agreement and relationships between the Zoo Board and the Society.

Mr. James Hetland
February 22, 1982
Page Two

To assist in your planning of future mailings regarding the Zoo Goer program, I should give you some information regarding the mechanics of our mailings to Society members. Our computer service bureau requires a minimum of one week to order labels for any general mailing to our members. If any special computer run is required, e.g., a selected mailing to members in a certain category such as holders of single memberships or family memberships, the lead time to obtain a special printout of address labels is increased to four to six weeks. Once we receive the labels and the material to be mailed, the processing of the mailing can be accomplished in a single day if the processing is limited to application of mailing labels to the materials to be mailed. Because we use volunteers, usually retired persons, to process mailings, the mailing process takes considerably longer if other processes are involved such as manually stuffing envelopes. It may take as much as two weeks to process a mailing if additional procedures are required such as stuffing of envelopes. As a point of information, the Society has only used its volunteer staff for purposes of stuffing a mailing in envelopes on one occasion simply because it is so much more expedient to have mailings mechanically folded and inserted in envelopes. We have never used volunteers for folding or other such mechanical processes, and I have no idea how long that process would take. The volunteer preparation of materials for mailing referred to in my letter of February 11, therefore, would normally envision application of labels only. If further volunteer labor were required to process the mailing, we would need advance notice to determine whether we could develop a volunteer corp that could handle the additional processing.

Thank you for your consideration in this matter.

Sincerely,



Mark E. Jacobson

MEJ/jmh

cc: Edward Kohn
Karla Williams

February 16, 1982

Mr. Tom D. Crocker
4735 Fremont Avenue South
Minneapolis, Minnesota 55409

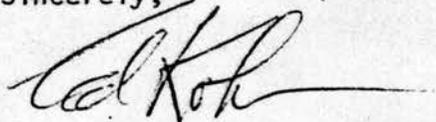
Dear Mr. Crocker:

I acknowledge with respect your views on the non-renewal of the Zoo/Society reciprocity contract. In the month since you wrote your letter expressing your opinion on the split, the Society Board has stated its intention to continue to support the zoo, and has encouraged its membership to do likewise.

The Society has offered to mail a letter from the zoo to all its members to give the zoo a chance to communicate directly with these loyal zoo supporters. As I explain in my letter to the current Society members, the Zoo Board and Society Board negotiated for several months in an attempt to work out a mutually acceptable contract, to no avail.

Again, thank you for expressing your view. I regret that you feel you must withdraw your support for the zoo and hope that in the future you may once again choose to rejoin the zoo family.

Sincerely,



Edward Kohn
General Director

EK:gd

cc: James L. Hetland

*PS I've enclosed an advance copy of
the zoo's letter to Society members with the hope that
it may help understand the Board's action.*



ask us to get from min.
mms.

Tom D. Crocker
4735 Fremont Avenue South
Minneapolis, Minnesota 55409

January 18, 1981

cc - TO: Mr. Edward Kohn, Zoo Director
Mr. James Hetland, Chairman of Zoo Board
Mr. Standley Nelson, Chairman Mn. Zoological Society

I am just another Member of the Minnesota Zoological Society. I am absolutely APPALLED that the Zoo wants to break off this on - going relationship between the two groups. Rather ironic since the Zoo came into being as result of far sighted men who formed the Zoological Society. They came up with the Zoo concept originally. Now the Zoo wants to operate 100% on its own.

The Society's benefits are enormous: volunteers, endless useful mailing pieces promoting the Zoo and events there plus the bi-monthly ANIMAL KINGDOM published by the New York Zoological Society. This publication is especially informative in many new areas to its readers.

To me, a Charter Member, it seems childish and immature that problems can't be resolved. After all, the aims of each group are similiar - to have one of the most unique Zoos in the world. This situation is similiar to a wife's working to put her husband through Medical School. When the husband is graduated, he decides to divorce her. INSANE and grossly unfair.

I am delighted that that Horrible, original Zoo Logo has been transformed into something unique and recognizable. It made the "Ten Best" logo list in a recent issue of TIME Magazine.

It is my sincere hope that both sides can sit down like responsible individuals, make concessions and keep in force this stimulating relationship.

Hopefully,

P. S. If this stupid "split" is not resolved, I have no desire to join the new Zoo group. Sure many others share this feeling.

CC: Reuel Harmon
John Tilton
Karla Williams

9 ask us to get from minn.
my us'

Tom D. Crocker
4735 Fremont Avenue South
Minneapolis, Minnesota 55409

January 18, 1981

cc - TO: Mr. Edward Kohn, Zoo Director
Mr. James Hetland, Chairman of Zoo Board
Mr. Standley Nelson, Chairman Mn. Zoological Society

I am just another Member of the Minnesota Zoological Society. I am absolutely APPALLED that the Zoo wants to break off this on - going relationship between the two groups. Rather ironic since the Zoo came into being as result of far sighted men who formed the Zoological Society. They came up with the Zoo concept originally. Now the Zoo wants to operate 100% on its own.

The Society's benefits are enormous: volunteers, endless useful mailing pieces promoting the Zoo and events there plus the bi-monthly ANIMAL KINGDOM published by the New York Zoological Society. This publication is especially informative in many new areas to its readers.

To me, a Charter Member, it seems childish and immature that problems can't be resolved. After all, the aims of each group are similiar - to have one of the most unique Zoos in the world. This situation is similiar to a wife's working to put her husband through Medical School. When the husband is graduated, he decides to divorce her. INSANE and grossly unfair.

I am delighted that that Horrible^k, original Zoo logo has been transformed into something unique and recognizable. It made the "Ten Best" logo list in a recent issue of TIME Magazine.

It is my sincere hope that both sides can sit down like responsible individuals, make concessions and keep in force this stimulating relationship.

Hopefully,

P. S. If this stupid "split" is not resolved, I have no desire to join the new Zoo group. Sure many others share this feeling.

CC: Reuel Harmon
John Tilton
Karla Williams



transition

Minnesota Zoological Society

February 11, 1982

Mr. James L. Hetland, Jr.,
Chairman
Minnesota State Zoological Board
Minnesota Zoological Garden
Apple Valley, MN 55124

Dear Jim:

Referring to your letter of February 4, 1982, I will respond to the questions raised by the State Zoological Board in the order set forth in your letter.

You first inquired about the ways that the Society envisions fulfilling its renewed commitment to support the Zoo. A recent telephone survey of members indicated a desire on the part of the members that we continue to support the Minnesota Zoo rather than to expand our purposes to include general zoological purposes. Thus, there is no need to amend the Society's Articles at the present time to change the purpose for which the Society is organized. The Society Board is examining programs and areas of support for the Zoo and invites input from the Zoo Board as to specific zoological programs which the Society can sponsor or support. I sincerely hope that the Zoo Board can suggest meaningful zoological activities with which the Society can be involved to serve its commitment to the Zoo and the wildlife conservation, education and research objectives of the Zoo.

Although specific areas of support have not been acted upon, the Society Board is committed to provide financial support and to support research and educational programs at the Zoo and programs which will enhance the facilities and the exhibits which the Zoo offers for the general public.

In response to the second inquiry, regarding finances, the Society will honor those commitments previously made for funds designated for specific Zoo purposes. Funds attributable to unearned membership dues will continue to be held in reserve to honor the Society's commitment to its members for their membership benefits, including payment of members' gate admissions in the event the accumulated reserve for volunteer hours becomes fully depleted. Unrestricted funds will continue to be invested in certificates of deposit or other form of investment which assure as high a yield as possible and which assure security of investment consistent with the

Mr. James Hetland
February 11, 1982
Page Two

Society's need to maintain liquidity so the funds will be available for expenditure for the Society's authorized objectives. Since the primary function of the Society is to serve in a support capacity for the Minnesota Zoological Gardens, I would anticipate a significant portion of those funds being invested in the future of the Zoo.

Finally, you inquired about the disposition of the Society membership list. The Zoo Board's request for the membership list assumes either (1) that the Zoo has a legal right to the list, or (2) that the Society members desire to have the list turned over to the Zoo, or (3) that the best interests of the Zoo are served by having access to the list. The Society Board does not necessarily subscribe to any of those presuppositions. The Society began development of its membership list long before the Zoo was even created, and, so long as the Society continues to serve the Zoo, the Society Board does not believe that the Zoo has the legal right to demand the list. With respect to the desires of the Society members, the vast majority of those members who have communicated with Society Board members regarding the termination of the reciprocity agreement have expressed extreme displeasure over the Zoo Board's action. The Society members have been, and continue to be, supportive of the Society. As previously agreed, the names of the those Society members whose memberships expire prior to the adoption of a new Society membership package will be furnished to the Zoo in order to prevent a lapse of their support of the Zoo in one form or another. Moreover, the names of any Society members who specifically request their names be turned over to the Zoo will be made available to the Zoo Board. Finally, the Society Board believes that there are significant and valuable functions that the Society can continue to serve for the Zoo. We would be naive, however, to believe that we could continue to serve those functions without an active membership. To the extent that it is necessary to preserve our membership, therefore, we feel that we must retain control of our membership list at the present time. As you know, we have informed our members as to the implementation of the Minnesota Zoo-goers Program and will continue to do so. If the Zoo Board wishes to send mailings to Society's members, we will process the mailing, including providing volunteers to prepare the materials for mailing, subject to the Zoo's defraying the postage for such mailing.

During the coming months it is my sincere hope that both the members of the Zoo Board and the members of the Society Board will exercise a great deal of restraint and will show a high degree of consideration for each other in light of the difficult situation out of which we are emerging. We must cease to act out of self interest and must

Mr. James Hetland
February 11, 1982
Page Three

turn our attentions to the interests of the Zoo, the Society members and the members of the public in general. I firmly believe that the only way to restore the public's confidence in the Zoo Board's ability to administer its affairs and in the Society Board's ability to serve its members and the Zoo will be by searching for, and establishing, a common ground upon which both organizations can operate with the Zoo's and the public's best interests in mind. I do not subscribe to the theory recently suggested that an organization such as the Society may at some point in time have outlived its usefulness. I sincerely hope that the Society will not only be permitted, but that it will be encouraged, to continue to serve and support the Zoo.

Sincerely,

A handwritten signature in cursive script that reads "Mark E. Jacobson". The signature is written in dark ink and is positioned above the printed name.

Mark E. Jacobson



Minnesota Zoological Society

February 10, 1982

Mr. James Hetland
Chairman
Minnesota State Zoological Board
Minnesota Zoological Garden
Apple Valley, MN 55124

Dear Jim:

According to a recent Minneapolis Tribune article, I understand that the Minnesota Zoological Board hosted a dinner for the members of the Board of the Minnesota Zoological Foundation. The purpose of the dinner apparently was to answer questions of the Foundation Board members regarding the termination of the reciprocity agreement between the Zoo and the Society.

I support the idea of explaining to the Foundation Board members the reasons for the breakdown in the relationship between the Zoo Board and the Society. I am troubled, however, that the Zoo Board, without any notice to the Society, would undertake this educational process without involving the Society. I understand the Zoo Board's desire to explain recent events, but I feel the Society Board should have been invited to participate or, at least, to be present for the discussion. Such action is further indication of the design by certain members of the Zoo board and Zoo staff to orchestrate a complete and permanent severance of relations between the Zoo and the Society.

It is not only Society members and the general public that have been confused by the Zoo Board's recent actions to terminate its agreement and working relationship with the Society. The Society Board and the Foundation Board are bewildered as well. I myself have not yet grasped, and do not believe that I will ever fully understand, the Zoo Board's reasons for effecting the severance of relations with the Society. At one time I somewhat naively believed that the severance was the result of a difference over finances until I was expressly told that finances were never the real issue. Possibly due to my short tenure on the Society Board, I have been unable to understand what has been referred to as "philosophical differences" that prevented the consummation of a new reciprocity agreement. I hope that in time the nature of those philosophical differences will be revealed to me.

Mr. James Hetland
February 10, 1982
Page Two

While I am troubled over the Zoo Board's meeting with the Foundation Board, particularly since the Zoo Board is a public agency subject to open meeting laws, I am confident that the members of the Foundation Board received the Zoo Board's explanation of current circumstances as the explanation of one party to a multi-faceted issue. I trust that they will analyze the Zoo Board's explanation of the reasons for severance of relations with the Society in the context in which the explanation was given.

Sincerely,



Mark E. Jacobson

MEJ/lw

cc: Richard Arndt
Stan Nelson

Society

February 4, 1982

Mr. Mark E. Jacobson
President
Minnesota Zoological Society
430 Marquette Building
Minneapolis, MN 55401

Dear Mark:

Since the State Zoological Board's decision not to renew its Reciprocal Agreement with the Minnesota Zoological Society, it has become apparent that there are a number of significant issues that should be resolved in order for the Zoo Board, and we believe the Society, to move forward and properly carry out their responsibilities. Accordingly, the Zoo Board has asked me to inquire as to the Society's position on several of these matters.

First, the Zoo Board would like to know what the Society views as its purpose and function. The December edition of "Zoonews" reports that:

The Minnesota Zoological Society Board of Directors voted Thursday, December 17, to continue to provide service to its current members and to explore new areas of zoological involvement in the community. The Board renewed its commitment to wildlife conservation, education and research, and support of the Minnesota Zoo.

In what ways does the Society envision fulfilling its renewed commitment to support the Zoo? Does the Society intend to implement its commitment to wildlife conservation and education and research through support of the Zoo, or does the Society plan to amend its Articles of Incorporation to include these expanded purposes on an independent basis?

More specifically, the second area of inquiry regards finances. The Zoo Board would like to know what the Society intends to do with its current fund balances, including those funds specifically designated for Zoo purposes, those not yet designated, and those attributable to unearned membership dues for which the Zoo is continuing to provide free admissions. Substantial sums of



February 4, 1982

money are involved, and the Zoo Board believes that because the funds were raised using the name and good will of the Minnesota Zoo, it has responsibilities regarding their disposition.

Thirdly, the Zoo Board remains concerned that to date the Society has refused to allow the Zoo access to the Society's membership list. Regardless of whether the list is proprietary or whether the Zoo has a legal right to it, there can't be any question but that it is in the best interests of both the Zoo and the Society members to provide for full communication between them. This can most effectively be accomplished by allowing the Zoo access to the membership list. The Zoo Board does not understand why the Society Board of Directors has refused to do this. One reason would be a desire to limit the ability of the Zoo to advise Society members of the new Zoogoers program, indicating an attitude of competition between the Zoo and the Society, rather than cooperation. The Zoo Board hopes that that is not the case and requests once again that the list be provided to the Zoo. We trust that in the spirit of the Society's "renewed . . . commitment to . . . support of the Minnesota Zoo," your response to this request will now be positive.

The Zoo Board would appreciate your written response to these concerns by February 12, so that it can consider them at its February 18 meeting. We expect that subsequently the Zoo Board's transition committee will meet with the Society's representatives regarding these matters.

Thank you.

Sincerely,

James L. Hetland, Jr.
Chairman
Minnesota State Zoological Board

JLH:rb

cc: Minnesota Zoological Society
Board of Directors
Minnesota State Zoological Board
✓ Edward Kohn
Karla Williams

February 3, 1982

Karla Williams, Executive Director
Minnesota Zoological Society
555 Wabasha Street North
St. Paul, Minnesota 55102

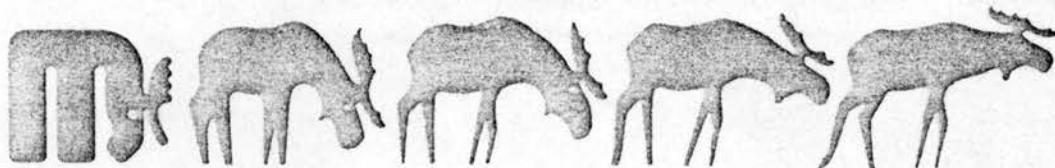
Dear Karla,

Last Thursday, Dorothy Molstad and Steve Spektor stopped by your office to pick up Animal Sponsorship material so that we could begin administering the program in-house. At that time, Dorothy requested information concerning various aspects, both financial and otherwise, of the program as operated by the Society. You explained that the information as requested was not readily available but that if we would put the request in writing you would attempt to answer our questions.

Therefore, per your suggestion, I am requesting sponsorship information on the following items:

1. Printing: What was the total and individual cost of printed material including what was printed in what quantity and what quantity was used?
2. Postage: Cost on individual packets, brochures and total costs.
3. What is the minimum cost per minimum \$10 donation? What was donated and cost of donated items?
4. What is the average time to process a donation?
5. What is the total value of items and services donated to the program? Please list.
6. What are the names and addresses of Advisory Board members?
7. What is currently in the fund? What has been donated in the last six weeks?

MORE



Karla Williams

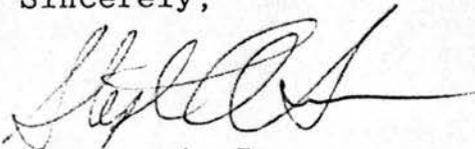
-2-

February 3, 1982

I would appreciate a response to these questions as soon as possible so that we may proceed with the implementation of our own program. If you want clarification on any of these requests, please contact me.

Thank you.

Sincerely,

A handwritten signature in cursive script, appearing to read "Stephen A. Iserman".

Stephen A. Iserman
Business Management Services

SAI:gd

February 2, 1982

Karla Williams, Executive Director
Minnesota Zoological Society
555 Wabasha Street North
St. Paul, Minnesota 55102

Dear Karla:

I am writing in reference to your attached memo to Yvonne Johnson concerning Society memberships that have expiration dates beyond the authorized period of December 1982.

Under the Reciprocity Agreement, the Society was authorized to sell annual memberships only. However, your memo indicates that 72 memberships were sold for a period exceeding one year, thereby pushing their expiration dates into 1983 and, in one case, through July, 1984. As you know, the Minnesota Zoo cannot honor these memberships beyond December, 1982.

In an attempt to resolve this problem, I am suggesting the following be done. The Society could contact these 72 members, explain the situation, and offer them two options for the paid up membership portion running beyond December 1982. One option would be a conversion of their Society membership into a Minnesota Zoo Goer membership. This would allow the members the unlimited admissions through the entire length of time for which they originally paid their fees. The conversion cost to the Society would be based on membership category pro-rated at current Minnesota Zoo Goer membership rates. The second option would be for the member to request a refund for that portion of their membership extending into 1983.

I would also like to know the number of guest passes issued up through November 1981. Although you have not issued any of these passes since November 1981, I want to know the number still outstanding so that I can determine the future impact on the zoo.

Please let me know your feelings on my proposed plan for the resolution of the issue of extended memberships. I would welcome any additional options that you may have on this matter.

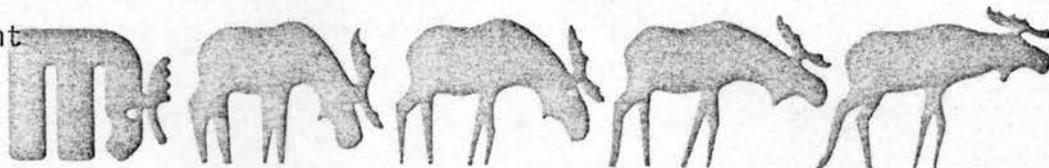
Sincerely,



Stephen A. Iserman
Business Management Services

SAI:gd

Attachment





Minnesota Zoological Society

MEMO: January 13, 1982
TO: Yvonne Johnson, Minnesota Zoo
FROM: Karla Williams *KW*
SUBJECT: Member Expiration Dates

Checking our computer files, I find the following number of memberships expiring after 12/82. Please advise admissions personnel to respect all 1982 and 1983 Society membership cards.

1/83 - 31
2/83 - 8
3/83 - 2
4/83 - 2
5/83 - 10
6/83 - 6
7/83 - 4
8/83 - 5
9/83 - 2
10/83 - 1
7/84 - 1

db

STATE OF MINNESOTA

DEPARTMENT

MZG

Ed-

Office Memorandum

TO :

Dave Bender

DATE: January 8, 1982

FROM :

Dorothy Molstad

PHONE: 206

SUBJECT:

REQUEST TO MZS FOR USE OF BROCHURE LETTERING

I feel that this request was of such a nature that we should have been able to see the copy. We were merely calling as a courtesy. I instructed Dorothy not to press the issue and opted for a more expedient solution.

st: I contacted Karla on Monday to OK use of the scroll-type lettering MZS used on their trail membership brochure last winter. Adele had incorporated it into the new cover. I was informed that their ad agency had developed the design and she couldn't give approval. It would have to be the Board, which would meet January 21. She'd be happy to show the roughs to them and see what they'd say. Obviously, that time frame isn't helpful to production of a cross-country ski brochure which we need now. I asked her about what arrangements had been made for their use of our art work (the leopard/skier art and trail maps) and was informed that the brochure was a promotion piece for the Zoo, done at Zoo request, so of course it was OK for her to use our art work. (News to me that it was a promotion piece. If that's true, why did we print our own?)

She then said maybe just the Marketing Committee would need to OK it. If I'd send sufficient copies, she'd mail them out when she got a chance and the Committee could call me with a yes or no. I declined her offer and we revised the lettering.

DM:pn

*Dave - Dorothy.
Who says small is beautiful?*



Society ✓

Minnesota Zoological Society

January 4, 1982

PERSONAL AND CONFIDENTIAL

Mr. James L. Hetland
First National Bank of Mpls.
Urban Development Department
515 Marquette Avenue
Minneapolis, MN 55402

Dear Jim:

This letter will confirm our telephone conversation on Wednesday, December 16, in which I responded to your letter dated December 10, 1981.

The Minnesota Zoological Society will be issuing a communication to its members as follows:

1. Confirming the Zoo's commitment to honor society members' admission privileges for the duration of those memberships that were in force on November 18, 1981; and

2. Informing Society members that the Zoo Board has adopted an annual pass program that will provide unlimited admission privileges to persons purchasing annual passes from the Zoo.

This letter will further confirm the Society's agreement to forward to the Zoo staff names of those individuals and families whose applications for Society membership or renewal of membership with unlimited Zoo admission have been refused following the Zoo Board's November 19 decision not to renew the reciprocity agreement with the Society.

Please excuse my delay in providing written confirmation of these matters.

Sincerely,

Mark E. Jacobson

MEJ/jmh

cc: Karla Williams

555 Wabasha Street • Saint Paul, Minnesota 55102

Telephone 612 222-1706

Society

December 10, 1981

Mr. Mark Jacobson
President
Minnesota Zoological Society
15 Ben Hill Road
St. Paul, Minnesota 55105

Dear Mark:

It is obvious, from letters received, that numbers of society members are very concerned about a continuation of a plan for their direct participation in the Zoo through an annual admission program.

Your letter to Toni Hengesteg indicates that the Society has not accepted applications for Society members since November 19, 1981. This means that no method currently exists to provide annual admissions for those who now have that privilege or for new persons seeking annual admission to the Zoo.

The Zoo Board and the Society share a common interest in the Zoo and in its community support. In the service of that interest, I request that the Society permit the Zoo to use the Society's membership list so that the Zoo may directly advise each member of our commitment to them through an annual membership plan. I would appreciate your response by Wednesday, December 16, to reduce as much as possible the time loss and the uncertainty for those with annual Zoo privileges.

Your continuing cooperation during this transition period is greatly appreciated.

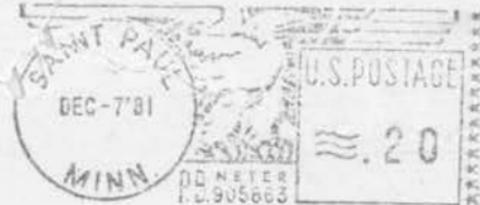
Sincerely,

James L. Hetland, Jr.
Chairman
Minnesota Zoo Board

JLH:rb

bbc: Ed Kohn

Minnesota Zoological Garden
Apple Valley, MN 55124



*no for wavy left
address*

Mark Erling Jacobson
1450 Lincoln Avenue
St. Paul, MN 55105



JAC 50X 02092181 12/09/81
RETURN TO SENDER
NOT DELIVERABLE AS ADDRESSED
UNABLE TO FORWARD

*copy sent
12/7/81*

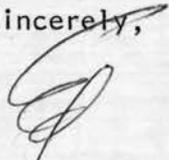
December 1, 1981

Mark Jacobson, President
Minnesota Zoological Society
1450 Lincoln Avenue
St. Paul, Minnesota 55105

Dear Mark:

We will provide space as previously planned for the conduct of the continuing education classes as advertised in the Winter 1981 brochure.

Sincerely,



Edward Kohn
General Director

EK:gd



December 8, 1981

Mr. Mark Jacobson
President
Minnesota Zoological Society
1450 Lincoln Avenue
St. Paul, Minnesota 55105

Dear Mark:

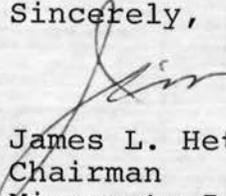
It is obvious, from letters received, that numbers of Society members are very concerned about a continuation of a plan for their direct participation in the Zoo through an annual admission program.

Your letter to Toni Hengesteg indicates that the Society has not accepted applications for Society members since November 19, 1981. This means that no method currently exists to provide annual admissions for those who now have that privilege or for new persons seeking annual admission to the Zoo.

The Zoo Board and the Society share a common interest in the Zoo and in its community support. In the service of that interest, I request that the Society permit the Zoo to use the Society's membership list so that the Zoo may directly advise each member of our commitment to them through an annual membership plan. I would appreciate your response by Monday, December 14, to reduce as much as possible the time loss and the uncertainty for those with annual Zoo privileges.

Your continuing cooperation during this transition period is greatly appreciated.

Sincerely,


James L. Hetland, Jr.
Chairman
Minnesota Zoological Board

JLH:rb





Minnesota Zoological Society

December 4, 1981

Ms. Toni Hengesteg
Economics Laboratory
Osborne Building - 12
St. Paul, MN 55102

Dear Toni:

Confirming our telephone conversation on Monday, November 30, 1981, the Minnesota Zoological Society will continue to sponsor the continuing education programs for the winter quarter, 1981. The particular classes to be offered are set forth in the blue brochure entitled "Minnesota Zoo Learning Adventure -- Winter 1981." A copy of the brochure was given to you at the time of our ad hoc interboard committee meeting on Wednesday, November 25.

The decision to proceed with the continuing education program for winter quarter is based upon the assurance by yourself, as representative of the Zoo Board, and Mr. Kohn that the Zoo facilities will be available for these educational programs on the same basis that has existed in the past -- namely, use of the facilities without charge to the Society or the participants in the educational programs other than the advertised course fees.

The Society Board has decided to continue in effect its moratorium on the acceptance of applications for Society memberships received after November 19 until such time as the Society Board has determined precisely what benefits it will be able to offer new members taken in after November 19. If the Zoo Board decides to extend the reciprocity agreement on an interim basis, the Society Board will consider accepting membership applications received after November 19 for an interim period. You should understand, however, that acceptance of memberships after November 19 would extend the period during which the Society would have to maintain at least a nucleus of staff in order to process membership benefits and would extend the time during which the Society would be required to subscribe to certain membership benefits such as Animal Kingdom.

Until we have had an opportunity to determine the economic feasibility of offering membership benefits after November 19, therefore, we must hold a decision on acceptance of such memberships in abeyance.

Sincerely,

Mark E. Jacobson

MEJ/jmh

cc: Edward Kohn
Karla Williams
James Hetland

November 30, 1981

Dear Volunteer,

I confirm to each of you and to your colleague volunteers that my staff and I and the Zoological Board retain our full commitment to your continuing service and close collaboration in support of the Minnesota Zoo.

As you know, we are working ever more directly together with you and with your elected ZooVAP leaders as we collaborate for new and improved volunteer contributions through planning committees, joint workshops with the staff and in new public service areas. We are moving in the right direction together.

The Zoo will continue as in the past to prepare all materials for recruitment drives, to screen candidates for training, to train the volunteers and directly administer and evaluate the program in cooperation with ZooVAP. Should the Society service not be available, the Zoo, as well, will fully conduct the recruitment effort and the annual recognition responsibilities.

You may be also interested to know that in our economy actions at the Zoo, brought on by recessionary effects on the State budget, I have taken the position that the visitor enrichment programs such as Zoo Lab, animal demonstrations, Outfitter's Post and others so beautifully assisted by our volunteers must be protected side by side with other necessary tasks that make for a great zoo. Your role as creative participants at the Zoo, in our judgment, is essential.

In its action to not extend the highly unusual contract whereby volunteer labor was translated into a dollar credit to the Society, the Zoo Board recognized the organization's past contributions including its sponsorship and recognition of the volunteer program. Since that action we have noted public statements by the Society's leadership that question whether volunteer service will continue to be contributed directly to the Zoo.

On the basis of our mutual commitment and discipline, I believe firmly in our ability as volunteers and staff to work and to improve together side by side. Please accept my unqualified invitation to you for your continued participation in the life of the Minnesota Zoo.

Sincerely,



Edward Kohn
General Director

EK:gd



SOCIETY/ZOO BACK-UP ANSWERS

1
35
33
2
110

1. Payment for Free Entry

Off-set costs included volunteer hour credits which is currently \$4.48 per hour. The gate usage by Society members was \$95,000, ^{of which} was off-set by value of volunteer hours contributed in fiscal year 1981 ^{of which} which was \$128,000 (group sales rate). Had the volunteer hours been less than gate usage an additional cash payment from the Society to the Zoo would have been made, but this has never been the case. This is the basis of the reciprocity agreement.

2. Other Benefits from the Society

Direct Cash Benefits since Zoo Opening

FY79	\$28,000
FY80	19,000
FY81	43,000 29,000

3. Effect on Education Services

Continuing Education will be in-house and all classes as advertised will take place.

4. Volunteer Program

Will continue.

5. Effect on Society

Not been determined yet.

6. Sponsorship Program

At this time, it is intended to continue through its first year when it will be reviewed. A check for \$32,700 from the Sponsorship Program was received November 19. Review of the program will take place in March. The Sponsorship Program was not part of the Reciprocity Agreement.

Yst

9.0

sound clips

RECEIVED
NOV 30 1981
COLEMAN & CHRISTISON

CLIENT	Coleman Christenson- Minnesota Zoo	STATION	WCCO AM	DATE	11/28/81
SCRIPT	A 751	TIME	5:00 PM	LENGTH	1:03

Bill Diehl

The Minnesota Zoological Society today responded to charges by the Minnesota Zoo that the Society, which helped found the state Zoo and worked to develop public support, has not turned over enough donation and membership money to the Zoo. Mark Jacobson is the President of the Zoological Society and in an afternoon news conference which ended just moments ago, Mark Jacobson countered charges that the society is raising nearly \$1,000,000 in membership fees and donations in the last 3 years but turned over only \$76,000:

Jacobson

The actual figure was 76,000 plus, an additional approximately 100,000 in cash that has been paid since June 1st of this year and some \$41,000 that is set aside in a restricted account that can be drawn upon by the Zoo at any time. They just haven't drawn upon that. It's there to be drawn on and the Society has, in fact, never turned down a request from the Zoo for..for financial support.

Diehl

Mark Jacobson of the Minnesota Zoological Society. The Zoo Board said yesterday it was severing ties with the Society.

sound clips

CLIENT Coleman Christenson
 Minnesota Zoo

 STATION WCCO AM

 DATE 11/28/81
SCRIPT A 754

 TIME 10 P.M.

 LENGTH 1:11

Jack
Douglas

The Minnesota Zoological Society, the group which helped found the state Zoo in Apple Valley, today responded to the charge it has held on to the money which should be going to the Zoo. The Zoo's Board says the Society raised nearly \$1,00,000 in membersh sales and donations over th epast 3 years, but gave only about \$76,000 to the Zoo. The President of the Society, Mark Jacobson, today denied the charge:

Jacobson

The actual figure was 76,000 plus, an additional approximately 100,000 in cash that has been paid since June 1st of this year and some \$41,000 that is set aside in a restricted account that can be drawn upon by the Zoo at any time. They just haven't drawn upon that, it's there to be drawn on and the Society has, in fact, never turned down a request from the Zoo fo..for financial support.

Douglas

The Zoo Board recently decided to sever its connection with the Zoological Society. Reportedly after the Society balked at a proposal that the Zoo receive a set amount of money from each new membership. The Zoo, which cost more than 200..rather \$20,000,000 to build has experienced the same financial difficulties as other state projects and is considering the layoff of more than a dozen employees.

sound clips

CLIENT	Coleman Christenson Minnesota Zoo	STATION	WCCO TV	DATE	11/28/81
SCRIPT	B 747	TIME	10 P.M.	LENGTH	1:32

nn
Rubenstein

But at the top tonight, the Minnesota Zoo in Apple Valley is fighting with a group of its supporters.

Mike
Walcher

It's a complex story of in-fighting and mud-slinging between the Minnesota Zoo, a taxpayer supported operation, and the Minnesota Zoological Society. That's an organization of volunteers who helped to promote the Zoo both before and after it opened. Now, the Zoo's Board of Directors has told the Society to politely get lost. The Zoo Board has voted to end a contractual relationship with the society. The dispute centers on money. The Zoo says the Society is holding back tens of thousands of dollars in cash. The Society says it has never turned down a request for money from the Zoo. What's more, the Society claims it has \$33,000 in a special fund for the Zoo, money the Zoo has not even bothered to collect. The Board of Directors of the Zoological Society told reporters today they're very disappointed at being cut off by the Zoo.

ark
Jacobson

..very short sighted for them to in effect cut off the bloodline of what is part of our membership program, the benefit that we can provide to our members through gate admissions for the members and I..we question whether they will be able to operate the program as effectively as we can. They obviously have a different opinion about that and I guess that remains to be seen what will happen.

alcher

The Society in the past had raised money by selling memberships to people who were then allowed free admission to the Minnesota Zoo.

sound clips

CLIENT Coleman Christenson-
Minnesota Zoo **STATION** KSTP TV **DATE** 11/28/81

SCRIPT C 455 **TIME** 10 P.M. **LENGTH** 2:13

on Ellison The organization credited with getting the Minnesota Zoo off the ground is threatened with extinction tonight. The Minnesota Zoo has voted to cut its ties with the Zoological Society and the Society says the Zoo Board is making a big mistake. Lindsay Strand reports:

Strand The Zoo Society was formed back in 1961 to help get the Zoo built. Since that time the Society has managed the membership program and also the volunteer efforts, but now in a dispute over money, the Zoo is cutting its ties with the Society. The Zoo and the Zoo Society have been at odds for months over how much money the Society collects from memberships and donations and turns over to the Zoo. Zoo officials say they aren't getting enough money and with 13 layoffs scheduled to take place in January, every dollar counts.

Steve Bender Up to this date I believe they've turned over about \$81,000 to the Zoo. You compare that to the million dollars from 1979 through 81 that has been brought in on..on memberships and donations. We felt that..that's a rather small amount to be turned over.

Strand But Society officials say the Zoo has mis-interpreted the financial report and is making a big mistake by trying to takeover the membership drive and volunteer efforts:

Mark Jacobson We feel that it's probably short sighted for them to in effect cut off the bloodline of what is part of our membership program, the benefit that we can provide to our members through gate admissions for the members and we question whether they will be able to operate the program as effectively as we can.

Strand Money is what the two sides talk about. But Zoo officials acknowledge other concerns prompted by the decision to sever their ties with the Society. The Zoo Board is concerned about the potential for conflicts over Zoo priorities and possibly duplication of effort, but the Society said it's never tried to tell the Zoo what to do and never will if it's able to remain in existence. And although the Zoo's action

sound clips

Coleman Christenson-
CLIENT Minnesota Zoo

STATION KSTP TV

(2)
DATE 11/28/81

SCRIPT C 455

TIME 10 P.M.

LENGTH

Strand] has left a bad taste in the mouths of many of the Society boardmembers they say they are first and foremost Zoo lovers and will continue to work for the good of the Minnesota Zoo. Lindsay Strand, channel 5 Eyewitness News.



Minnesota Zoological Society

November 25, 1981

Mr. Edward Kohn
Executive Director
Minnesota Zoological Garden
Apple Valley, MN 55124

Dear Ed:

You inquired about the contents of the letter that the Zoo Society Board would be sending to its membership to announce the termination of the reciprocity agreement. I am enclosing for your review, therefore, the letter that was sent out on Wednesday, November 25.

By copy of this letter I am also sending a copy of the membership communication to Jim Hetland and Bob Voigt.

As stated in the letter to our members, the Society's primary interest is the promotion and support of the Zoo and its programs. At a meeting of the Society Board on November 21, the Board reaffirmed its resolve to work closely with the Zoo Board to determine the ways in which the Society will be able to serve the interests of the Zoo in the future.

Sincerely,


Mark E. Jacobson

MEJ/jmh

cc: Jim Hetland
Bob Voigt



Minnesota Zoological Society

November 21, 1981

Dear Friend,

This letter is to inform you of a major State Zoo Board action which directly affects you as a member of the Minnesota Zoological Society.

A three-year old agreement, which allowed your free admission to the zoo as a Society member, has not been renewed. In general terms, this agreement allowed the Society to exchange the value of the volunteer hours worked at the zoo for your admission costs. This in turn, permitted the Society to underwrite programs which helped both the general public and members to obtain maximum benefits from your zoo.

What effect does this action have on your membership benefits?

None, in the short run. For the duration of your membership, you will continue to receive ALL membership privileges including free admission to the zoo.

In the long run however, without a way of offsetting some portion of the cost of member's admissions, the Society may not be able to offer unlimited zoo admissions as a benefit of membership. We may also consider cutting other existing zoo support programs.

Right now, members of every zoological society we know of are given free admissions by their host zoo. In turn for this, the societies provide membership services, special education programs and, in some cases, cash payments. Societies are primarily viewed as vehicles for building community support through the services they provide.

We regret not being afforded the opportunity to continue operating the membership program for the Minnesota Zoo.

We are proud of our accomplishments and involvements before, and particularly since, zoo opening. Our major goals have been met and exceeded in the areas of membership development and growth, volunteer services, education classes and programs, and zoo promotion. Our proudest accomplishment is the

555 Wabasha Street • Saint Paul, Minnesota 55102
Telephone 612 222-1706

-2-

level of community involvement we have generated for the zoo. And, to share a place of recognition in the BIG TEN with societies who are 60 years our senior, is an achievement we feel good about.

Although the Society Board of Directors is disappointed by the Zoo Board's decision, they as always, intend to promote and support programs which serve your zoological interests.

In the next few weeks, your Society Board will be working in close cooperation with the Zoo Board to examine what roles the Society might play in the future and to determine how we can continue to best serve you.

Should you have any questions, please don't hesitate to call the office at 222-1706.

Kind regards,



Mark E. Jacobson
President
Minnesota Zoological Society

Enclosure:

555 Wabasha Street • Saint Paul, Minnesota 55102
Telephone 612 222-1706

MINNESOTA ZOOLOGICAL SOCIETY PROGRAMS AND SERVICES:

1. MEMBERSHIP PROGRAM

- 9,120 family members in 7 country metro area
- annual direct mail campaign
- on-going renewal program
- on-site membership and information booth
- computerized name inventory
- list exchange program

2. MEMBERSHIP ACTIVITIES

- monthly member's programs
- guest lectures and annual open house
- behind-the-scene tours
- national and international travel
- education opportunities

3. PUBLICATIONS/PRODUCTS

- ZOO NEWS monthly newsletter
- Animal Kingdom, bi-monthly magazine
- posters and signed prints
- calendars; wholesale and retail sales

4. SPECIAL EVENTS, PROMOTIONS AND PUBLICITY

- weekly press releases to print media
- audio/video public service announcements
- volunteer recruitment campaigns
- sponsorship promotions
- special events on zoo site
- photo contest
- coloring contest
- lecture series
- story-telling contest

5. EDUCATION PROGRAMS

- year round continuing education classes
- promotional brochures
- registration, accounting and operations
- grants for zoo education coordinator

6. VOLUNTEER SERVICES

- recruitment for training classes
- funding for volunteer grants and scholarships for education
- ZooVAP fund
- recognition event and items
- volunteer program brochures

7. ANIMAL SPONSORSHIP

- funding to launch project
- on-going fund development campaign
- media promotion programs
- community information booths & presentations
- education school programs & materials
- seasonal activities

8. CASH CONTRIBUTIONS TO ZOO:

F.Y. 1979	\$27,813	Direct support
F.Y. 1980	18,975	" "
F.Y. 1981	29,737	" "
F.Y. 1982	24,089	" "
	32,700	Animal Sponsorship
	41,598	Restricted: Direct support
	<u>\$174,912</u>	*

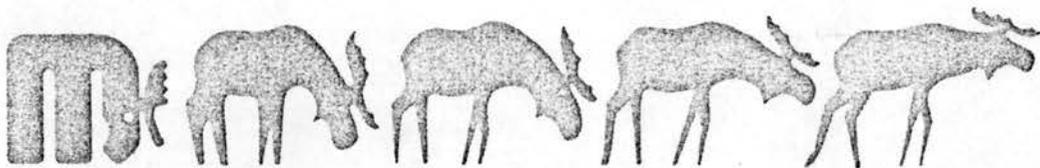
*does not include a variety of equipment purchases or special service costs.

Nov 20

Dear Mark,

The ZM Board would welcome MZS
Ethan review and endorsement of the enclosed
release. It was prepared following a Star/Trib
press query on "the reciprocity negotiations."
Since there has been no press followup today
and since you are meeting with your leadership
tomorrow the Board agrees that holding up the
release until Monday is viable.

Karla expresses the preference of having MZS members
hear from MZS directly before learning of future
changes in the press. I expect that I could make
a case for that sequence assuming that we can
get our interim team together early in the week and quickly
provide a basis for advising the members on details of the
transition. The Board's concern was that we get
in front of the press and deal positively with the change.
I can be reached at home 822-2969 tomorrow



if that could be helpful to you, on Monday AM.

Thanks for your patience and interest and
that of your co-members.

Just behind this layer of administrative
adjustment rests and propers a wondrous
zoo that we are all devoted to together
and for which we can continue to work for
whatever the adjustments in our roles.

Sincerely,
Ed

ZOO ANNOUNCES NEW ANNUAL ADMISSIONS PLAN

The Minnesota Zoological Board, a state appointed citizen board that operates the Minnesota Zoological Garden, took action November 19 to strengthen its business management of annual admission sales.

The Board acted not to renew a contract under which a separate organization, the Minnesota Zoological Society, has sold memberships which include unlimited annual admissions privileges to the Zoo.

A team made up of Society and Zoo officers will work together to mutually assure that the respective obligations of the two organizations are met during the transition. Every membership that has been sold by the Society will be honored completely for its full term, and each member will have the opportunity to renew their annual passes directly through the zoo.

Edward Kohn, general director of the Zoo noted, "The most successful annual membership programs in U.S. zoos are those that are managed directly from within the zoo instead of from the outside. The young Minnesota Zoo is now well established and ready to take on that task directly."

The Minnesota Zoological Society, officed in St. Paul, has worked faithfully to support the development of the new zoo. Zoo Board Chairman, James Hetland, speaking for the Board, commended the Society highly for its support and achievements.

By direct administration, the zoo will be able to more fully promote and administer annual sales on the zoo site in Apple Valley as well as off-site. As a private independent organization the Society could not have as much flexibility for on-site sales and promotion. The zoo, by its own direct operation, should be able to reduce indirect costs and thereby return more of the annual passholder revenue to the benefit of the zoo's accounts.

The zoo will announce soon to the public details of the new annual plan. Individuals and families will be able to purchase the annual plan directly from the zoo and will be known as "MZGs" -- Minnesota Zoo Goers.

ZOO ANNOUNCES NEW ANNUAL ADMISSIONS PLAN

The Minnesota Zoological Board, a state appointed citizen board that operates the Minnesota Zoological Garden, took action November 19 to strengthen its business management of annual admission sales.

The Board acted not to renew a contract under which a separate organization, the Minnesota Zoological Society, has sold memberships which include unlimited annual admissions privileges to the Zoo.

A team made up of Society and Zoo officers will work together to mutually assure that the respective obligations of the two organizations are met during the transition. Every membership that has been sold by the Society will be honored completely for its full term, and each member will have the opportunity to renew their annual passes directly through the zoo.

Edward Kohn, general director of the Zoo noted, "The most successful annual membership programs in U.S. zoos are those that are managed directly from within the zoo instead of from the outside. The young Minnesota Zoo is now well established and ready to take on that task directly."

The Minnesota Zoological Society, officed in St. Paul, has worked faithfully to support the development of the new zoo. Zoo Board Chairman, James Hetland, speaking for the Board, commended the Society highly for its support and achievements.

By direct administration, the zoo will be able to more fully promote and administer annual sales on the zoo site in Apple Valley as well as off-site. As a private independent organization the Society could not have as much flexibility for on-site sales and promotion. The zoo, by its own direct operation, should be able to reduce indirect costs and thereby return more of the annual passholder revenue to the benefit of the zoo's accounts.

The zoo will announce shortly a new annual plan available to the public for individual, family and donor admission and information services. People will purchase the annual plan directly from the zoo and will be known as "MZGs" -- Minnesota Zoo Goers.

ZOO ANNOUNCES NEW ANNUAL ADMISSIONS PLAN

*held for MZS ExComm. possible
co-release
at their
request*

The Minnesota Zoological Board, a state appointed citizen board that operates the Minnesota Zoological Garden, took action November 19 to strengthen its business management of annual admission sales.

The Board acted not to renew a contract under which a separate organization, the Minnesota Zoological Society, has sold memberships which include unlimited annual admissions privileges to the Zoo.

A team made up of Society and Zoo officers will work together to mutually assure that the respective obligations of the two organizations are met during the transition. Every membership that has been sold by the Society will be honored completely for its full term, and each member will have the opportunity to renew their annual passes directly through the zoo.

Edward Kohn, general director of the Zoo noted, "The most successful annual membership programs in U.S. zoos are those that are managed directly from within the zoo instead of from the outside. The young Minnesota Zoo is now well established and ready to take on that task directly."

The Minnesota Zoological Society, officed in St. Paul, has worked faithfully to support the development of the new zoo. Zoo Board Chairman, James Hetland, speaking for the Board, commended the Society highly for its support and achievements.

By direct administration, the zoo will be able to more fully promote and administer annual sales on the zoo site in Apple Valley as well as off-site. As a private independent organization the Society could not have as much flexibility for on-site sales and promotion. The zoo, by its own direct operation, should be able to reduce indirect costs and thereby return more of the annual passholder revenue to the benefit of the zoo's accounts.

The zoo will announce soon to the public details of the new annual plan. Individuals and families will be able to purchase the annual plan directly from the zoo and will be known as "MZGs" -- Minnesota Zoo Goers.



Minnesota Zoological Society

November 21, 1981

Dear Friend,

This letter is to inform you of a major State Zoo Board action which directly affects you as a member of the Minnesota Zoological Society.

A three-year old agreement, which allowed your free admission to the zoo as a Society member, has not been renewed. In general terms, this agreement allowed the Society to exchange the value of the volunteer hours worked at the zoo for your admission costs. This in turn, permitted the Society to underwrite programs which helped both the general public and members to obtain maximum benefits from your zoo.

What effect does this action have on your membership benefits?

None, in the short run. For the duration of your membership, you will continue to receive ALL membership privileges including free admission to the zoo.

In the long run however, without a way of offsetting some portion of the cost of member's admissions, the Society may not be able to offer unlimited zoo admissions as a benefit of membership. We may also consider cutting other existing zoo support programs.

Right now, members of every zoological society we know of are given free admissions by their host zoo. In turn for this, the societies provide membership services, special education programs and, in some cases, cash payments. Societies are primarily viewed as vehicles for building community support through the services they provide.

We regret not being afforded the opportunity to continue operating the membership program for the Minnesota Zoo.

We are proud of our accomplishments and involvements before, and particularly since, zoo opening. Our major goals have been met and exceeded in the areas of membership development and growth, volunteer services, education classes and programs, and zoo promotion. Our proudest accomplishment is the

555 Wabasha Street • Saint Paul, Minnesota 55102

Telephone 612 222-1706

-2-

level of community involvement we have generated for the zoo. And, to share a place of recognition in the BIG TEN with societies who are 60 years our senior, is an achievement we feel good about.

Although the Society Board of Directors is disappointed by the Zoo Board's decision, they as always, intend to promote and support programs which serve your zoological interests.

In the next few weeks, your Society Board will be working in close cooperation with the Zoo Board to examine what roles the Society might play in the future and to determine how we can continue to best serve you.

Should you have any questions, please don't hesitate to call the office at 222-1706.

Kind regards,



Mark E. Jacobson
President
Minnesota Zoological Society

Enclosure:

555 Wabasha Street • Saint Paul, Minnesota 55102
Telephone 612 222-1706

MINNESOTA ZOOLOGICAL SOCIETY PROGRAMS AND SERVICES:

1. MEMBERSHIP PROGRAM

- 9,120 family members in 7 country metro area
- annual direct mail campaign
- on-going renewal program
- on-site membership and information booth
- computerized name inventory
- list exchange program

2. MEMBERSHIP ACTIVITIES

- monthly member's programs
- guest lectures and annual open house
- behind-the-scene tours
- national and international travel
- education opportunities

3. PUBLICATIONS/PRODUCTS

- ZOO NEWS monthly newsletter
- Animal Kingdom, bi-monthly magazine
- posters and signed prints
- calendars; wholesale and retail sales

4. SPECIAL EVENTS, PROMOTIONS AND PUBLICITY

- weekly press releases to print media
- audio/video public service announcements
- volunteer recruitment campaigns
- sponsorship promotions
- special events on zoo site
- photo contest
- coloring contest
- lecture series
- story-telling contest

5. EDUCATION PROGRAMS

- year round continuing education classes
- promotional brochures
- registration, accounting and operations
- grants for zoo education coordinator

6. VOLUNTEER SERVICES

- recruitment for training classes
- funding for volunteer grants and scholarships for education
- ZooVAP fund
- recognition event and items
- volunteer program brochures

7. ANIMAL SPONSORSHIP

- funding to launch project
- on-going fund development campaign
- media promotion programs
- community information booths & presentations
- education school programs & materials
- seasonal activities

8. CASH CONTRIBUTIONS TO ZOO:

F.Y. 1979	\$27,813	Direct support
F.Y. 1980	18,975	" "
F.Y. 1981	29,737	" "
F.Y. 1982	24,089	" "
	32,700	Animal Sponsorship
	41,598	Restricted: Direct support
	<u>\$174,912</u>	*

*does not include a variety of equipment purchases or special service costs.

Zoo

Continued from page 3B

taken by the zoo board in the last four months to strip the society of virtually all its functions as the zoo's support group.

The zoo directors, who are appointed by the governor to run the state-owned zoo in Apple Valley, discontinued their long-standing "reciprocity" contract with the society in November. That contract gave society members unlimited free admissions to the zoo in return for work done by volunteers, many of whom were society members.

That agreement was the lifeblood of the society, which was organized almost 20 years ago to lobby for the construction of a state zoo and which enrolled more than 8,000 members since the zoo's opening four years ago.

In recent months the zoo board has taken over operation of the volunteer work program, of the animal sponsorship program and of a continuing education program, all formerly operated by the society. The board also is publishing a newsletter and has launched its own membership program, the Minnesota Zoo Goer Association, to replace benefits once provided by the society.

Zoo officials have made it clear they want the society to fold. They fear that membership and other programs run by the society will confuse the public and will compete with the zoo's attempts to attract members to the Zoo Goers Association.

The Zoo Goers now has 532 members who pay an annual fee for unlimited admission to the zoo, according to Nancy Gibson, public affairs officer for the zoo. Most of them have joined during visits to the zoo since January. Gibson said membership should increase substantially as more people visit the zoo in the spring and summer.

The society is ready to offer its own revised membership program, Jacobson said yesterday. It will buy zoo admission tickets, available to any group at a 20 percent discount, and then distribute them to its members, he said.

He said the society hopes to retain about half its members, or about 4,500 people who buy annual society memberships.

Jacobson said he wanted to be able to distribute admission tickets to society members on the zoo grounds, but the zoo board rejected that idea. Jacobson later called the issue "unresolved," noting, "It's a public place. They can't keep the flower people from handing out flowers, so how can they keep us out?"

He also said he might ignore the zoo board's demand that the society disclaim any direct affiliation with the zoo in its promotional literature. He said the society has never claimed to be directly linked to the zoo and has always operated as an independent support organization. He said a formal disclaimer would be inappropriate.

Zoo Garden divorces self from Zoo Society

By Jacqui Banaszynski
Staff Writer

Directors of the Minnesota Zoological Garden turned their separation from the Minnesota Zoological Society into a formal divorce Thursday.

The zoo board banned society members from distributing literature on the zoo grounds, ordered the society to stop claiming any affiliation with the zoo and said it no longer would send representatives to the society's meetings.

Despite that, officials of the society said yesterday that they would con-

tinue to operate as the zoo's independent membership support arm and would run a society membership program that includes free admission to the zoo.

"I guess I'm a dreamer," said society President Mark Jacobson. "We're going through rough waters right now and they (the zoo directors) may think they don't need us today. But we hope that some day they'll recognize their need for a membership support society."

Yesterday's action followed steps

Zoo continued on page 15B



MINNESOTA ZOOLOGICAL GARDEN

PROPOSED POSITION STATEMENT
REGARDING THE RECIPROCITY AGREEMENT
WITH THE MINNESOTA ZOOLOGICAL SOCIETY

OVERALL RESPONSIBILITIES

- (1) Operate the Zoo in a reasonable and prudent manner for the citizens of the State of Minnesota.
- (2) Part of the above responsibility consists of overseeing and approving all activities which take place in the name of the Zoo by any organization.
- (3) Make the Zoo accessible to all of the citizens of the State of Minnesota.
- (4) Encourage and maintain a broad base of support from the citizens and communities of the State.

THE RECIPROCITY AGREEMENT

- (1) The Society has provided a wealth of support and valued services to the Minnesota Zoo since its inception down to the present time. Without the Society, those early years would have been considerably more difficult. For this contribution, the Zoo is, and always will be, very grateful. In addition, the Zoo looks forward to continuing support from the Society in areas other than the reciprocity areas.
- (2) The Zoo has come of age as it has been operating for over three years and the initial relationship of the Society to the Zoo is no longer necessary.
- (3) The June, 1981 Legislative Auditor's report raised certain questions regarding the Zoo/Society relationship in the following areas:
 - (a) The ambiguity and inefficiency associated with working with several independent boards.
 - (b) Duplicate media promotion.
 - (c) Duplicate advertising campaigns.

- (d) Individual newsletters.
 - (e) Inadequate direct control over special sponsorship programs.
 - (f) Each organization has its own ideas how to best promote the Zoo. This could create inefficiencies in operating the Zoo.
- (4) The Zoo Board believes that a potential exists for conflicting interests between the Zoo and the Society.
 - (5) The Zoo Board believes that all activities carried on by the Society on behalf of the Zoo should be performed only with the prior approval of the Zoo Board.
 - (6) The Zoo Board believes it needs a broad base of citizen and community support to prosper and function in an efficient manner.
 - (7) The Zoo believes that it can perform the annual membership drive, the volunteer program and the education program which was the significant part of the former reciprocity agreement with the Society in a more efficient manner, thus benefiting the people of the State of Minnesota.

SIGNIFICANT FINANCIAL FACTS PERTAINING TO
THE SOCIETY/ZOO RELATIONSHIP

Society Revenues for the Year Ended May 31¹

1979	\$386,000
1980	\$311,000
1981	<u>\$300,000 (est.)</u>
	<u>\$997,000²</u>

Society Direct Grant Obligations to the Zoo for Years Ended May 31

1979	\$ 28,000
1980	\$ 98,000
1981	<u>\$ 8,000</u>
TOTAL	\$134,000
DISBURSED TO DATE TOTAL	\$ 81,000

Society Value of Zoo Support for 1981

Volunteer program	\$ 16,000
Education program ³	\$ 25,000

Society Value of Zoo Admissions for
1981 offset by volunteer services \$116,000

Cost of Memberships to the Society for 1981 (per Society worksheet and exclusive of advertising, promotion and general administrative costs).

	<u>Cost</u>	<u>Membership Fee</u>
Family	\$ 5.91	\$32.50
Individual	\$ 5.91	\$21.50
Donor	\$ 5.91	\$50.00 to \$99.00
Supporting	\$25.91	\$100.00 and up

¹ Society has spent over \$420,000 on membership procurement and general and administrative expenses over the past three years.

² Revenue amounts include volunteer service hour credits totaling \$263,363.

³ Society keeps all Continuing Education course fees. The zoo houses the program and the Society pays out-of-pocket costs, including teacher costs. (The majority of the classes are taught by zoo employees on their own time.)

⁴ Approximately 1/2 of the volunteers are not members of the Society.

11/2/81

SIGNIFICANT FINANCIAL FACTS PERTAINING TO
THE SOCIETY/ZOO RELATIONSHIP

Society Revenues for the Year Ended May 31¹

1979	\$386,000
1980	\$311,000
1981	\$300,000

Society Direct Grant Obligations to the Zoo for Years Ended May 31

1979	\$ 28,000
1980	\$ 98,000
1981	<u>8,000</u>
TOTAL	\$134,000
DISBURSED TO DATE TOTAL	\$ 81,000

Society Value of Zoo Support for 1981

Volunteer program	\$ 16,000
Education program ²	\$ 25,000

Society Value of Zoo Admissions
for 1981 offset by volunteer
services³

\$116,000

Cost of Memberships to the Society for 1981 (per Society worksheet and exclusive of advertising, promotion and general administrative costs) -

	<u>Cost</u>	<u>Membership Fee</u>
Family	\$ 5.91	\$32.50
Individual	\$ 5.91	\$21.50
Donor	\$ 5.91	\$50.00 to \$99.00
Supporting	\$25.91	\$100.00 and up

¹Society has spent over \$420,000 on membership procurement and general and administrative expenses out of approximately \$1,000,000 in revenues over the past three years.

²Society keeps all Continuing Education course fees. The zoo houses the program and the Society pays out-of-pocket costs, including teacher costs. (The majority of the classes are taught by zoo employees on their own time.)

³Approximately 1/2 of the volunteers are not members of the Society.

11/27/81

MINNESOTA ZOOLOGICAL GARDEN

PROPOSED POSITION STATEMENT
REGARDING THE RECIPROCITY AGREEMENT
WITH THE MINNESOTA ZOOLOGICAL SOCIETY

OVERALL RESPONSIBILITIES

- (1) Operate the Zoo in a reasonable and prudent manner for the citizens of the State of Minnesota.
- (2) Part of the above responsibility consists of overseeing and approving all activities which take place in the name of the Zoo by any organization.
- (3) Make the Zoo accessible to all of the citizens of the State of Minnesota.
- (4) Encourage and maintain a broad base of support from the citizens and communities of the State.



THE RECIPROCITY AGREEMENT

- (1) The Society has provided a wealth of support and valued services to the Minnesota Zoo since its inception down to the present time. Without the Society, those early years would have been considerably more difficult. For this contribution, the Zoo is, and always will be, very grateful. In addition, the Zoo looks forward to continuing support from the Society in areas other than the reciprocity areas.
- (2) The Zoo has come of age as it has been operating for over three years and the initial relationship of the Society to the Zoo is no longer necessary.
- (3) The June, 1981 Legislative Auditor's report raised certain questions regarding the Zoo/Society relationship in the following areas:
 - (a) The ambiguity and inefficiency associated with working with several independent boards.
 - (b) Duplicate media promotion.
 - (c) Duplicate advertising campaigns.

- (d) Individual newsletters.
 - (e) Inadequate direct control over special sponsorship programs.
 - (f) Each organization has its own ideas how to best promote the Zoo. This could create inefficiencies in operating the Zoo.
- (4) The Zoo Board believes that a potential exists for conflicting interests between the Zoo and the Society.
 - (5) The Zoo Board believes that all activities carried on by the Society on behalf of the Zoo should be performed only with the prior approval of the Zoo Board.
 - (6) The Zoo Board believes it needs a broad base of citizen and community support to prosper and function in an efficient manner.
 - (7) The Zoo believes that it can perform the annual membership drive, the volunteer program and the education program which was the significant part of the former reciprocity agreement with the Society in a more efficient manner, thus benefiting the people of the State of Minnesota.

SIGNIFICANT FINANCIAL FACTS PERTAINING TO
THE SOCIETY/ZOO RELATIONSHIP

Society Revenues for the Year Ended May 31¹

1979	\$386,000
1980	\$311,000
1981	<u>\$300,000 (est.)</u>
	<u>\$997,000²</u>

Society Direct Grant Obligations to the Zoo for Years Ended May 31

1979	\$ 28,000
1980	\$ 98,000
1981	<u>\$ 8,000</u>
TOTAL	\$134,000
DISBURSED TO DATE TOTAL	\$ 81,000

Society Value of Zoo Support for 1981

Volunteer program	\$ 16,000
Education program ³	\$ 25,000

<u>Society Value of Zoo Admissions for 1981 offset by volunteer services</u>	\$116,000
--	-----------

Cost of Memberships to the Society for 1981 (per Society worksheet and exclusive of advertising, promotion and general administrative costs).

	<u>Cost</u>	<u>Membership Fee</u>
Family	\$ 5.91	\$32.50
Individual	\$ 5.91	\$21.50
Donor	\$ 5.91	\$50.00 to \$99.00
Supporting	\$25.91	\$100.00 and up

¹ Society has spent over \$420,000 on membership procurement and general and administrative expenses over the past three years.

² Revenue amounts include volunteer service hour credits totaling \$263,363.

³ Society keeps all Continuing Education course fees. The zoo houses the program and the Society pays out-of-pocket costs, including teacher costs. (The majority of the classes are taught by zoo employees on their own time.)

⁴ Approximately 1/2 of the volunteers are not members of the Society.

DEPARTMENT

ATTORNEY GENERAL

Office Memorandum

TO : JAMES L. HETLAND, JR.
Chairman
Minnesota Zoological Board

DATE: 11/10/81

FROM : RICHARD S. SLOWE 
Special Assistant
Attorney General

PHONE: 296-2638

SUBJECT: Termination of Reciprocity Agreement With The
Minnesota Zoological Society

At its October meeting the Zoological Board requested that I report to it on the legal issues involved in termination of its contractual relationship with the Minnesota Zoological Society. The following are my thoughts on the matter, many of which I have expressed to the Board or its committees in the past.

A. Termination of the Agreement.

The reciprocity agreement between the Board and the Zoological Society is an annual contract with an automatic renewal provision. By giving the Zoological Society notice of its intent to terminate and renegotiate the agreement 90 days prior to May 31, the Board foreclosed automatic renewal of the agreement. Accordingly, without affirmative Board action to extend the existing agreement or adopt a new one, the contract would have terminated on May 31, 1981. Because negotiations have been in progress, the Board has approved several 30 and 60 day extensions of the existing agreement. The most recent extension expires on November 19. If the Board does not take affirmative action to extend the existing contract or adopt a new one, the contract will be terminated on November 19.

B. Zoological Board Obligations After Termination.

The only major obligation of the Board to the Zoological Society that would remain after termination of the agreement relates to free admissions to the Zoo. The Board is required by paragraph VIII of the agreement to grant free entry privileges to the Zoo to all Society members active on the date of termination of the agreement until the expiration of their current memberships. The Society remains obligated to compensate the Zoo for the actual Society use of this privilege in accordance with the terms of the contract. The Society's dollar obligation for those admissions may be offset by the dollar credit for Zoo volunteer hours accumulated prior to the termination of the agreement. Of course, the Society must cease selling new or renewal memberships that promise free

James L. Hetland, Jr.
November 10, 1981
Page 2

admission to the Zoo on the date of termination of the agreement. In addition to free admission for Society members, any Society guest passes distributed prior to the date of termination as an incident of Society membership must also be honored by the Zoo.

The only additional issue that I see relating to continued Board obligation to Society members concerns special Society members events at the Zoo as provided for in paragraph II.D of the agreement. I don't know what the extent of this benefit has been in the past, so I am not certain what the contractual expectations of Society members would be in this regard. However, if, for example, in the past there have been two members events at the Zoo each year, it would be appropriate for the Board to continue to make the Zoo available for these events for Society members who joined prior to the termination of the agreement. Of course, the Society should bear all costs of any such events, including a fee for rental of the facility, if the Board wishes. This is one of the issues that should be resolved in the discussions of additional closeout procedures pursuant to paragraph VIII.D of the agreement.

I am not aware of any other benefits of Society membership for which the Board would have any continuing responsibility. Of course, the Society itself may have some continuing obligation to honor other commitments to its members, such as the subscription to Animal Kingdom magazine.

C. Relationship With The Society After Termination.

Of course, the termination of the reciprocity agreement would by no means necessitate the dissolution of the Minnesota Zoological Society. However, it would raise significant questions concerning the continued activities of the Society, its relationship with the Minnesota Zoological Garden, and the disposition of the funds it has raised through the sale of memberships in the past. In addressing these issues, it is important to note that based on its current articles of incorporation, the sole purpose of the Society at this time is:

[t]o assist and support the Minnesota Zoological Garden in the accomplishment of its purposes whether through rendering financial assistance or performing services or otherwise and to do all other acts and things incidental to the furtherance of the authorized objectives of said Garden.

James L. Hetland, Jr.
November 10, 1981
Page 3

Termination of the reciprocity agreement would not necessarily mean that the Society could not continue to serve its purpose as stated above. For example, termination of the agreement would not of itself terminate the Animal Sponsorship Program. However, continuation of the Animal Sponsorship Program or implementation of any activities by the Society in the name of or on behalf of the Zoo could only be undertaken with Zoological Board approval. It would therefore be necessary for both the Board and the Society to determine whether a continuing relationship on that basis, beyond the reciprocity agreement, would be feasible and satisfactory to both parties. If it is not, as a practical matter, it would seem necessary and logical to me that the Society would have to amend its articles of incorporation to change its purpose.

This squarely raises the issue of the disposition of the substantial sums of money currently held by the Society which have been raised through the sale of memberships granting free admission to the Zoo. Our attorney in charge of regulating charitable solicitations informs me that Minnesota is a "trust" state regarding funds solicited by non-profit corporations. This means that if a non-profit corporation exists and raises funds for a particular purpose, it holds those funds in trust for the accomplishment of the purposes for which they were raised. The corporation cannot subsequently change its purposes and divert those funds to the new cause.

Based on this legal principle, the stated purpose of the Society,, and the representations made to, and the perceptions of, the public in the solicitation of the funds, it is my conclusion that the Society would not be permitted to use its current fund balances for purposes other than to benefit the Minnesota Zoological Garden. The precise mechanism and means by which those funds would be devoted to that purpose in the event of termination of the agreement would be another matter to be resolved in discussions pursuant to Paragraph VIII.D of the agreement.

D. Zoo Implementation of Society-Related Programs.

The final issue to be discussed is that of operation by Zoo staff of programs which the Society is currently operating or participating in. It is my understanding that Ed Kohn and the staff have identified five such areas: (1) annual admission sales; (2) the volunteer program; (3) continuing education; (4) a periodical publication; and (5) the Animal Sponsorship Program. I have discussed each of the programs with Ed Kohn and Steve Iserman and have found no legal basis on which to conclude that the Zoo could not fully execute each of these programs on its own. The problems,

James L. Hetland, Jr.
November 10, 1981
Page 4

to the extent that any exist, relate to financial or other practical aspects of implementation, and not to legal ones.

I hope that this answers most of the questions that have been troubling the Board. If any of the Board members have additional questions or would like further clarification on any of these matters, I will be happy to discuss this with them either prior to or at the Board meeting.

RSS:fw
cc: All Board Members
Ed Kohn
Steve Iserman

Office Memorandum

DEPARTMENT MINNESOTA ZOOTO : James Hetland, Chairman
Minnesota Zoological Board

DATE: October 28, 1981

FROM : Edward Kohn
General Director PHONE: 432-9010 x300SUBJECT: MZG/MZS OPERATING RELATIONSHIP

You have asked that I review the zoo's operating alternatives in the event of reciprocity contract termination and in the context of the overall relationship of the MZG and the MZS.

In so doing I suggest that contract renegotiation, though of significant practical import to the operations of both parties, is secondary in importance to another concern. The overriding issue is that of the respective roles of the zoo's support organizations and of the Zoo Board and the Zoological Garden.

Interorganizational Relationships

In a thoughtful 12-page section devoted to these relationships in his report of June, 1981, the Legislative Auditor (please see Attachment "A") comments, "One of the most confusing aspects of the zoological environment in Minnesota involves the question of purpose and responsibilities of the MZG and the State Zoological Board, the MZGF, and the MZS" and "Depending upon who you talk to, you will get various opinions as to whether it is best to continue the current organizational structure for zoological activities or to combine the Zoo, the Society and the Foundation into one or two separate entities." Although the report notes, "We do not intend to take a position on that question in this report", it expresses clear support for the process of review and remedy initiated by the Interboard Committee early this year.

The Zoo Board's February 12, 1981 "Recommendations for the Organization of the Minnesota Zoological Board" and the Legislative Auditor's previous report to Zoo Board (for the years ended June 30, 1975, 1976, and 1977) both have dealt as well with the issue of the tripartite assembly of boards and possible overlap of their functions. In addition, the three Boards in 1978 gave extensive consideration to funding a directed study on the subject of Society/Foundation merger on the basis that merger might advantageously incorporate the strengths of two support organizations into one. The resulting benefits of presenting a clearer image to the public would be notable. There is ample awareness of how unaware the media and Society annual members are of the organizational separateness of the Zoo and the Society, in contrast with both Boards' members clear sense of distinction between the two. The issue of role combination is not a new one and by speaking to it now, the Zoo Board would serve rather than expand an ongoing agenda of concern. The tendency for most three-body problems is to reassemble in one good pair bond and one isolate, or "odd man out." Merger may be a viable management alternative to that outcome.

1. Common Site. The Interboard Committee proposed that the Society and the Foundation combine office functions at one location, as one step in the process of possible future organizational consolidation. The zoo can provide a sound building on Johnny Cake Ridge Road with 1,600 square feet for use by our support organizations.

The space might be reviewed by the parties as an optional site for relocating all or most of their continuing functions. The disadvantage of separation from urban population centers should be at least partially offset by the advantages of closer support and interaction with the zoo they both serve. Competitive rental terms (required by the State) can be established. To take fullest advantage of the consequent closer physical association, the Boards might then consider initiating a deliberate study of the viability and need for organization merger of the Foundation and Society. (Perhaps the jointly managed Freshwater Biological Research Foundation and Society pose one model. There are others worth studying.)

2. Support Role Clarification. Since its incorporation in 1975 under the Minnesota Non-Profit Corporation Act, the Foundation has been directed and operated exclusively in a support function to the zoo. The Foundation has never deemed it appropriate to require that the Zoo Board apply to it and negotiate with it for the use of funds it has raised for the zoo. Though its views are sought, the Foundation awaits and then serves the Zoo Board's determined capital priorities. Nor have its articles of incorporation ever contemplated independent purposes.

The Society, on the other hand, when incorporated in 1961, included in its articles responsibility to establish and operate a zoo as well as "To encourage public interest in the science of zoology; to conduct places of recreation and education for the benefit, advantage and amusement of the public so that it may acquire a better understanding of the science of zoology and kindred subjects; to engage in research in, and to prepare, publish and disseminate information to the public concerning the science of zoology." (Article I.3.) In 1975 the Society Board authorized a change in articles replacing entirely the original purposes statement with the following, "To assist and support the Minnesota Zoological Garden in the accomplishment of its purposes whether through rendering financial assistance or performing services or otherwise, and to do all other acts and things incidental to the furtherance of the authorized objectives of said garden."

The point here is that the Society acts in part as though it remains governed by the original article of purposes. When mention is made by some of its Board members of the Society's interest in performing its own research and publishing its own findings independent of the zoo, it is not a support organization that is speaking but rather that of an independent organization with a mission of its own. A lot of the continuing confusion and uncertainty regarding respective responsibilities, I believe, rests on perception, by at least some, of the Society's purpose and role as a body not only independent of the zoo in origin and incorporation but in mission as well. Some of the recent misunderstandings on the appropriate process for fellowship funding, as well as the question of respective responsibilities for publication content and program coordination, may stem from a role perception that might not yet have made the full transition to the operating reality of the zoo today.

Reciprocity Agreement

The issue of termination of the reciprocity agreement carries with it a number of practical considerations.

In 1978, the Zoo Board waived contractually all costs to the Society for the latter's membership service of unlimited annual free entry into the zoo, in exchange for the receipt by the zoo of volunteer services at estimated value as great as that of the lost gate. Those volunteer services, being substantially available to the zoo independent of contract with the Society, provide no basis of fair return to the State for the value of goods (free entry) provided by the State. This inequity has been perceived ever more consistently over the past two years, necessitating renegotiation.

On January 22, 1981, the Minnesota Zoological Society was advised of the Minnesota Zoological Board's intention to seek renegotiation of the reciprocity agreement between the two. In the months since, members of the Minnesota Zoological Society Board and the Zoo Board have sought earnestly and in good faith, though without success, to define clearly the terms of a revised and acceptable balance of benefits to both parties as a basis for contract renewal.

In their searching for alternative modes of payment for members' free admission there has recurred one distinct difference between the positions of the two parties. Whatever the estimated dollars, the Society has proposed to pay only in amounts that are net over all other expenses in its accounts at the end of the accounting period. Since the Zoo Board cannot waive its responsibility to make sure that the State gets a fair return for its goods, it has had no choice but to propose looking over the Society's shoulder at its budget, fiscal operations and operating reserves thus conflicting with the Society's sense of independence and responsibility.

The clear alternative (practiced elsewhere) would be to seek payment for the goods up front. Portland's Metropolitan Service District and the Friends of the Portland Zoo recognized this in their agreement (please see Attachment "B") under which the Friends pay a set fee to the zoo for each membership sold. (A second feature of the Oregon contract is perhaps quite germane to another area of concern here: the distribution of donor income. In Portland, such funds are deposited to an escrow account to be cleared periodically for the zoo's capital needs by mutual agreement.)

At the North Carolina Zoo, as well, direct billing is made for society member entry. At the Cleveland Zoo a contract between its Society and Metro Parks has been based on direct pay at regular admission rates for the past two years. The use of such a method will likely become increasingly standard for public zoos subsidized through extended tax districts or jurisdictions.

Here, the Zoo Board's negotiators have not been granted recognition from the Society Board of the merits of such a direct pay approach, though it has been presented clearly several times. Indeed, it has been rejected outright. Were it to be applied here, the Zoo might propose the fee be based on group rates and an estimated two visits per year by a family size estimated at four members, perhaps adjusted for the direct net costs of other solicited services.

In the absence of an acceptable direct pay method, there appears to be no alternative to contract termination. In such an event, a number of practical concerns regarding operations and the timing of their change need be considered.

1. Annual Sale Transition Campaign. The current Society membership level of approximately 8,000 families and 1,000 individual memberships with a 70% renewal rate represents quite a working investment. To realize as fully as possible the benefits of this extensive investment would require a very deliberate strategy of conversion from Society sale to zoo sale of annual passes so that from the consumer's perspective there is scarcely a hiccup of concern. This will take months to carefully stage with sensitivity to public relations planning, lists management, continuing renewal management and more. Such a conversion can best be accomplished with the full cooperation of the Society Board and staff. There is no reason to assume that such cooperation cannot be achieved. If it is clearly in the best interests of the zoo to directly manage annual sales, then the people of good will who have the interests of the zoo at heart can find a basis to work together on the transition.

2. Current Fiscal Year Commitments. During the early stages of negotiation with the Society, the Zoo Board agreed to honor the Society's current fiscal year budget. The Society asked for such assurance in the late spring so that it could soundly commit

to its membership renewal drive and so that its activities could begin their new fiscal year on June 1, 1981 with approved budget plans for the year. The Zoo Board gave such assurance and suggested that except for the Society's obligation of \$42,000 in grant monies to the zoo (reserved for that purpose by the Society as an end-of-year balance from the previous year), and except for assurance that the zoo would receive no less than 70% of the gross receipts from the sponsorship program, there would be no other anticipated impacts on the Society's current year budget. Reciprocity negotiations instead would impact primarily on the Society's next fiscal year budget beginning June 1, 1982.

There may thus be fair reason, in addition to sound management of a transition campaign, to defer until late spring 1982 the zoo's assuming full responsibility for annual sales. The intervening months would be needed to work out with the Department of Finance and with our legislative committees operating plans for distribution of annual sales proceeds, and to do so hopefully in cooperation with the Society.

3. Mutual Work on Close-Out. Contract procedures for termination of the annual sales/reciprocity agreement call for the parties working together on close-out procedures to best assure the mutual good. Under such a process could come understandings on the availability to the zoo of portions of present fund balances as an operating source for the zoo's start-up management of annual sales and renewals. The Society has pointed out that its membership income is greatest in the spring. Consequently, as an alternative to some adjustment of its current fiscal year budget, dedication to the zoo of a portion of undedicated funds would be desirable to enable the zoo to conduct the sales program.

These comments are based on the assumption that the Society would choose to continue as a viable entity. Should the Society Board choose instead to dissolve its corporation then, under its articles, all of its assets following payment of all liabilities of the corporation would be distributed to the zoo.

Joint Activity Review

The following brief comments on joint activities assume Society continuation and, thus, partial service to the zoo in several areas. Should such service not be possible, then operating plans could be made ready promptly for full performance by the zoo of all programs.

1. Continuing Education. The Society has funded through an \$8,000 annual grant to the zoo our coordinator of continuing education through February, 1982. In addition, it schedules, promotes and administers the fees and professional payments for the courses. We propose to not offer spring classes in 1982 and to plan instead on a new program beginning in the summer season to be funded through zoo-administered class and summer sessions with fees collected directly by the zoo. Special classes are integral to the zoo's overall education program. Breaking out one cluster of them as a Society operation is not efficient and is a source for role confusion in the public mind.

We may welcome continued Society interest and grant support for future programs, with a discount option for annual members. Enrollment drives, however, would be broadened well beyond annual members.

Several new and more extensive class options would be explored. One major option that has proven very financially successful at other institutions such as the Bronx Zoo, Cincinnati Zoo, and Busch Gardens is summer camps for students. A 10-week long program, with repeat curriculums, could deal with 15 students per session. Running from 10:00 - 4:30 p.m. daily, the classes could be staffed by naturalists, volunteers,

interns, and temporary help as needed. The fees charged, approximately \$75-\$100 per student, could make the program entirely self-supporting.

A brochure could go out for fall/winter (September-February) paid for by summer monies with an accent on adults' and young children's classes. Included in fall/winter would be the special contract classes for the gifted and Breck Schools. Other options include film series, lectures and field trips for a fee.

By changing the format, class schedules would be produced at a lower cost and could be made available to a wide range of individuals through distribution at professional offices, organizations, on the zoo site, to school groups, 4-H groups, Scout troops, and Park and Recreation programs.

2. Publication. The Society's primary orientation in recent years has shifted to membership services. It's publication services have logically borne this emphasis. The Society staff has been exceptionally cooperative and professional in their effort to cast their membership service newsletter in a manner useful as well for the zoo's public needs. But there are practical limits to such accommodation and I believe, therefore, that the zoo should return directly to the task, unless at some point the Society should decide to reform its priorities to focus on public education and communication.

We would review options for direct production of a zoo periodical through contract advertising assistance and in cooperation with other public programs in the State, such as other public zoos, 4-H, Minnesota Naturalist Association, horticultural and waterfowl societies and education groups.

3. Volunteer Program. Support of the volunteer program is one of the Society's proudest achievements. We now directly manage all facets of the program except for initial recruitment and annual recognition. We do so in cooperation with the volunteer's own organization, ZooVAP. Though we believe we could take on recruitment and recognition services with additional part-time clerical support, I recommend that we continue to welcome those services from the Society should it wish to provide them.

4. Animal Sponsorship Program. In the first eight months of the sponsorship project, revenues gained by the Society have not matched the Society's expenses. If we add the cost of zoo services sought by the Society for the program's support the imbalance is greater. Comparable programs have proven to be profitable elsewhere but usually by on-site administration. Until one full year of the program has passed, it is premature to judge its viability. I recommend that we continue with the program through the Society until Spring 1982 and then, with the Society, thoroughly review performance and potential in addition to considering whether direct operation might reduce costs and increase net proceeds to a level adequate to justify continuation.

5. Donor Programs. I recommend that the Society and the Zoo Board study and adapt the Portland Metro method (see Attachment "B", Paragraph 7.4) for management of donor funds and gifts received by the Society on behalf of the zoo.

6. Annual Memberships. I have suggested earlier in this memo some of the time constraints and practicalities of the zoo's assuming annual sale responsibilities as well as the desirability of a thoroughly professional marketing transition.

For the purpose of illustrating how annual pass revenues earned directly by the zoo could be distributed several assumptions are made based on Society projections for FY 1982.

With 7,300 family, 1,500 individual, 250 supporting, and 250 donor passes at adjusted rates of respectively \$30.00, \$20.00, \$50.00, and \$100.00, total annual revenue would

round to \$290,000.

With payment made quarterly to the General Fund for actual gate attendance at the group sales rate, \$100,000 of the annual revenue would be so directed.

On a preliminary basis we estimate need for a program budget of \$105,000 including approximately \$55,000 in salaries and \$50,000 in supplies and expenses (data processing, postage, special printing, poster and other expenses). On this basis, \$85,000 would remain net to the zoo gift fund.

Since payment would be made to the General Fund at group rate at the close of each quarter, all revenue could be deposited in our gift fund under current authority. However, in order to hire against the fund, special authorization would be needed from LAC or the Legislature. We could seek such authority in early 1982.

As a direct zoo operation all facets of our marketing and promotions services could effectively carry annual sales promotions including group sales, general admission marketing and on-site sales. For example, admissions operations could be expanded to explicitly give every visitor the option of applying the day's admission charge as a credit against annual pass purchase on the same day.

Again, the zoo's chances to sustain the high renewal rate achieved by the Society would rise with thorough cooperation of both parties.

EK:gd

Attachments

cc: Richard Slowes, Assistant Attorney General (for review and comment)

STATE ZOOLOGICAL BOARD

SECTION I

RELATIONSHIPS AMONG ZOOLOGICAL ORGANIZATIONS

One of the most confusing aspects of the zoological environment in Minnesota involves the question of purpose and responsibilities of the following zoological organizations:

Minnesota Zoological Garden and State Zoological Board
Minnesota Zoological Garden Foundation
Minnesota Zoological Society

Each of the organizations has played an important role in the development and continuing operation of the state Zoo in Minnesota.

Following are brief descriptions of the structure, funding, and purpose of each of the organizations and a discussion of various problems encountered in their inter-relationships. Another zoological organization, Minnesota Zoo Ride, Inc., which also has had a significant effect on activities at the Minnesota Zoo, is discussed in the second section of this report dealing with the monorail.

Minnesota Zoological Garden (Zoo) and State Zoological Board (Zoo Board).

The Minnesota Zoological Garden is under the supervision and control of the State Zoological Board, a state agency created in 1969. As a state agency, it is subject to the ultimate control of the State Legislature. The Zoo Board is composed of 12 members appointed by the Governor, one of whom is a non-voting member from Dakota County. The Zoo Board appoints a director, who is responsible for organization and operation of the Zoo. The approved complement of the Zoo is 164 positions.

The Zoo receives funding for daily operations through legislative appropriations from the state General Fund. The original capital development funding for the Zoo was provided from general obligation bonds of the state. Laws of 1973, Chapter 207, Section 3, Subd. 6, authorized the sale of bonds totaling \$23,025,000 (plus an additional \$2,350,000 if equally matched by other than state appropriations) for construction of the Zoo.

The Zoo charges visitor admission fees which are set by the Zoo Board within limits established by the Legislature. Visitor fees, as well as any concession or gift store revenues, are deposited as nondedicated receipts in the General Fund. Fees for the monorail and international species inventory system are deposited as dedicated revenue to the Special Revenue Fund.

A summary of all receipts deposited with the State Treasurer during fiscal years 1978, 1979 and 1980 is included as Exhibit A to this report. Further analyses of various receipt types are included in other report sections. A summary of expenditures, including encumbrances, for the three years is included as Exhibit B.

STATE ZOOLOGICAL BOARD

The following comparison shows the percentage of General Fund operating expenditures which were funded from revenue collections deposited to the General Fund by the Zoo:

<u>General Fund</u>	<u>Year Ended June 30</u>		
	<u>1978</u>	<u>1979</u>	<u>1980</u>
Revenue	\$ 678,250	\$2,385,533	\$2,204,224
Expenditures, Including Encumbrances	\$3,437,383	\$4,362,672	\$5,254,336
Portion of Operating Expen- ditures Recovered From Revenue Collections	20%	55%	42%

Minnesota Zoological Society (Society).

The Society is a nonprofit organization whose stated purpose is to provide public support to the Zoo through financial assistance and program services. The Society was incorporated in 1961, is governed by a 21 member Board of Directors, and currently operates with six full-time and two part-time employees.

The main source of funding for the Society is from their membership program. Persons who purchase annual memberships in the Society receive various publications in return, as well as free admission to the Zoo for the year. The current membership fees and estimated number of members are as follows:

<u>Membership Level</u>	<u>Annual Fee</u>	<u>Approximate Number of Current Members</u>
Individual	\$ 18.50	1,600
Family	28.50	6,300
Supporting - Family plus 4 guest passes	50.00	350
Donor - Family plus 6 guest passes	100.00	250
Total		<u>8,500</u>

During the year ended May 31, 1980, the Society collected approximately \$190,000 from membership fees.

STATE ZOOLOGICAL BOARD

To provide for compensation to the Zoo for the free admissions and other benefits granted the Society, the Zoo Board and the Society have entered into a reciprocity agreement. In accordance with the agreement, the Society is to compensate the Zoo for all visitors who use Society memberships or guest passes to enter the Zoo. Compensation currently is based upon the Zoo's established group admission rates. The Society does not directly pay the Zoo for these admissions, but instead, the total dollar value is used to reduce the accumulated credit which the Society receives for the volunteer activities program (Zoo VAP). Under the agreement, the Society receives a credit equal to an agreed upon hourly rate of pay for each hour of work performed by volunteers. The Society receives credit for all volunteer hours worked whether or not the volunteer is a Society member. During the year ended June 30, 1980 over 28,000 volunteer hours were worked at the Zoo.

The reciprocity agreement between the Society and the Zoo was to expire on May 31, 1981; however, a 60-day extension was granted. Representatives of the Boards of the two agencies are currently renegotiating the agreement. One of the options under consideration is to eliminate the offset of Society admissions against volunteer hours worked. Different methods of compensating the Zoo for free Society admissions are under consideration.

The Society operates various programs to promote the Zoo and inform citizens of Zoo activities. For the year ended May 31, 1980, the Society expended funds on the following programs:

<u>Program Area</u>	<u>Amount Expended</u>
Membership Activities	\$ 60,022
Membership Procurement	79,311
Volunteer Activities	5,363
General and Administrative Support	63,075
Direct Support to Zoo	<u>18,975</u>
Total	<u>\$226,746</u>

Minnesota Zoological Garden Foundation (Foundation).

The Foundation is an independent, nonprofit corporation established to develop a program within the private sector for financial support of the Zoo. The Foundation has a board of directors consisting of 35 members, 11 appointed by the Zoo Board and 24 selected from the general public by the Foundation Board itself. The Foundation currently has three full-time staff members.

STATE ZOOLOGICAL BOARD

The Foundation was incorporated in 1975 and had as its initial objective, to solicit and collect the \$2,350,000 in construction matching funds. By 1978, pledges totaling \$2,350,000 were received from commitments made both to the Foundation and directly to the Zoo.

The Foundation does most of its soliciting and receives most donations from corporations in the Twin Cities area. In the four years ending June 30, 1980, the Foundation received contributions or commitments totaling \$1,418,430.

The majority of the donations received are restricted for Zoo capital improvements, in some instances for specific projects. The Foundation also receives limited unrestricted contributions and other revenue, such as interest income, which are used to pay their operating expenses. For the year ended June 30, 1980, the Foundation expended the following amounts:

<u>Program Area</u>	<u>Amount</u>
Management and General	\$ 41,955
Fund Raising	60,401
Contributions to Zoo:	
Capital Development	1,292,000
Educational Facility	130,000
Program Grants	14,873
Emergency Fund	<u>4,959</u>
Total	<u>\$1,544,188</u>

There are certain advantages to having three organizations involved in activities of the Zoo. For example, it allows a great many people who have an interest in zoological activities and a desire to promote and improve the Minnesota Zoo to work in these areas without being direct employees of the state. Also, there is a theory heard often that private individuals and businesses do not like to donate money to the state but instead would be willing to provide funding to a private foundation to work on behalf of a specific program such as the Zoo. As a part of this, the Zoo is probably able to operate various different programs or projects which normally would not be funded by the state, especially in a time of inflation and budget cutbacks.

However, there are also disadvantages to the current arrangements. Having three separate organizations with three separate governing boards, each with their own ideas on how best to promote zoological activities, could create the opportunity for chaos in attempting to efficiently operate and effectively manage the Zoo. Zoo staff are in the somewhat untenable position of not only having to satisfy the Zoo Board and the Legislature, but also having to work effectively with the staff and boards of the Society and the Foundation in order to properly operate the Zoo.

There also is a possibility of duplication or overlap of services. For instance, both the Society and the Zoo operate media promotional and advertising campaigns on behalf of the Zoo. Also, all three of

STATE ZOOLOGICAL BOARD

the organizations publish various informational and promotional brochures or newsletters. Having all of these functions under one organization could provide savings through better planning and coordination of services.

Finally, the current organizational arrangements do not subject all activities and programs related to the Zoo to the applicable state procedures and controls which are designed to assure accountability and management stewardship.

Depending upon who you talk to, you will get various opinions as to whether it is best to continue the current organizational structure for zoological activities or to combine the Zoo, the Society, and the Foundation into one or two separate entities. We do not intend to take a position on that question in this report. However, in this section we will address some of the problems with procedures and controls which we feel exist under the present organization.

A special committee composed of three members each from the Zoo, Society, and Foundation Boards, is reviewing the current relationships among the groups to determine if any changes in organization or procedures should be made in the future. We feel this is a positive step and hope the committee will address some of the questions raised in this report.

Current financing procedures between the three zoological organizations provide inadequate control over the expenditure of funds and incomplete financial information for decision making.

The Zoo receives various gifts and grants for operating and capital development purposes. A majority of this funding comes from the Society and the Foundation. The Zoo has statutory authority to accept either cash or in-kind gifts and grants.

In December 1979 and July 1980 the Society approved grants to the Zoo totaling \$106,400 for eight projects as described below:

<u>Project</u>	January 1, 1981	
	<u>Original Budget</u>	<u>Revised Budget</u>
Biotelemetry Computer Program	\$ 25,000	\$ 25,000
Animal Health Interns and Equipment	10,000	2,025
Silk-Screening	25,000	-0-
Zoo Lab Relocation and Equipment	5,000	4,999
Public Service Communication Equipment	8,400	8,396
Lectureships and Professional Development	15,000	15,000
Short-Term Seasonal Internships	10,000	4,698
Continuing Education	8,000	8,000
Balance to be Reprogrammed		<u>38,282</u>
Total	<u>\$106,400</u>	<u>\$106,400</u>

STATE ZOOLOGICAL BOARD

Although the Society provides funding for the Zoo, they do not normally make a cash payment of the grant amount. Instead, the Society itself operates the various programs or purchases the appropriate equipment or supplies provided for in the grant agreement. The completed project (whether services or equipment) is then given to the Zoo.

Since April 1979, the Foundation has provided funding for a short-range development program at the Zoo. The individual projects within the program are determined by the Zoo Board with approval by the Foundation Board. Reallocation of funds between projects or inclusion of additional projects is approved by both groups. The following summary identifies the type of projects included in the program:

<u>Project</u>	<u>Original Budget</u>	March 1, 1981 <u>Revised Budget</u>
<u>Public Space</u>		
Conference Center	\$100,000	\$260,000
Winter Entry Redesign	30,000	61,110
Discovery Center	20,000	21,755
Plaza Retail Development	21,500	20,000
Other	<u>122,000</u>	<u>22,260</u>
Total	<u>\$293,500</u>	<u>\$385,125</u>
<u>Staff Space</u>		
Zookeeper, Scuba, Office	\$ 20,000	\$ 35,955
Public Safety, Communication	10,000	-0-
Other	<u>20,000</u>	<u>1,306</u>
Total	<u>\$ 50,000</u>	<u>\$ 37,261</u>
<u>Operational Modifications</u>		
Storeroom	\$120,000	\$118,000
Haybarn	-0-	57,777
Small Animal Management Facilities	50,000	50,000
Plastics Production Shop	30,000	-0-
Other	<u>65,000</u>	<u>3,500</u>
Total	<u>\$265,000</u>	<u>\$229,277</u>
<u>Exhibits</u>		
Bison/Wapiti/Musk Ox	\$325,000	\$477,088
Pheasantry	150,000	-0-
Tiger Partition	20,000	8,045
Tiger Maternity	-0-	23,000
Artificial Trees/Rockwork	-0-	66,384
Other	<u>18,000</u>	<u>77,640</u>
Total	<u>\$513,000</u>	<u>\$652,157</u>

STATE ZOOLOGICAL BOARD

<u>Project</u>	<u>Original Budget</u>	March 1, 1981 <u>Revised Budget</u>
<u>Graphics</u>		
Master Graphics	\$ 50,000	\$ 96,000
Other	<u>7,000</u>	<u>1,014</u>
Total	\$ 57,000	\$ 97,014
<u>Equipment</u>		
Silkscreen Shop	\$ 25,000	-0-
Electric Carts	-0-	9,831
Picnic Tables	-0-	8,088
Other	<u>10,400</u>	<u>21,381</u>
Total	\$ 35,400	\$ 39,300
<u>Horticulture</u>		
Other	\$ 12,000	\$ -0-
<u>Animal Acquisition</u>		
Bison	\$ 4,000	\$ 7,500
Clouded Leopard	10,000	18,500
Tapir	10,000	14,495
Musk Ox	-0-	20,000
Other	<u>6,000</u>	<u>21,597</u>
Total	\$ 30,000	\$ 82,092
Grand Total	<u>\$1,255,900</u>	<u>\$1,522,226</u>

The procedures for operation of the Foundation grant program are somewhat different than the Society. The majority of grant funds are received in cash from the Foundation. When money is needed for current obligations under the program, the Zoo submits a request for an advance of funds. From April 1979 through February 1981, \$1,160,609 had been received by the Zoo in cash advances. These monies are deposited in the State Treasury in a Gift Fund appropriation account. Expenditures are made in accordance with appropriate state procedures and guidelines.

However, the total of all Foundation grant funds is not received through cash advances. Instead, when the Zoo does not want to process an expenditure through the state system, they send the invoice directly to the Foundation for payment. This procedure eliminates the established state controls over such areas as contracting and selection of vendors. The Foundation has not established any procedures to monitor these payments either. They do not require formal contracts with the vendors. Instead they pay whatever invoice the Zoo submits and deduct the amount from the next cash advance. The following amounts have been paid directly by the Foundation for the short-range development program from June 1979 through February 1981:

STATE ZOOLOGICAL BOARD

<u>Goods/Service</u>	<u>Total Paid</u>
Graphic Design and Signage	\$ 97,172
Construction and Remodeling	28,760
Furnishings and Office Equipment	13,378
Netting, Trees and Plantings	<u>9,932</u>
Total	<u>\$149,242</u>

In addition to the short-range development program, the Foundation has also established an "emergency fund" for the Zoo. The fund is to be used for the procurement of supplies and equipment deemed by the Zoo Board to be of an emergency nature or not able to be purchased because of budgetary constraints. From July 1978 through February 1981, \$46,539 has been expended from the fund. Among the items purchased were a video camera costing \$32,018 (\$15,000 of which was paid from a contribution from the Society), public address system equipment, strollers, fencing, bleachers, typewriters, a currency verifier, resuscitators, and a microwave oven.

The payments from this fund are made directly by the Foundation also. They have not established any control procedures to monitor the fund except to require the Zoo to provide a justification of why the equipment is needed and the reasons it cannot be purchased through the operating budget and the state procurement system. All decisions regarding selection of vendors are made by the Zoo with the Foundation acting only as a paying agent.

Operating the various grant programs under the current procedures whereby the Society gives completed projects to the Zoo and the Foundation pays individual invoices upon request is advantageous to the Zoo. They do not have to become involved in the detailed administrative procedures necessary to complete a specific project. They also are given more flexibility in the selection of vendors and the determination of type of services to be provided.

However, operating in this way eliminates the purchasing, contractual, and accounting control features present when transactions are processed through the state system. It is the responsibility of the granting agencies to establish adequate procedures to assure accountability over the expenditure of funds. In addition, since there is no direct flow of cash between agencies, the gifts and grants are not recorded in the state's accounting or budget systems. As a result, the Legislature, which funds the Zoo's operating costs, is not given complete financial information on the total capital and operating expenses of the Zoo. This is particularly important with capital development costs, because although the state may not provide funding for the actual construction of new buildings or exhibits, the operating expenses which are paid from state appropriations may increase as a result of the construction.

STATE ZOOLOGICAL BOARD

RECOMMENDATIONS

1. The Zoo Board should develop a formal policy defining procedures for the acceptance of cash and in-kind gifts and grants. As a part of the policy, the Zoo Board should work with the Foundation and Society Boards to establish adequate control procedures over the expenditure of in-kind grant funds.
2. The Zoo Board should disallow the transmittal of invoices to the Foundation for payment where adequate procedures have not been established to assure proper accountability.
3. When preparing annual financial reports and biennial budget requests, the Zoo should include information on the type and amount of in-kind grants received.

The Zoo Board has not developed adequate procedures and controls over the use of funds raised by the Society through promotions made on behalf of the Zoo.

One of the primary purposes of the Society is to promote the Zoo to the general public. This is accomplished through various advertising campaigns as well as special promotional events. In some instances the promotional events are also intended to raise funds for Zoo activities. Prior to the Zoo's opening, the Society and Foundation sponsored horse shows and zoo walks to raise a portion of the matching funds required for Zoo construction.

In 1981 the Society, with the approval of the Zoo Board, began an animal sponsorship program. Under the program, persons are asked to donate a specified amount of money to sponsor the care of an animal for one year. The amounts varied, depending upon the type of animal and ranged from \$10 for many smaller animals to \$4,000 for the bottlenosed dolphin. In exchange for the donation, contributors will receive various information regarding their animal and the program and will have their name and the animal's name shown on a special display at the Zoo.

The Society developed various brochures and media advertising for the program and there was a kick-off promotion at the Zoo in March. The advertising did state that the program was sponsored by the Society rather than the Zoo, but did not identify that the Society is a separate organization not subject to state control.

All donations for the program go directly to the Society. At a March 1981 meeting of the Zoo Board, Society personnel stated that they hoped to collect approximately \$100,000 during the first year of the program. (As of April 1981, \$27,000 had been donated.) The Society has budgeted \$40,000 for administrative costs of the program which will be paid from the donation proceeds prior to any distribution to the Zoo. (The administrative costs are basically fixed costs regardless of the amount of donations.)

STATE ZOOLOGICAL BOARD

The Zoo Board did not have any formal written agreement with the Society detailing how or when the Zoo would receive any funds from the program or what the money would be used for. The Zoo Board adopted some proposed financial guidelines for the program at its February 1981 meeting, but these were not formally accepted by the Society prior to implementation of the program. The guidelines did not address the issues of payment procedures, administrative costs, or allowable uses of the funds received. Society staff stated that it was their intention to make quarterly payments to the Zoo of the net revenue after deducting for administrative costs.

The promotional literature for the program is somewhat misleading in stating that individual contributors will be sponsoring the care of a specific animal for a year (a procedure under which it most likely would be impossible to function). Society staff said that the only restriction put on the funds given to the Zoo would be that they be used for general areas of animal care such as shelter, presentation, behavior enrichment, and exhibit development. These funds are to be over and above the amounts received from state appropriations for normal operating expenses.

Since the Society is an independent organization, the Zoo Board would not normally have the authority to tell them how to run their agency or programs. However, the Society regularly solicits funds on behalf of the Zoo. Outside parties may be confused by the structure of the various zoological organizations and could assume that donations to a program such as animal sponsorship are going directly to the Zoo to be used exclusively for animal care. The Board, therefore, has an obligation to ensure that all solicitations made on behalf of the Zoo are handled properly.

RECOMMENDATIONS

4. The Zoo Board should develop formal written procedures for the operation of any fund raising or solicitation program conducted on behalf of the Zoo by a non-state agency such as the Society.
5. The guidelines should be incorporated in a formal agreement between the Zoo Board and the Society, or other agency, which would include a definition of:
 - the purpose of the fund-raising program and how it is to be conducted;
 - the relative roles of the organizations involved and whether the Zoo will have to provide staffing, supplies or other services;
 - the estimated amount of administrative costs and whether they will be paid from proceeds of the fund-raising program or by existing resources of the Zoo or Society; and
 - the allowable uses of the revenue accruing to the Zoo from the program and how these uses relate to the normal operating budget of the Zoo.

STATE ZOOLOGICAL BOARD

6. Promotional material should include a statement that fund-raising activities are being conducted by the Society or other agency, which is not subject to state control.

Current procedures do not provide adequate control over admission of Society members to the Zoo.

As stated earlier, the Society members receive free admissions to the Zoo as a part of their annual membership fee. From its opening in May 1978 through December 1980, approximately 78,000 adults and 55,000 children were admitted to the Zoo based upon Society memberships. At the established group rates, these admissions are valued at over \$220,000.

The justification for allowing free admission to Society members is that the Society provides valuable services for the Zoo in return. If this theory is accepted, it is important to verify that only Society members are granted free admission.

As Society members enter the Zoo, they are required to show only their membership card to admissions personnel at the entry gate. Since no additional form of identification is required, it would be possible for Society members to give others their membership cards to use to gain free Zoo admission.

Requiring a second form of identification is not an unusual procedure to assure proper usage of membership cards. Other area organizations have implemented this control feature.

RECOMMENDATION

7. Zoo admissions personnel should require a second form of identification when allowing visitors free access to the Zoo based upon a Society membership card.

Zoo employees have been given complimentary Society memberships in conflict with state rules and regulations.

For the last year, all permanent and seasonal employees of the Zoo have been given complimentary memberships in the Society by that organization. Depending upon the employee's marital status, they received either an individual (\$18.50 value) or family (\$28.50 value) membership. The complimentary memberships entitle the employees to publications of the Society as well as unlimited free access to the Zoo for all family members. The Society began giving the complimentary memberships following a determination by the Attorney General's staff that Zoo employees were not entitled to free admission as a part of their employment.

The rules of the Department of Employee Relations (formerly Department of Personnel) (2 MCAR §2.277) provide in part:

STATE ZOOLOGICAL BOARD

"An employee shall not directly or indirectly receive or agree to receive any payment of expense, compensation, gift, reward, gratuity, favor, service or promise of future employment or other future benefit from any source except the state for any activity related to the duties of the employee unless otherwise provided by law."

In addition, Minn. Stat. Section 85A.03, Subd. 2, which relates to employment of staff at the Zoo, provides, in part:

"All other such persons employed shall be in the classified service of the state civil service with the same rights and privileges as other state officers and employees."

The gift of complimentary Society membership to Zoo staff is a benefit related to the duties of the employees which is not granted to other state officers and employees.

RECOMMENDATION

8. The Zoo Board should not allow the Society to give free memberships to Zoo employees.

AGREEMENT

This agreement is made effective July 1, 1980 by and between the METROPOLITAN SERVICE DISTRICT, a municipal corporation (Metro) and FRIENDS OF THE WASHINGTON PARK ZOO, an Oregon non-profit corporation (Corporation).

R E C I T A L S

A. Pursuant to Oregon law, Metro maintains and operates the Washington Park Zoo (Zoo).

B. Corporation is a tax-exempt, non-profit Oregon corporation organized to encourage and aid the development of the Washington Park Zoo as an educational and recreational center and for the purpose of providing citizen support for the Zoo.

C. To facilitate implementation of the duties and purposes of Metro and Corporation with respect to the Zoo, the parties wish to enter into this agreement defining the relationship between them.

IT IS THEREFORE AGREED AS FOLLOWS:

1. Term of Agreement. This agreement shall become effective when signed by both parties and shall continue in force until June 30, 1981 and thereafter unless terminated by either party.

2. Termination. This agreement may be terminated by either party without cause. Termination shall be accomplished by written notice delivered or mailed to the other party specifying a date, not less than 30 days from the date on which the notice is received, on which termination is to become effective.

3. Amendments. This agreement may be amended by mutual

consent. Amendments may be suggested in writing by either party and shall become effective when signed by both parties.

4. Duties of the Corporation. At all times during the term of this agreement, the Corporation shall:

4.1 Recruit a broad-based membership in the Corporation from throughout the Metro jurisdiction;

4.2 Develop general community support for the Zoo;

4.3 Encourage volunteer participation at the Zoo;

4.4 Produce and disseminate in a timely and scheduled manner information about the Zoo and activities of the Corporation through a monthly newsletter, a Zoo Calendar, an annual report, an information booth at the Zoo, and other means of communication;

4.5 Promote the Zoo's capital development program by conducting fund-raising campaigns, soliciting and obtaining grant funds and encouraging bequests to the Corporation for the use and benefit of the Zoo;

4.6 Keep and maintain membership files;

4.7 Schedule, coordinate, publicize and underwrite special events, classes and lectures which will educate the public and promote public awareness of the Zoo;

4.8 Sponsor educational classes and wildlife trips to enhance member interest in, and knowledge of, animals;

4.9 Pursue these activities in close cooperation with the Zoo staff and at its own expense, except as hereafter provided, or as agreed by the parties from time to time;

4.10 Upon agreement between Metro and the Corporation, perform such other services as will benefit the Zoo; provided

however, that the Corporation shall do nothing inconsistent with, or which would jeopardize, its status as a tax exempt, non-profit corporation.

5. Duties of Metro. At all times during the term of this agreement, Metro shall:

5.1 Provide a Zoo staff person under the supervision and direction of the Zoo Director to assist the Corporation in performance of its duties hereunder, including assistance in preparation of membership drives, the annual calendar, newsletters and annual report and such other matters as the parties shall mutually agree; provided, however, that the Corporation shall reimburse Metro for its actual costs incurred in providing services to the Corporation;

5.2 Provide an annual Zoo pass and discounts in the Zoo gift shop for Corporation members who have been issued individual, numbered and dated annual membership cards on the basis set forth in Section 6 hereof;

5.3 Provide publicity and space at the Zoo to assist the Corporation in performing its duties hereunder, as follows:

5.3.1 Meeting space on a regularly scheduled basis for the Corporation's board of directors and committees;

5.3.2 Office space for the Corporation's secretary or other employee; provided, however, that Corporation shall pay all costs associated with any equipment, supplies, and telephone installed in such office;

5.3.3 Provide space for an information booth, the cost of which shall be paid by the Corporation, located in a conspicuous place on Zoo grounds from which

information regarding the Zoo and the Corporation can be dispensed;

5.3.4. Provide space for signs and such other publicity on the Zoo grounds relating to the Corporation as the parties shall agree from time to time;

5.3.5 Such other space as the parties shall agree from time to time.

5.4 Sponsor at least three events at the Zoo for the Corporation's membership, the nature and timing of which shall be determined by mutual agreement and in coordination with the Zoo Director and staff;

5.5 Provide two Metro Councilors and a designee of the Executive Officer to serve as members of Corporation's Board.

6. Coordination between Metro and Corporation. Metro and the Corporation shall coordinate their efforts and actions with respect to the Zoo so as to accomplish the goals and purposes of each as effectively as possible. Specifically:

6.1 Designated representatives of the Corporation and the Zoo shall meet at least once each calendar quarter to set goals, evaluate past and pending projects, and review financial matters with respect to Corporation;

6.2 Solicitation of grant funds from specific sources shall be made by mutual agreement between Metro and the Corporation;

6.3 The Corporation and Metro shall mutually agree as to specific fund raising goals for specific projects. The nature and extent of Corporation's participation in any given project and the method and timing of fund raising efforts

shall be determined by Corporation.

6.4 Metro recognizes that it is in the best interest of both parties, during the first few years of this Agreement, that the Corporation be established on firm financial basis and accordingly will consider proposals from the Corporation for funding of specific projects.

7. Allocation of Membership Fees and Special Contributions.

As additional consideration for the obligations to be performed by Metro hereunder, the Corporation shall allocate to the Zoo the following amounts:

7.1 From the fee received for an individual membership, a sum equal to 2-1/2 times the Metro resident adult admission to reimburse Metro for the cost to Metro of such individual member's annual pass and discounts. Such sum shall be paid to the Zoo fund by the tenth of each month for memberships received during the previous month;

7.2 From the fee received for a family membership, a sum equal to 2-1/2 times the Metro resident admission for 2 adults and 2 children to reimburse Metro for the cost to Metro of such family's annual pass and discounts; such sum shall be paid to the Zoo fund by the tenth of each month for memberships received during the previous month;

7.3 The amounts to be paid by the Corporation pursuant to sections 7.1 and 7.2 are assumed to constitute at least 80% of the total gate fees which would otherwise be paid by Corporation members for annual zoo admission.

7.4 Any sums received by the Corporation in excess of the minimum amount established for an individual or family

membership, and any other donations received by the Corporation (unless otherwise provided by the donor thereof) shall be deposited in a special account which shall be designated the Friends of the Washington Park Zoo Building Fund. Disposition of this fund shall be as provided in Section 8 hereof.

8. Building Fund. At the beginning of each year the Corporation and Metro shall mutually determine the project or projects for which the Building Fund shall be used and, if more than one project, the relative percentage of the Building Fund which it shall contribute to each such project. Contributions from the Building Fund to such project or projects shall be made at least annually.

IN WITNESS WHEREOF, the parties have executed this agreement on this 7th date of October, 1980, but effective July 1, 1980, any corporate signatures being by authorization of the board of directors.

FRIENDS OF THE WASHINGTON
PARK ZOO

By: Day H. Smith
President

By: [Signature]
Corporate Secretary

METROPOLITAN SERVICE DISTRICT

By: [Signature]
Executive Officer

Amendments to the July 1, 1980, FOZ-METRO Agreement

The parties to the above Agreement hereby amend said Agreement as follows:

A. Sec. 5, item 5.5 shall read in pertinent part:

...to serve as full, voting members of Corporation's Board.

B. Sec. 7, new item 7.3 to read as follows and change remaining section numbers accordingly:

From the fee received for a senior citizen's membership, a sum equal to 2-1/2 times the senior citizen's admission to reimburse Metro for the cost to Metro of such senior citizen's annual pass and discounts. Such sum shall be paid to the Zoo fund by the fifteenth of each month for memberships received during the previous month;

C. Sec. 7.1 and 7.2 shall read in pertinent part:

...by the 15th of each month....

D. Sec. 7, new 7.4 shall read in pertinent part:

...Corporation pursuant to Sections 7.1, 7.2 and 7.3.

E. Delete all references in Section 7 to "Metro resident" admission.

F. Because of the recent Zoo fee increases and the FOZ's difficulty in adjusting to said increases, the FOZ fees for July 1, 1981 to September 30, 1981, as provided in sections 7.1 and 7.2 of the agreement, shall be paid at a multiple factor of 2 rather than 2-1/2. Fees prior to July 1, 1980, shall be based on the unrevised fee structure at a factor of 2-1/2 and fees after September 1, 1981, shall be based upon the revised fee structure at a factor of 2-1/2.

FRIENDS OF THE WASHINGTON
PARK ZOO

METROPOLITAN SERVICE DISTRICT

By: Cheryl J. Williams
President

By: Richard J. Smith
Executive Officer

By: _____
Corporate Secretary

Date: Sept 9, 1981

Date: _____

*Society Receipts
Inclusion*

DEPARTMENT MINNESOTA ZOO

Office Memorandum

TO : D. Bender, T. Chapel, L. Conrad, S. Friedman
S. Iserman

DATE: 10/19/81

FROM : Edward Kohn, General Director

PHONE: x300

SUBJECT: AGENDA FOR DIVISION DIRECTOR'S MEETING - 10/20/81 at 10:00 AM

The only agenda item at the division director's meeting in my office will be discussion of the new Society/MZG relationship. We must put together one page protocols for each current Society program to identify M-Zoo directed administration of such programs, including

- Continuing education
- Volunteer program
- Publications
- Annual Passes*
- Animal sponsorship program
- Revenue distribution

Budget implications, staffing needs, costs and benefits should be included in the program plans and possibly recommendations for discontinuing or adjusting present programs as run by the Society.

gd

*My recommendation for annual memberships would be annual pass, publication, and perhaps a T-shirt. Distribution of funds could be as follows:

\$30 family membership = \$ 5 - publications account
10 - gift account
15 - general fund

ANIMAL SPONSORSHIP

Current Status

Animal Sponsorship is a fundraising program currently operated in conjunction with the Minnesota Zoological Society. It has its own advisory board, and its funds are maintained separately from the Minnesota Zoological Society accounts. A full-time Director is employed; additional staffing includes one full-time MZS staff person, MZS accounting services, and Zoo volunteers. The program, currently targeted to schools, individuals and groups, to date in first quarter FY82, has raised \$8,643.75 against expenses of \$7,854.53, with a goal of \$19,500. Each sponsor receives a certificate, a T-shirt iron-on and animal fact sheet. All names are placed on a donor wall, which is currently a temporary display.

The Zoo has been actively involved in the entire program. The site is used extensively for special event activities; production support has been provided by Creative Services (slides, photo prints, graphics: materials reimbursed, staff time donated); on-site volunteers have provided support through Sepakers' Bureau and on-site sales of sponsorships, in addition to clerical assistance.

A major Christmas holiday promotion for sponsorship of the whales is scheduled for November - December.

Program Scope Under Zoo Operation

The program would be evaluated and more narrow target audiences identified, as well as means of successfully reaching the target groups. Sponsorship events would be incorporated in seasonal promotions, e.g., Nicollet Mall, Zoo Birthday, Valentine's Day, etc. A major effort would be necessary to increase visibility of the program on-site, where the potential of donations is high. In addition, the school target would involve on-site visiting groups, as well as the current Speakers' Bureau approach. Give-aways to sponsors would be reduced, perhaps to a button and the donor's name on the Sponsorship Wall. A full-time staff person would be necessary to assist with coordination of the promotion, information and production aspects of the program.

Program Funding

The Sponsorship Program completes its first year in March 1982. At that time, it would be necessary to do a complete program review to develop recommendations and plans. Should the program be recommended for continuation, the Sponsorship effort would need to be funded as a self-sustaining program.

In addition to the staff needs of one full-time person, there would need to be provisions made for 20 hours per month for accounting activities. Creative Services staff support would be needed, as well as an approximate budget of \$2,400.00 per year for supplies and Sponsorship Wall maintenance.

Benefits of Direct Zoo Administration

The integration of Animal Sponsorship with promotions and special events strengthens both programs while reducing staff and volunteer time spent in competing activities.

A direct on-site approach for funding support/donations from Zoo visitors would be of a controlled and consistent image. Existing public programs can be utilized; on-site signage can be current; volunteer support can be more direct and in closer coordination with other volunteer activities.

PUBLICATIONS

Current Status

A bi-monthly eight page, two-color newsletter is jointly produced by the Zoo and the Society. Layout, editorial content and typesetting is directed by Society staff. Zoo staff writes articles, produces photos and reviews content. Distribution is to Society members plus approximately 1,000 individuals or organizations designated by the Zoo.

Program Scope Under Zoo Operation

Format and editorial content would be directed through the Public Information activity. Production activity would be coordinated by the Graphics activity. Printing and mailing would be contracted. A mailing list would be maintained through a contract to a service such as Mail House.

Program Funding

The options of newsletter or magazine format and advertising and/or annual pass subsidy will be studied. A one-half time staff person would be needed to coordinate and serve as general editor. If advertising were used, this would be secured through a contracted individual or agency.

Program funding level is dependent on whether publication is provided to annual pass holders or sold on a subscription basis.

Benefits of Direct Zoo Administration

By not restricting the distribution of the publication as a benefit to membership, a greater, more diverse citizen audience can be reached. The format and content can more effectively reflect Zoo issues and needs.

Direct administration reduces preparation time by decreasing the need for coordination under a bilateral arrangement.

The potential exists for expanding the scope of the publication to serve as a statewide zoo and conservation journal through cooperation with other agencies such as the Como and Duluth Zoo, Minnesota Naturalist Association, horticultural and waterfowl societies, education groups and private researchers.

VOLUNTEER PROGRAM

Current Status

There are 229 individuals volunteering time through the program. The Zoo provides administrative, public relations, clerical support, educational training, evaluation and physical accommodations. The Society is responsible for recruitment and recognition. It supports these program areas with a budget of \$15,800. Recruitment and recognition is ongoing throughout the year. In addition, an annual awards event organized by the Society is held in May of each year. Currently, a volunteer Speakers' Bureau is jointly operated with an outreach focus for Animal Sponsorship utilizing a slide show titled "Cry for Help." All donations received go directly to Animal Sponsorship. The Society provides an annual budget of \$650 to support the Speakers' Bureau Program.

Program Scope Under Zoo Operation

To increase efficiency of operation, the program would be modified by:

1. More clearly identifying and broadening the target audience for recruitment, e.g., retired teachers, local churches, college groups, etc.
2. Speakers' Bureau coordinations would be placed under direct supervision of the Volunteer Coordinator.
3. Volunteer recognition would be evaluated. They do not need something that costs a lot, but it should have some significant meaning attached to it; something that is not available to anyone else. Several options for consideration exist: special admission to classes, a pass after certain number of hours, special lectures or classes just for volunteers, animal feedings.

Program Funding

Currently supported by \$3,360 for supplies. One full-time Volunteer Coordinator directs the program. Recognition and recruitment activities currently supported by the Society could be accomplished with an additional \$4,000. There is need for one half-time clerical support. The Speakers' Bureau can be sustained through current donations.

Benefits of Direct Zoo Administration

1. Reduction from a tri-lateral to a bi-lateral arrangement would eliminate duplication of effort and simplify coordination.
2. Coordination by one agency through one staff coordinator presents a simpler reference for potential members.
3. A bi-lateral arrangement allows for quicker response and flexibility to program needs.

M26 costs for
Society support
+

M26 operated "abroad" ~~society~~ programs

CONTINUING EDUCATION

Reciprocity

The program was formally established in September of 1980. Currently it is in the middle of the fall quarter. The brochure and teacher contracts for the winter are nearly finalized. The Society budgets approximately \$20,770 annually to support a one-half time staff person at the Zoo plus the services of a scheduler, financial officer, public relations officer, and administrator at the Society. With these same funds, a brochure is produced quarterly and materials are supplied for the classes. Program fees only cover costs of contract teachers and some materials while leaving a balance of a few hundred dollars remaining from the fees at the end of each quarter. MZG supplies facilities, materials, animals and support staff. The target audience is primarily Society members who receive reduced fees for the classes.

Program Scope Under Zoo Operation

The current Continuing Education program, as scheduled, will run through February 1982.

It is proposed that no Continuing Education classes will be offered during the Spring of 1982 to allow time to reorganize, hire personnel and structure new thrust of program.

The restructured program would begin in June of 1982.

Several new and more extensive class options would be explored. One major option that has proven very financially successful at other institutions such as the Bronx Zoo, Cincinnati Zoo, and Busch Gardens is summer camps for students. A 10 week long program, with repeat curriculums, could deal with 15 students per session. Running from 10:00 - 4:30 PM daily, the classes could be staffed by naturalists, volunteers, interns and temporary help as needed. The fees charged, approximately \$75 - \$100 per student, could make the program entirely self-supporting.

A brochure could go out for fall/winter (September-February) paid for by summer monies with an accent on adults' and young children's classes. Included in fall/winter would be the special contract classes for the gifted and Breck Schools. Other options include film series, lectures and field trips for a fee.

By changing the format, class schedules would be produced at a lower cost and could be made available to a wide range of individuals through distribution at professional offices, organizations, on the Zoo site, to school groups, 4-H groups, Scout troops, and Park and Recreation programs.

Program Funding

To initiate this program, it is projected that \$5,000 will be needed to fund a full-time coordinator from March through May and to

Program Funding (Continued)

print brochures for the summer offerings. Current funding of a coordinator is from a Society grant, one-half of which is currently in Zoo hands but which will be exhausted at the end of February. From that point on it is proposed that this program become self-supporting through fees in regards to materials and staffing and that staff will work towards that end.

Support for scheduling, brochure production, press releases, facility use will have to come from within the Zoo itself. This work is currently accomplished by the Society.

Benefits of Direct Zoo Administration

Promotion of the program would be more widely spread since it will not be directed primarily to Society members. Zoo coordinator will be able to administrate and work more effectively in a unilateral situation.

Areas of overlap in clerical and administrative assistance will be eliminated resulting in cost savings.

Costs per class can be lowered from present Society structure of contract teaching of \$10 per hour plus 25% add-on for preparation time through the use of in-house Education staff working with identified teaching interns and use of volunteers.

PUBLICATIONS

Current Status

A bi-monthly eight page, two-color newsletter is jointly produced by the Zoo and the Society. Layout, editorial content and typesetting is directed by Society staff. Zoo staff writes articles, produces photos and reviews content. Distribution is to Society members plus approximately 1,000 individuals or organizations designated by the Zoo.

Program Scope Under Zoo Operation

Format and editorial content would be directed through the Public Information activity. Production activity would be coordinated by the Graphics activity. Printing and mailing would be contracted. A mailing list would be maintained through a contract to a service such as Mail House.

Program Funding

The options of newsletter or magazine format and advertising and/or annual pass subsidy will be studied. A one-half time staff person would be needed to coordinate and serve as general editor. If advertising were used, this would be secured through a contracted individual or agency.

Program funding level is dependent on whether publication is provided to annual pass holders or sold on a subscription basis.

Benefits of Direct Zoo Administration

By not restricting the distribution of the publication as a benefit to membership, a greater, more diverse citizen audience can be reached. The format and content can more effectively reflect Zoo issues and needs.

Direct administration reduces preparation time by decreasing the need for coordination under a bilateral arrangement.

The potential exists for expanding the scope of the publication to serve as a statewide zoo and conservation journal through cooperation with other agencies such as the Como and Duluth Zoo, Minnesota Naturalist Association, horticultural and waterfowl societies, education groups and private researchers.

VOLUNTEER PROGRAM

Current Status

There are 229 individuals volunteering time through the program. The Zoo provides administrative, public relations, clerical support, educational training, evaluation and physical accommodations. The Society is responsible for recruitment and recognition. It supports these program areas with a budget of \$15,800. Recruitment and recognition is ongoing throughout the year. In addition, an annual awards event organized by the Society is held in May of each year. Currently, a volunteer Speakers' Bureau is jointly operated with an outreach focus for Animal Sponsorship utilizing a slide show titled "Cry for Help." All donations received go directly to Animal Sponsorship. The Society provides an annual budget of \$650 to support the Speakers' Bureau Program.

Program Scope Under Zoo Operation

To increase efficiency of operation, the program would be modified by:

1. More clearly identifying and broadening the target audience for recruitment, e.g., retired teachers, local churches, college groups, etc.
2. Speakers' Bureau coordinations would be placed under direct supervision of the Volunteer Coordinator.
3. Volunteer recognition would be evaluated. They do not need something that costs a lot, but it should have some significant meaning attached to it; something that is not available to anyone else. Several options for consideration exist: special admission to classes, a pass after certain number of hours, special lectures or classes just for volunteers, animal feedings.

Program Funding

Currently supported by \$3,360 for supplies. One full-time Volunteer Coordinator directs the program. Recognition and recruitment activities currently supported by the Society could be accomplished with an additional \$4,000. There is need for one half-time clerical support. The Speakers' Bureau can be sustained through current donations.

Benefits of Direct Zoo Administration

1. Reduction from a tri-lateral to a bi-lateral arrangement would eliminate duplication of effort and simplify coordination.
2. Coordination by one agency through one staff coordinator presents a simpler reference for potential members.
3. A bi-lateral arrangement allows for quicker response and flexibility to program needs.

for cost

MZG VOLUNTEER ACTIVITIES PROGRAM EXPENSES

Volunteer Voices	@ \$50 x 12 months	\$ 600.00
Expense Reports	@ \$25 x 12 months	300.00
Postage	@ \$50 x 12 months	600.00
Xeroxing	@ \$100 x 12 months	1,200.00
Misc. Printing	@ \$ 50 x 12 months	600.00
Volunteer Sashes	@ \$8 a sash x 75 sashes a year	600.00
Misc. Supplies	@ \$30 x 12 months	360.00
Conferences (when applicable)		
	Lake Sylvia	200.00
	MAVD	400.00
	Regional AAZPA	400.00
	National AAZPA	800.00
Volunteer Coordinator Salary (approximately)		13,000.00
Benefits (approximately)		800.00
General Director Salary 40 hours/year		
Public Affairs Director 100 hours/year		
Biological Programs Director 25 hour/year		
Curators, 6 people at 100 hours each/year		
Manager of Education 200 hours/year		
Librarian 40 hours/year		
Naturalists, 2 people at 240 hours each/year		
Secretarial 15 hours/year		
	TOTAL (includes benefits)	\$15,406.45
	Total hours = 1,500	

		<u>\$35,266.45</u>

pn

6/9/81

DEPARTMENT PHOTO LAB

Office Memorandum

TO : DAVE CARLSON

DATE: 6/4/81

FROM : JOHN PERRONE

PHONE: _____

SUBJECT: SOCIETY ANIMAL ADOPTION PROJECT INVOLVEMENT BY MZG PHOTO LAB

Shooting - March 21 and 22 12 hours

Cost of 9 rolls of film @ \$3.15 28.35

Following tally for MZG in-house B/W lab work represents equivalent prices that Pro-Color outside lab would have charged us for the same work we produced in-house.

81472	Process 9 rolls 135-36 B/W film @ 4.40	39.60
3/28/81	Make 1 proof of each @ 2.75	24.75
	40 - 1st prints 8x10 @ 6.50	260.00
	8 - 2nd prints 8x10 @ 3.80	30.40
81472-B	12 - 1st prints 8x10 @ 6.50	78.00
4/2/81	12 - 2nd prints 8x10 @ 3.80	45.60
		<u>306.70</u>

Copy to Dave Bender

Society was not billed for above!

J Perrone

over

Office Memorandum

DEPARTMENT PHOTO LAB

TO : DAVE BENDER

DATE: 6/4/81

FROM : JOHN PERRONE

PHONE: _____

SUBJECT: JOBS FOR PEG WETZEL

Here is a list of some jobs we have done in-house for the Society through Peg Wetzel since beginning of fiscal year '81. This tally represents costs based on prices that Pro-Color would have charged us. It does not take into account shooting time or film-materials cost.

81005 7/1/80	5 - 8x10 glossy prints each of 17 original b/w negatives	401.80
81019 7/15/80	Beluga Bunch photos for Animal Kingdom	45.20
81020 7/15/80	B/W original photos of volunteers 2 - 8x10 b/w prints each of 30 negatives	309.00
81021 7/15/80	B/W photos of Naturalist Series July 16 for Animal Kingdom Magazine	26.85
81019-B 8/14/80	3 - B/W 8x10 prints each of 3 negatives	42.30
81021-B 9/3/80	3 - B/W 8x10 prints each of 3 negatives	42.30
81020-B 9/3/80	2 - B/W 8x10 prints each of 2 negatives	20.60
81328 10/24/80	1 - B/W 8x10 print	6.50
81332 10/24/80	Process & proof 1 roll film - \$7.15, 2 - 1st prints at 6.50 (\$13.00), 11 - 2nd prints at 3.80 (\$41.80)	61.95
81419-B 2/8/81	Process & proof 1 roll film - \$7.15, 4 - 1st prints @6.50 (\$26.00), 20 - 2nd prints @ 3.80 (\$76.00)	109.15
81447 3/3/81	Process 1 roll 120 film @ \$3.30, 1 - 1st print @ \$6.50, 11 2nd prints @3.80 (\$41.80)	51.60

\$1117.25

Copy to Dave Carlson

P.S. We did not charge Society for any of the above!

John Perrone

from

CONTINUING EDUCATION LIST

Materials Used in Classes

2 boxes circular filter paper
1 box Chromatography paper
1 box chalk
19 boxes crayons
6 water color sets
5 boxes oil pastels
6 - 32 oz. bottles Tempera paint
paint brushes
2 jars rubber cement
35 scissors
10 bottles glue
3 packages lens paper
24 seed jars
24 smell jars

Continuing Education Brochures

Staff

Doug Langefels	Angie Norell
Kathy Lundgren	Renee Macomber
Dany Newbauer	Nick Reindl
Pam Borden	John Lewis
Kathy Horn	Ron Johnson
Shirley Olson	Mike DonCarlos
Mary Jo Olson	Austin McDevitt
Beth Wilson	Sandy Friedman
Lee Ann Landstrom	
Jim Fitzpatrick	
Mary Lou Martin	
Linda Ritter	
Rom Reller	
Pat Cook	
Peg Marquardt	

Equipment

- 2 - 30 gallon aquariums
- 1 - 20 gallon aquarium
- 6 - 2-1/2 gallon aquarium
access to other aquariums
- 3 metal aquarium stands w/cabinets
- 5 slate-topped lab tables
- 29 lab chairs
- 19 rodent cages
- 1 Portable Lab Table
 - blackboard
 - screen
 - white marker board
 - slide projectors
 - movie projectors
- 21 monocular microscopes
- 16 stereoscopic microscopes
- 11 interchangeable bottom pieces for stereoscopes
- 2 microprojectors
- 1 slide box
- 14 prepared slides
- 3 boxes slides
- 8 boxes coverslips
- 2 water test kits
- 1 Limnology Test Kit
- 1 Lab Glassware Dryer
- 1 Animal Kingdom Taxonomic Survey Plastomount Set
- 31 Water bottles
 - Petri dishes
 - Plastic funnels
 - 2 - 500 ml graduated cylinders
- 23 - 100 ml graduated cylinders
- 18 - 50 ml graduated cylinders
- 6 - 25 ml graduated cylinders
- 4 - 10 ml graduated cylinders

Equipment (Continued)

11 Thermometers

1 Projection Viewer

12 Binoculars

3 - 1,000 ml beakers, plastic

1 - 600 ml beakers, plastic

8 - 100 ml beakers, plastic

8 - 50 ml beakers, plastic

1 metronome

1 Fluorescent lantern

1 weight scale

1 dissecting pan

2 - 50 ml Burette

12 Pipettes

2 - 1,000 ml Erlenmeyer flasks

1 - 500 ml Erlenmeyer flasks

1 interlocking steel rodent maze

1 - 6' x 6' x 1' oak cabinet

4 test tube racks

10 culture tube trays

75 eyedroppers

6 LP lab burners

5 Bunsen burners

25 ft. rubber hose

20 dissecting probes

hammer

screwdriver

pliers

Animals Used for Classes

2 rats

25 gerbils

2 mice

9 hamsters

2 ring-necked doves

5 Cich lids

7 Red Minars

3 Glass Catfish

Animals Used for Classes (Continued)

2 Tiger Barbs
4 Glass Fish
3 Loaches
5 Bettas
Porcupine
Ferrets
Rabbits
Chinchillas
Iguana
Parrots, Macaws
Hawks, Owls, Kestrel
Snakes
Skulls

Estimated cost of animal management of above listed animals:

staff
food, vitamins, etc.

Space

1 office desk complete with phone
Zoo classroom
Back room of Lodge
ZooLab
Materials distributed at Visitor Service Desk

DB:pn
6/9/81

Pro B.D.

*cc: Admissions
98*

December 4, 1981

Mr. Donald Craddock
Midwest Sales and Marketing
916 Redwell Lane
Apple Valley, Minnesota 55124

*new telephone
call 12/8,
Mr Craddock
Happy with
solution. He
hasn't call
about the
Society.*

Dear Mr. Craddock:

Your letter of August 21, 1981 to Representative Norton has been referred to the Minnesota Zoo for response. To ameliorate your concern on not receiving your full benefits due you from your membership in the Minnesota Zoological Society, the zoo is willing to grant you and your family free admission to the zoo for one month after your membership expires; however, since the Society is an independent organization, we can do nothing about extending your membership in that organization.

We are now planning an annual enrollment program to be administered by the zoo directly that will provide us the means to respond more directly to such needs in the unlikely event we should again be faced with an unexpected shutdown. Thanks for your interest. I'm sorry you had to go to such lengths to gain a remedy.

To gain admittance without charge after your card expires, please present this letter along with your expired card to the admissions clerks at the zoo. I hope this solution will fulfill the zoo's obligation to you.

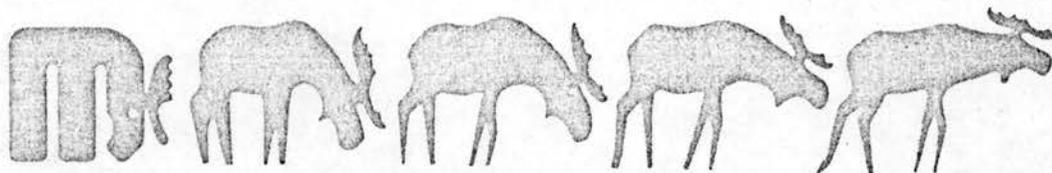
Sincerely,



Edward Kohn
General Director

EK:gd

cc: Representative Fred C. Norton
Mark Jacobson, Minnesota Zoological Society President



Fred C. Norton
Chairman
Governmental Operations Committee

271 State Office Building
State Capitol
St. Paul, Minnesota 55155



**Minnesota
House of
Representatives**

cc: SIgd

November 12, 1981

Mr. Edward Kohn, Director
Minnesota Zoological Garden
12101 Johnny Cake Ridge Road
Apple Valley, MN 55124

Dear Mr. Kohn:

I have received the following letter regarding family membership use during the strike this summer. I would appreciate it if you could advise me on your policy regarding this problem

Yours very truly,

A handwritten signature in cursive script that reads "Fred C. Norton".

Fred C. Norton

FCN:na

Enc.

cc: Don Craddock

Midwest Sales and Marketing

"Excellence . . . Not Just Another Word . . . A Way of Doing Business"

8/21/81

MANUFACTURERS' REPRESENTATIVE
DON CRADDOCK, OWNER

916 REDWELL LANE
APPLE VALLEY, MN. 55124
612-432-1305

431-6606

The Honorable Fred Norton
House of Representatives
State Capitol Building
St. Paul, MN. 55155

Dear Representative Norton,

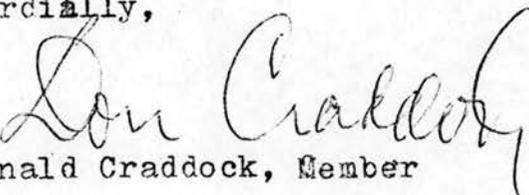
I have a problem with the policy at the MZG in Apple Valley. It is my understanding from talking with various members of the administration at the zoo and the Society in St. Paul that all changes in the policy must be initiated from the Governmental Operations Committee of which you are a member.

The problem is this. Simply put, I hold a family membership to the MZG and my family attends regularly. The AFSCME strike closed the zoo thus NOT allowing me to use my membership for 23 days.

I'm writing to request an extension of 23 days beyond the expiration date of my current membership to cover that time the zoo was closed. It is my understanding the Governmental Operations Committee is the decision making board in these matters. Lengthy discussions with the administration officials at the zoo and the MZS have brought no results.

While no one can predict things like a labor strike, my request is merely a matter of principle. I haven't gotten what I paid for. I am entitled to a FULL YEAR of free entry with the membership (as advertised in all literature) and should be whether there is a strike or not. I hope you can help. The MZG certainly doesn't need any more "bad press".

Cordially,


Donald Craddock, Member

Judy McFarland

16 Fox Oper
296-4895

~~432~~ ~~1308~~ Don Craddock

~~431-6606~~

Fair membership

Bezos closed during strike
non-use 23 days.

2. extensive 7 year survey
M 25 people "not very nice
to him"; told him not M 25
problem but a 300 problem

- August letter
- called well a ways ago

cc of letter of
proposon

725-5591
Capt. Woffe



Don Dickey & Leibschen

DXER'S UNLIMITED
9130 - 12th AVENUE SOUTH
MINNEAPOLIS, MINNESOTA zip 55420
U. S. A.



"Leibschen"

Date: Dec 1, 1981

RECEIVERS:

Yaesu - FRG - 7000 "Modified"
Drake - SW - 4A
Hammarlund - SP - 600 - JX - 21
Panasonic RF - 4800 "Modified"
Panasonic RF - 2900

ACCESSORIES:

Mizuho SX - 59 - Preselector
Mizuho AP - MI Audio-processor

EXTERNAL ANTENNAS:

Mosley - SW-7 - NE - SW
Mosley - SWV-7
Mosley - SW-7 - NW - SE

Mr Ed Kohn Associate
M. J. S.

Dear Mr Kohn,

I was pleased to receive the form letter concerning the change of status in our relationship with the society.

Only yesterday I received a request to renew my society membership.

I was told that the Zoo may sell family memberships directly. I hope that's so.

Best wishes for the Holiday Season
Sincerely Don Dickey - Volunteer.

FOR NANCY GIBSON, P. I. OFFICER

OR TO THE ZOO BOARD.....

PLEASE GIVE TO THE ZOO BOARD: PAT DAVIES, STEVE DOYLE, HERBERT GOLDENBERG, RANDALL CORT,
TONI HENGESTEG, HAVEYDALE MARUSKA, JIM WEAVER & PAUL VOLLAMAN. L



December 8, 1981

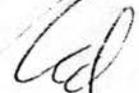
Mr. Don Dickey
9130 - 12th Avenue South
Minneapolis, Minnesota 55420

Dear Don,

Thank you for your letter of support regarding the Board's decision to change the status of the zoo's relationship with the Society.

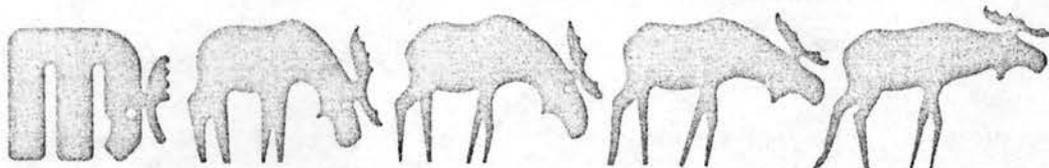
As soon as we are able to gain Society cooperation and assistance in bringing to all current Society members the zoo's new annual membership plan, I believe that a great many will find a basis for a continuing direct relationship to the zoo. I'm glad we can count you among them!

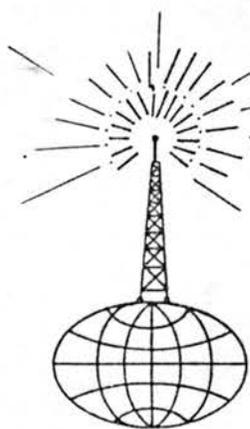
Sincerely,



Edward Kohn
General Director

EK:gd





Don Dickey & Leibschen

DXER'S UNLIMITED
9130 - 12th AVENUE SOUTH
MINNEAPOLIS, MINNESOTA zip 55420
U. S. A.



"Leibschen"

Date: Dec 1, 1981

RECEIVERS:

Yaesu - FRG - 7000 "Modified"

Drake - SW - 4A

Hammarlund - SP - 600 - JX - 21

Panasonic RF - 4800 "Modified"

Panasonic RF - 2900

ACCESSORIES:

Mizuho SX - 59 - Preselector

Mizuho AP - MI Audio-processor

EXTERNAL

ANTENNAS:

Mosley - SW-7 - NE - SW

Mosley - SWV-7

Mosley - SW-7 - NW - SE

Mr Ed Kohn Director
M. J. S.

Dear Mr Kohn,

I was pleased to receive the form letter concerning the change of status in our relationship with the society.

Only yesterday I received a request to renew my society membership.

I was told that the fee may sell family memberships directly. I hope this is so.

Best wishes for the Holiday Season
Sincerely Don Dickey - Volunteer.

TO WHOM IT MAY CONCERN:

I JUST WANTED YOU TO KNOW THAT I AM SO HAPPY THE ZOO BOARD HAS SPLIT WITH THE SOCIETY...BECAUSE I'VE KNOWN FOR YEARS THAT CERTAIN "TOP DOGS" IN THE SOCIETY HAVE BEEN STEALING FUNDS AND USING THE MONEY FOR THEIR O N PERSONAL GAIN.

KARLA WILLIAMS IS THE CHIEF "TOP DOG" WHICH HAS BEEN DOING IT TOO...BECAUSE I'VE SEEN HER AND KNOW HER VERY WELL...FOR YEARS. I SOMEHOW KNEW HER TIME WILL COME...AND SHE WOULD BE DISCOVERED.

THANK GOD THE ZOO BOARD FINALLY SAW THE LIGHT. I'M SORRY I DID NOT TELL PEOPLE WHAT I'VE KNOWN FOR YEARS BUT I DIDN'T WANT TO HURT MANY HARD WORKING VOLUNTEERS.

SINCERELY,

A SOCIETY MEMBER AND ZOO LOVER

ANTI B_D

January 26, 1982

Mr. Gary R. Schoener
2608 Pleasant Avenue South
Minneapolis, Minnesota 55408

Dear Mr. Schoener:

Your letter of January 22 to the Membership Division of the Minnesota Zoo Goer Association has been referred to me for response.

I can appreciate your concern over an appearance of casualness in our communication with you over the new zoo plan. To the contrary, the Zoo Board and I and my staff's commitment is total to a sound continuing annual membership program. If there is one fault of which I am certain, it was in expecting a responsible transition in annual plan management between the Society and the Zoo Board.

The Zoo Board is a citizen advisory board, appointed by the Governor and charged with the responsibility for operating the zoo in a reasonable and prudent manner for the citizens of Minnesota, including making the zoo as accessible as possible to all Minnesotans while encouraging and maintaining a broad base of support from citizens and communities of the State.

I believe the Zoo Board's decision to not renew the reciprocity agreement with the Minnesota Zoological Society, after many months of earnest joint negotiations, was a decision without sound alternative. Since the zoo is supported by tax dollars, the unusual contract which provided the Society cash credit for hours worked by volunteers up to the full cost of admission for its members, was considered by advisors to be increasingly untenable.

We believe that through effective direct management of our annual members' program we may demonstrate that the cost of remote contract administration of such a vital program is inadvisable on any terms. When such terms fundamentally reverse the direction of the support relationship, with a substantial outflow of resources, then I believe the only responsible course was that taken by the Zoo Board.

The Zoo Board has refused consistently to make a public issue of the Society relationship problem, believing that public debate on an issue such as this only embitters people, and also believing that the general public will remain supportive of the Minnesota Zoo as long as we continue to offer quality programs openly and with equity. Your letter points out one shortcoming of this "low profile" approach.



Once Society cooperation, which we continue to request, is gained and its membership roster is made available to the zoo, the zoo may quietly and with thoroughness explain to these longtime zoo supporters the zoo's new annual program and the basis for the change. Aggressive defense of the Board's decision, after thorough consideration, does not seem appropriate.

I hope we may assist you in regaining a basis for support of the Minnesota Zoo. We respect and need the continued loyal involvement of every supporter and will keep working earnestly to deserve it and to retain it.

Sincerely,

A handwritten signature in cursive script, appearing to read "Ed Kohn".

Edward Kohn
General Director

EK:gd

Mr. G. R. Schoener
2608 Pleasant Avenue S.
Minneapolis, MN 55408

H 872-8642
W 870-0565, -0566

22 January 1982

Membership Division
Minnesota Zoo
Apple Valley, Minn.
55124

Re: "Minnesota Zoo Goers Association"

Dear People:

I was dismayed to receive a single paged solicitation for membership in the Zoo Goers Association. I had assumed that any such appeal or offer would be accompanied by some sort of cover letter giving the Zoo Board's version of the split with the Zoological Society.

Although not an activist, I am a longtime supporter of the idea of having such a zoo in Minnesota. I have been disappointed in recent months to see the beleaguered zoo, which needs all the friends it can get, slapping a larger group of longtime supporters in the face. I'm not enough of an activist to have personal feelings about it. However, as an administrator myself and someone who lobbies politically and publicly for funds for my own organization, the self-destructive quality of this action staggered me.

So, for the first time in my adult life, I find myself ambivalent about supporting a zoo. It's hard to have faith in the management, frankly, and while I don't want to see the zoo deteriorate or die, I hate to reinforce management which seems, at least from the outside, to be making some ill-timed and apparently stupid decisions.

While now a psychologist and administrator, I originally trained as a wildlife manager. It's not very comfortable to be backing away from supporting the zoo, but at present I can't in good conscience do this. So, I'll hold on to the solicitation and think it over.

Sincerely,

Gary Richard Schoener

Gary Richard Schoener

Society

December 15, 1981

Mr. Michael H. Pickell
2850 Metro Drive, Suite 729
Bloomington, Minnesota 55420

Dear Mr. Pickell:

I have been asked by board members to respond to your letter of December 11. I understand your distress over an action that may appear to reflect disinterest by the board in the future of zoo membership. The reverse is true. The zoo is totally committed to a continuing annual membership program with unlimited entry for all members.

The Zoo Board is a citizen advisory board, appointed by the Governor and charged with the responsibility for operating the zoo in a reasonable and prudent manner for the citizens of Minnesota, including making the zoo as accessible as possible to all Minnesotans while encouraging and maintaining a broad base of support from citizens and communities of the State.

I believe the Zoo Board's decision to not renew the reciprocity agreement with the Minnesota Zoological Society, after many months of earnest joint negotiations, was a decision without sound alternative. Since the zoo is supported by tax dollars, the unusual contract which provided the Society cash credit for hours worked by volunteers up to the full cost of admission for its members, was considered by advisors to be increasingly untenable.

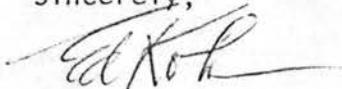
I am convinced that the board is devoted not only to sustaining an active and supportive membership, but in fostering an increase of such ranks. The livelihood of the zoo is in citizen support. We need the continued loyal involvement of each of you and will keep working earnestly to deserve it and to retain it.

I believe that as soon as we are able to gain Society cooperation and assistance in bringing to all current Society members the zoo's new annual membership plan that a great many will find a basis for a continuing direct relationship to the zoo. I hope this will include the Pickell family as well.

The zoo's plan will be implemented as soon as it receives Board approval. I have asked the program director to send information to you as soon as it is available.

Thank you for sharing your concerns with us.

Sincerely,



Edward Kohn
General Director

EK:gd

cc: Hazel Reinhardt
Richard Arndt



2850 Metro Drive, Suite 729
Bloomington, Minnesota 55420
December 11, 1981

Hazel Reinhardt
% Minnesota Zoo
12101 Johnny Cake Road
Apple Valley, Minnesota 55124

Dear Ms. Reinhardt:

I am writing this letter out of feelings of frustration, anger, and hope. It will take some length to express those (and my family's) feelings in response to your decision to not renew the agreement between you and the Minnesota Zoological Society for the coming year.

My family and I moved here 3 years ago, at a time when the new zoo was just opening. We have been fortunate to live near some of the finest zoos in this country (San Diego Zoo, National Zoo in Washington, D.C. and the Baltimore Zoo at its peak under Dr. Arthur Watson), so when we found that a new zoo, with its innovative concepts, was being opened almost in our neighborhood, we were delighted. In our first year here, we visited the zoo four times as a family, and on four other occasions entertaining relatives who were visiting us and the upper midwest for the first time. Because we had used the zoo so much, and very frankly because of the cost, when the chance to join the Society came up, we gave it to our three daughters for a Christmas present in 1979. Since that time we have visited the zoo no less than every other month, and on at least 1 out of every 3 occasions we have taken neighbors, friends, and relatives. We are very proud of the zoo's accomplishments, and people we have taken have gone back. It is good to feel that you belong to something as nice as what our zoo is, and that is the feeling we have in belonging to the Society. People have joined after talking to us about our interest, so we feel we have promoted the zoo most importantly in this way.

The feeling of frustration we have is that after reading the letter sent to us by Mr. Jacobson, hearing his account of the problem on the news on November 28, and reading the Sunday Tribune article, the whole problem comes down to money. We realize the zoo has never really been in a sound financial position. Working closely with the banking and credit industry in my job, as well as trying to manage our household affairs, I can understand why. But what I do not understand is how you can ignore the benefits that I see the 9200 of us have aided you in what the zoo is today, and how we can continue if given the opportunity. I believe you are being very shortsighted if you anticipate that you can convert the number of times we (and other Society members) come to the zoo into more income. We could not afford to come to the zoo as much as we have if we had to pay the current admissions fees. So I doubt you would net much

more per member family than the 28.50 membership fee we paid. However, what I think you fail to realize is the parking fees, concession purchases, zoo store purchases, monorail rides, etc., that would cease to come in if we could not attend as often, and the revenue from guests we also bring.

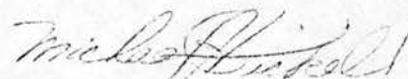
The reason I bring up my personal view before the one you are at odds about with the Society is that I see my family and others like us as the ultimate losers in this fight. I am an accountant and I believe all the charges and countercharges highlighted in the Tribune could be solved with an independent audit. Unless malfeasance or fraud is involved, the outflow of funds can be accounted for. If such outflow was not as intended, then a new agreement could be worked out. But to penalize those of us who have worked to bring the zoo to its present stature is not the answer.

Several of our acquaintances have remarked that it is no wonder the zoo is in constant trouble, given the kind of bickering and fighting that has been accounted in this current issue. I think this is unfortunate but true. The real beauty of the zoo is overshadowed by these bureaucratic wars. For every potential member we bring in, for every dollar we spend, ten times that many potential advocates and dollars are lost through this kind of bad publicity.

My family and I have witnessed a real sense of comradeship since we started going to the zoo. You can feel it when you are there. The staff and volunteers show it equally. The grounds are spotless, the service first rate. People are proud of what they do and the appearance they present to the public. The classes put on for children (Beluga Bunch, etc.) have been first rate. The promotions for the zoo (like the live animal exhibit at Daytons downtown on November 28 that we saw) bring the zoo to the public in a way I have never seen. Please do not kill this enthusiasm, and the potential for our zoo to be enjoyed by so many more families, by this infighting. In these current times where many things die because of the lack of interest, do not let the zoo go the same way.

We are holding our current renewal form and do not know what to do with it. Without the possibility of continued free admission, renewal does not have much value for this family of five. I would appreciate a reply from you concerning the future of the Society program so we can make a decision. And if I may make a request, please address your reply to me as a family man, who is trying to achieve a solid value for the educational and entertainment dollars he spends for his family, while trying to promote something we feel to be most beneficial to our entire community. I believe enough service has already been played to the conflict between the board and the Society. More on that level will help no one. Thank you for your consideration.

Sincerely,



Michael H. Pickell

2850 Metro Drive, Suite 729
Bloomington, Minnesota 55420
December 11, 1981

Richard Arndt
% Minnesota Zoo
12101 Johnny Cake Road
Apple Valley, Minnesota 55124

Dear Mr. Arndt:

I am writing this letter out of feelings of frustration, anger, and hope. It will take some length to express those (and my family's) feelings in response to your decision to not renew the agreement between you and the Minnesota Zoological Society for the coming year.

My family and I moved here 3 years ago, at a time when the new zoo was just opening. We have been fortunate to live near some of the finest zoos in this country (San Diego Zoo, National Zoo in Washington, D.C. and the Baltimore Zoo at its peak under Dr. Arthur Watson), so when we found that a new zoo, with its innovative concepts, was being opened almost in our neighborhood, we were delighted. In our first year here, we visited the zoo four times as a family, and on four other occasions entertaining relatives who were visiting us and the upper midwest for the first time. Because we had used the zoo so much, and very frankly because of the cost, when the chance to join the Society came up, we gave it to our three daughters for a Christmas present in 1979. Since that time we have visited the zoo no less than every other month, and on at least 1 out of every 3 occasions we have taken neighbors, friends, and relatives. We are very proud of the zoo's accomplishments, and people we have taken have gone back. It is good to feel that you belong to something as nice as what our zoo is, and that is the feeling we have in belonging to the Society. People have joined after talking to us about our interest, so we feel we have promoted the zoo most importantly in this way.

The feeling of frustration we have is that after reading the letter sent to us by Mr. Jacobson, hearing his account of the problem on the news on November 28, and reading the Sunday Tribune article, the whole problem comes down to money. We realize the zoo has never really been in a sound financial position. Working closely with the banking and credit industry in my job, as well as trying to manage our household affairs, I can understand why. But what I do not understand is how you can ignore the benefits that I see the 9200 of us have aided you in what the zoo is today, and how we can continue if given the opportunity. I believe you are being very shortsighted if you anticipate that you can convert the number of times we (and other Society members) come to the zoo into more income. We could not afford to come to the zoo as much as we have if we had to pay the current admissions fees. So I doubt you would net much

more per member family than the 28.50 membership fee we paid. However, what I think you fail to realize is the parking fees, concession purchases, zoo store purchases, monorail rides, etc., that would cease to come in if we could not attend as often, and the revenue from guests we also bring.

The reason I bring up my personal view before the one you are at odds about with the Society is that I see my family and others like us as the ultimate losers in this fight. I am an accountant and I believe all the charges and countercharges highlighted in the Tribune could be solved with an independent audit. Unless malfeasance or fraud is involved, the outflow of funds can be accounted for. If such outflow was not as intended, then a new agreement could be worked out. But to penalize those of us who have worked to bring the zoo to its present stature is not the answer.

Several of our acquaintances have remarked that it is no wonder the zoo is in constant trouble, given the kind of bickering and fighting that has been accounted in this current issue. I think this is unfortunate but true. The real beauty of the zoo is overshadowed by these bureaucratic wars. For every potential member we bring in, for every dollar we spend, ten times that many potential advocates and dollars are lost through this kind of bad publicity.

My family and I have witnessed a real sense of comraderie since we started going to the zoo. You can feel it when you are there. The staff and volunteers show it equally. The grounds are spotless, the service first rate. People are proud of what they do and the appearance they present to the public. The classes put on for children (Beluga Bunch, etc.) have been first rate. The promotions for the zoo (like the live animal exhibit at Daytons downtown on November 28 that we saw) bring the zoo to the public in a way I have never seen. Please do not kill this enthusiasm, and the potential for our zoo to be enjoyed by so many more families, by this infighting. In these current times where many things die because of the lack of interest, do not let the zoo go the same way.

We are holding our current renewal form and do not know what to do with it. Without the possibility of continued free admission, renewal does not have much value for this family of five. I would appreciate a reply from you concerning the future of the Society program so we can make a decision. And if I may make a request, please address your reply to me as a family man, who is trying to achieve a solid value for the educational and entertainment dollars he spends for his family, while trying to promote something we feel to be most beneficial to our entire community. I believe enough service has already been played to the conflict between the board and the Society. More on that level will help no one. Thank you for your consideration.

Sincerely,



Michael H. Pickell

11/27/81

Minnesota Zoo Board,

I regret your decision to cancel the free admission program for members of the Minnesota Zoological Society. It would seem an intentional undermining of a group that gives the greatest continuing support to Zoo efforts.

I would like to understand your actions and also to see a listing of who will take over the roles the Society now plays, for certainly the Society's membership and continuing program will be severely curtailed. Thank you for your information.

Judy S. Hove

J. HOVE
1600 NW. 23 AVENUE
NW BRIGHTON, MINN.
55112

December 8, 1981

Ms. Judy S. Hove
1600 NW 23rd Avenue
New Brighton, Minnesota 55112

Dear Ms. Hove:

I understand your regret over an action that may appear to reflect disinterest by the Minnesota Zoological Board in the future of zoo membership. The reverse is true.

The Zoo Board is a citizen advisory board, appointed by the Governor and charged with the responsibility for operating the zoo in a reasonable and prudent manner for the citizens of Minnesota, including making the zoo as accessible as possible to all Minnesotans while encouraging and maintaining a broad base of support from citizens and communities of the State.

I believe the Zoo Board's decision to not renew the reciprocity agreement with the Minnesota Zoological Society, after many months of earnest joint negotiations, was a decision without sound alternative. Since the zoo is supported by tax dollars, the unusual contract which provided the Society cash credit for hours worked by volunteers (many of whom are not Society members) up to the full cost of admission for its members, was considered by advisors to be increasingly untenable.

I am convinced that the Board is devoted not only to sustaining an active and supportive membership, but in fostering an increase of such ranks. The livelihood of the zoo is in citizen support. We need the continued loyal involvement of each of you and will keep working earnestly to deserve it and to retain it.

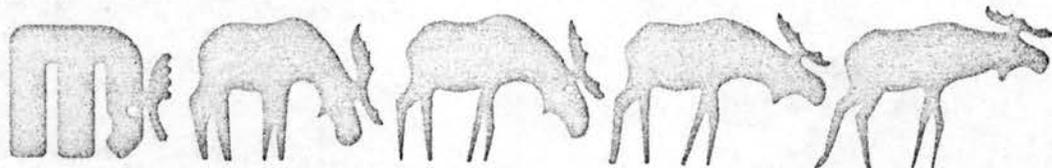
I believe that as soon as we are able to gain Society cooperation and assistance in bringing to all current Society members the zoo's new annual membership plan that a great many will find a basis for a continuing direct relationship to the zoo. I hope this will include you as well.

Sincerely,



Edward Kohn, General Director
Executive Secretary
Minnesota Zoological Board

EK:gd



11/27/81

Minnesota Zoo Board,

I regret your decision to cancel the free admission program for members of the Minnesota Zoological Society. It would seem an intentional undermining of a group that gives the greatest continuing support to Zoo efforts.

I would like to understand your actions and also to see a listing of who will take over the roles the Society now plays, for certainly the Society's membership and continuing program will be severely curtailed. Thank you for your information.

Judy S. Hove

J. HOVE
1600 NW. 23 AVENUE
NW BRIGHTON, MINN.
55112

2550 Bryant Avenue South
Minneapolis, MN 55405
2 December 1981

State Zoo Board
12101 Johnny Cake Road
Apple Valley, MN 55124

Dear Sirs:

It has come to my attention that you have decided not to renew the policy allowing free admission for Zoological Society members. I think this is a grave error, for several reasons.

First, although your data may suggest that a large number of admission fees are lost as a result of the free admission policy, it is certainly the case that those members who return frequently would do so less frequently at \$3.50 per visit.

Second, members bring paying guests. I have been to the Zoo several times this year, and although I have paid no admission myself, I have been directly responsible for at least 15 such fees paid by or for my guests. In this way I have introduced seven people to the Zoo who would otherwise not have gone.

Third, your decision will damage severely the good will existing between the Zoo and the community it serves. Society members who donate money, who volunteer their time, and who advertise the Zoo so effectively by word of mouth, do so because they feel that the Minnesota Zoo is their Zoo. By this action you have shown that it is not. The resentment you will foster by conveying the impression that the Society members serve at the pleasure of the state should not be underestimated.

Termination of the free admission policy will hurt the friends of the Zoo, and that must eventually hurt the Zoo itself. I hope that you will reconsider your decision.

Sincerely,

W.F. Hayes

William F. Hayes
Member
Minnesota Zoological Society

December 8, 1981

William F. Hayes
2550 Bryant Avenue South
Minneapolis, Minnesota 55405

Dear Mr. Hayes:

I understand your distress over an action that may appear to reflect disinterest by the Minnesota Zoological Board in the future of zoo membership. The reverse is true.

The Zoo Board is a citizen advisory board, appointed by the Governor and charged with the responsibility for operating the zoo in a reasonable and prudent manner for the citizens of Minnesota, including making the zoo as accessible as possible to all Minnesotans while encouraging and maintaining a broad base of support from citizens and communities of the State.

I believe the Zoo Board's decision to not renew the reciprocity agreement with the Minnesota Zoological Society, after many months of earnest joint negotiations, was a decision without sound alternative. Since the zoo is supported by tax dollars, the unusual contract which provided the Society cash credit for hours worked by volunteers (many of whom are not Society members) up to the full cost of admission for its members, was considered by advisors to be increasingly untenable.

I am convinced that the Board is devoted not only to sustaining an active and supportive membership, but in fostering an increase of such ranks. The livelihood of the zoo is in citizen support. We need the continued loyal involvement of each of you and will keep working earnestly to deserve it and to retain it.

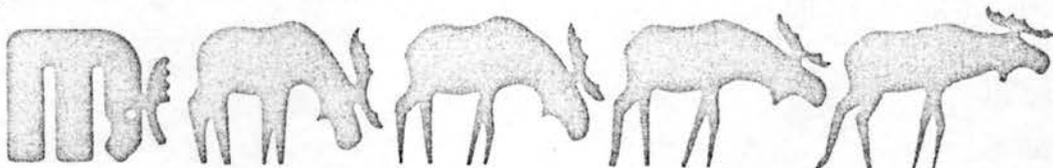
I believe that as soon as we are able to gain Society cooperation and assistance in bringing to all current Society members the zoo's new annual membership plan that a great many will find a basis for a continuing direct relationship to the zoo. I hope this will include you as well.

Sincerely,



Edward Kohn, General Director
Executive Secretary
Minnesota Zoological Board

EK:gd



2550 Bryant Avenue South
Minneapolis, MN 55405
2 December 1981

State Zoo Board
12101 Johnny Cake Road
Apple Valley, MN 55124

Dear Sirs:

It has come to my attention that you have decided not to renew the policy allowing free admission for Zoological Society members. I think this is a grave error, for several reasons.

First, although your data may suggest that a large number of admission fees are lost as a result of the free admission policy, it is certainly the case that those members who return frequently would do so less frequently at \$3.50 per visit.

Second, members bring paying guests. I have been to the Zoo several times this year, and although I have paid no admission myself, I have been directly responsible for at least 15 such fees paid by or for my guests. In this way I have introduced seven people to the Zoo who would otherwise not have gone.

Third, your decision will damage severely the good will existing between the Zoo and the community it serves. Society members who donate money, who volunteer their time, and who advertise the Zoo so effectively by word of mouth, do so because they feel that the Minnesota Zoo is their Zoo. By this action you have shown that it is not. The resentment you will foster by conveying the impression that the Society members serve at the pleasure of the state should not be underestimated.

Termination of the free admission policy will hurt the friends of the Zoo, and that must eventually hurt the Zoo itself. I hope that you will reconsider your decision.

Sincerely,

W.F. Hayes

William F. Hayes
Member

Minnesota Zoological Society

cc Dru + NG
FYI

gd

December 7, 1981

Ms. Karen M. Ober
112240 Hutchins Court
Chaska, Minnesota 55318

Dear Ms. Ober:

I understand your distress over an action that may appear to reflect disinterest by the Minnesota Zoological Board in the future of zoo membership. The reverse is true.

The Zoo Board is a citizen advisory board, appointed by the Governor and charged with the responsibility for operating the zoo in a reasonable and prudent manner for the citizens of Minnesota, including making the zoo as accessible as possible to all Minnesotans while encouraging and maintaining a broad base of support from citizens and communities of the State.

I believe the Zoo Board's decision to not renew the reciprocity agreement with the Minnesota Zoological Society, after many months of earnest joint negotiations, was a decision without sound alternative. Since the zoo is supported by tax dollars, the unusual contract which provided the Society cash credit for hours worked by volunteers (many of whom are not Society members) up to the full cost of admission for its members, was considered by advisors to be increasingly untenable.

I am convinced that the Board is devoted not only to sustaining an active and supportive membership, but in fostering an increase of such ranks. The livelihood of the zoo is in citizen support. We need the continued loyal involvement of each of you and will keep working earnestly to deserve it and to retain it.

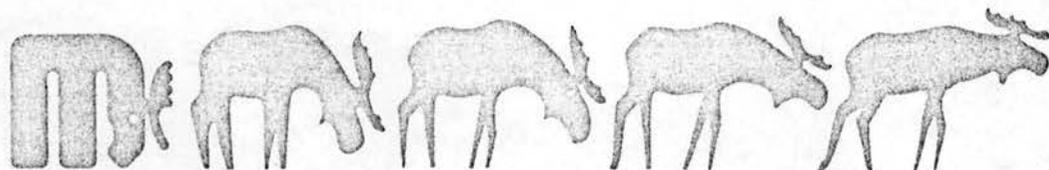
I believe that as soon as we are able to gain Society cooperation and assistance in bringing to all current Society members the zoo's new annual membership plan that a great many will find a basis for a continuing direct relationship to the zoo. I hope this will include the Ober family as well.

Sincerely,



Edward Kohn
General Director

EK;gd



Karen M. Ober

Dear Mr Kohn,

You'll have to forgive my lack of tact in this matter. I have postponed writing this letter so that I could cool off on the subject of membership admissions but am afraid my temper is still high.

We have been members for a number of years - our first membership was when the zoo first opened. We have enjoyed the feeling of belonging to the zoo family and in watching the zoo grow.

I am sorry but I feel you are a fool to cut so many loyal supporters off and I hope you discover you need us as much as we need the zoo before you do it harm!

Sincerely,

Karen Ober

November 28, 1981

*Sent to
Hetland per
his direction*

James Hetland, Chairman
Minnesota State Zoo Board
Minnesota Zoo
12101 Johnny Cake Road
Apple Valley, Minnesota 55124

Dear Mr. Hetland,

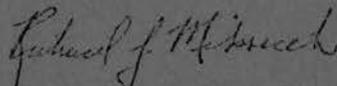
I am writing in response to a letter I have received from the Minnesota Zoological Society informing its members of the recent decision by the State Zoo Board to terminate its free admission agreement with Zoological Society members. I suspect that I am correct in attributing this move to the Zoo Board's perceived need, during this period of fiscal stringency, to recover the cost of admission previously lost to Zoological Society members.

I first joined the Minnesota Zoological Society, along with a large number of the Society's current members, in April of 1979, principally to demonstrate my support for and commitment to the construction and operation of a quality zoo in the Twin Cities area. Since that time, I have visited the Zoo on a total of two occasions, representing a total of \$6.⁰⁰ in potential admission fees. During the same period, I have contributed \$55.5⁰ in membership dues to the Minnesota Zoological Society. Though I do not presume to speak authoritatively, I have little doubt that the benefits to the Minnesota Zoo, both direct and indirect, accruing from my membership in the Minnesota Zoological Society far exceed the admission fees that the Zoo would have received had I visited the Zoo as a non-member.

There is no question that the major benefit attracting membership to the Zoological Society is unlimited admission to the Minnesota Zoo. Were the Zoo Board to stand by its decision to rescind its agreement to Society members, individuals such as myself will have little, if any incentive to continue their membership in the Zoological Society. By the same token, visits to the Zoo by Society members will invariably decrease if they are asked to assume the burden of full admission.

It is my considered opinion that this action would have the effect of decreasing, rather than increasing Zoo revenues and that the State Zoo Board would be well advised to reconsider its decision in this matter.

Respectfully,



Richard J. Miksicek, member
Minnesota Zoological Society

Hetland to answer