



Minnesota State Zoological Board.
Zoo-Related Organizations Files.

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Society Functions

Membership Activities (incl newsletter)

Public Education (Cont. Ed)

Animal Sponsorship (ZooCare)

Volunteer Activities (ZooVap)

Direct Support to Zoo (?)

Foundation Functions

Individual Gifts

Corporate Gifts

Foundation Grants

Other Grants

Society Direct Support to Zoo

FW

FW 81

Year Ended
May 31

1977		211,959
1978	- 0 -	211,959
1979	27,813	289,767
1980	Grant \$18,975	238,950
1981	Grant \$29,737	323,380
1982	Grant 68,192 Sponsorship 50,185 Volunteer 448 <u>118,825</u>	287,153
<hr/>		<hr/>
3yrs.	\$195,350	\$1,351,209 (14.4%)

Latter

- ① Society meeting
- ② Zoo Camp - possibilities
- ③ St. Paul Film. next week.

Function	Formerly Performed by	Currently Performed by
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Maintenance Program

Society

Special Events, P.R.

Publication

Continuing Education

Volunteer Services

Zoo Care

Individual Contributions

Corporate Contributions

SOCIETY SPONSORED PROGRAMS/SERVICES

1. Membership Program Operation

Provide the day-to-day management and operation of and services relating to each membership in the Zoological Society. Responsibilities include but are not limited to record maintenance, data collection and processing, membership card issuance and regular member communication and information exchange.

2. Promotion and Membership Marketing

Provide the management and operation of a membership promotion and acquisition program. Responsibilities include designing and implementing regular membership campaigns and related special events/promotions using marketing techniques to include but not limited to direct mail, print and electronic media and public relations.

3. Special Events, Public Relations and Publications

Design and implementation of regular special events and projects to increase public awareness of the zoo. Responsible for direction and production of a monthly 6-8 page newsletter to serve both the zoo's and society's needs. Non-member complimentary copies will be limited to 2,000.

4. Continuing Education Program

Provide the necessary funds and Society staff support for the continuing education program until such time as the class revenue is equivalent to class expense. The Society is responsible for overall development, design, day-to-day management, and promotion.

5. Volunteer Services

Provide all necessary services, management and financial support relating to volunteer recruitment and recognition.

6. Animal Sponsorship

Sponsor the Animal Sponsorship Program. Responsible for further development and continued operation; to solicit donations for the zoo through special promotions, presentations and public relations efforts. The Society may retain 30% of the program revenues to assist in expense recovery.

7. Auxiliary Activities

Develop and sell products produced from Society commissioned membership artwork including but not limited to posters and calendars.

Mark J.

November 9, 1981

CASH CONTRIBUTIONS TO MINNESOTA ZOOLOGICAL GARDEN FROM THE SOCIETY:

FYE

1974 \$84,000.....1974,1975,1976 Minnesota Aid-to-the-Zoo
 -1976 Horse Shows

1977 \$137,364.....Zoo Walks in cosponsorship with the Foundation
 -1978

1978 7,300.....Midwest Federal/Society promotion

\$228,664

1979 15,000.....for purchase of television cameras

1979 2,500.....for purchase of Zoo Walk materials

1979 2,900.....for visitor information booth

1979 3,000.....for Zoo Walk Sundae Social

1980 23,400 912.....for newspaper advertising

1980 2,300.....for Speakers Bureau equipment

1980 200.....for lecture honorariums

1980 3,612 200.....for learning excursion packets

1981 98,400.....for Zoo Fund *35,000 in restricted account to be drawn upon by zoo*

1981 1,600.....for label making machine

1981 500.....for Waterfowl Conference Luncheon
(4,000 not yet pd.)

1980 16,000.....for Continuing Education Coordinator
 -1981

1981 650.....for Speakers Bureau Projector

1981 32,700.....for Animal Sponsorship Program

1980 3,000.....for AAZPA scholarships to zoo staff
 -1981 152,850 *(4,000 not yet pd.)*

1981 42,000.....for research program *(not yet pd.)*

\$221,862 — *(4,000 + 42,000 not yet paid)*

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.

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Total Rev. 8.

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323,380	F.Y. 1981	29,737	" "
287,153	F.Y. 1982	24,089	" "
		50,185	Animal Sponsorship
		68,640	Restricted: Direct support
		174,912	*
\$1,351,209	Total	195,350	(14% of total revenue)

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



Minnesota Zoological Society

A PROPOSAL

TO

THE MINNESOTA ZOOLOGICAL GARDEN BOARD

FROM

THE MINNESOTA ZOOLOGICAL SOCIETY

JUNE 11, 1981

INTRODUCTION

The Minnesota Zoological Society (the Society) is an independent non-profit citizens organization which is organized " 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 " (revised June 10, 1975).

Established in 1961, the Society today has a membership base of 9,000 families and an active 21 member board of directors.

The Minnesota Zoological Garden Board (the Board) , established by legislation in 1969, is comprised of 11 members appointed by the Governor of Minnesota. This Board has been charged with the planning, construction and operation of the Minnesota Zoo.

AGREEMENT

In consideration of their common interests, a long history of co-operation, and the Board's recognition of the long and valued support by the Society for the zoo, it is agreed that the Board and Society will continue to work together toward attainment of common goals and to establish an equitable exchange of zoo benefits for services rendered by the Society.

To achieve the mutual goal of support for and promotion of a world class zoo in Minnesota;

- 1) the Board has determined that there is a need for broad based community support and participation and,
- 2) that the Society as a non-profit citizen organization can provide special services and programs to involve members of the community and,
- 3) that the Board may establish a schedule of charges for admission to or the use of the zoo or any related facility and.
- 4) the Board will award the following zoo benefits to members of the Society in recognition of the following services rendered by the Society.

ZOO BENEFITS

1. Free Entry

Unlimited free entry to the admission area of the Zoo upon presentation at the gate of a valid current Society membership card for each Society membership entitled such privileges.

2. Guest Entry

Free entry to the admission area of the Zoo for one person upon presentation and surrender at the gate of a Society guest pass.

3. Facility Use

Use of the Zoo Board Room for regularly scheduled meetings of the Society Board of Directors or its working committees when such use does not conflict with official Zoo business.

4. Members Events

Special "members events" at the Zoo which shall be open only to Society members, who will receive free entry. Any entertainment, food, or beverages shall be paid for by the Society. The members events shall be held on dates mutually agreed on by the parties hereto.

5. Meeting/working Space

Designated space at the Zoo to hold ZooVAP and Society activities such as but not limited to meetings, classes, lectures, workshops and membership promotion and sales.

6. Parking

Free parking and entry to admissions area for volunteers, Society staff, board and representatives on duty.

7. Staff Support

Zoo staff shall be available as resource people in Society activities to the extent that such services can be provided without interfering with official Zoo operations.

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ZOO REQUESTS/SOCIETY RESPONSES - Additional Reciprocal Services

Zoo Request 1.....To establish a regular expense budget line-item for future zoo grants so as to guarantee reliable cash flow and accomplish support for a long range program.

Society Response 1..Beginning with FY '83, the society will add an expense line-item to their proposed budget, for zoo fund capability. Determination of fund availability will be achieved annually by January 1.

Zoo Request 2.....To allow for discussion and review of the society's zoo-support programs and services by the General Director. The values of such programs will be determined and recommendations given for fund distribution based on priority selection.

Society Response 2..Beginning with the development of FY '83 goals and objectives (in January 1983), the General Director will be invited to discuss and review current activity levels and to offer advice and counsel regarding the following zoo-support programs;

- Animal Sponsorship
- Continuing Education
- Special Events
- Publications for non-members
- Volunteer Services On-site

Zoo Request 3..... To develop an expanded acquisition and solicitation program to provide sufficient funding to subsidize an on-going zoo fund program.

Society Response 3..The Society intends to study the existing potential for increased net proceeds through current and/or expanded membership levels and solicitation programs. In addition to increased donor solicitation, the Society will study and implement other member programs to increase the membership base. Any increase in revenue should assist in underwriting the proposed zoo fund programs on a continuing basis.

Zoo Request 4.....To provide an additional allocation annually to the zoo of excesses over society requirements for a $\frac{1}{2}$ year operating reserve.

Society Response 4..Beginning in FY '83, the society will donate to the zoo any amount by which the society's unrestricted fund balance exceeds $\frac{1}{2}$ of the then current year operating budget.

Note: The purpose of zoo fund support will be to establish long-range programs based on mutually acceptable parameters and focus.

Matt Olson

Copy of Audit Report

$$\begin{array}{r} 1369545 \\ 168967 \\ \hline 1538512 \end{array}$$
$$\begin{array}{r} 2 \\ 767 \overline{) 1539} \\ \underline{1534} \end{array}$$
$$\begin{array}{r} 685545 \\ 81804 \\ \hline 767349 \end{array}$$

cc: 51 (please adjust mixed numbers on pg)

INTEROFFICE COMMUNICATION

CIRCULATE TO:	NOTED
SPECIFIC FILING INSTRUCTIONS This will be returned if not filled in.	
ALSO CHECK (✓) OR WRITE IN COMPANY OR OTHER FILING NAME	

TO OFFICE FROM SAINT PAUL OFFICE

FOR MINNESOTA ZOOLOGICAL FROM RICHARD M. ARNDT
GARDEN FINANCE & AUDIT
COMMITTEE

DATE OCTOBER 26, 1981

ACKNOWLEDGMENT COPY RETURNED
BY _____

SUBJECT: DRAFT OF PROPOSED BOARD STATEMENT RE: MINNESOTA ZOOLOGICAL SOCIETY RECIPROCITY AGREEMENT

I have taken the initiative to draft a proposed position statement should the final decision be made to terminate the reciprocity agreement with the Minnesota Zoological Society. Please be prepared to discuss this at our next finance committee meeting.

Dick
RICHARD M. ARNDT

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 parent/child 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 untenable position of the Zoo staff having to work effectively with several independent boards.
 - (b) Duplicate media promotion.

- (c) Duplicate advertising campaigns.
 - (d) Individual newsletters.
 - (e) Inadequate control over the animal sponsorship program.
 - (f) Each organization has its own ideas how to best promote the Zoo. This could create chaos and inefficiencies in operating the Zoo and ineffective management of 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 31-

1979	\$386,000
1980	311,000
1981	271,000 (estimate)

Society Direct Contributions to the Zoo for the Years Ended May 31

1979	\$28,000
1980	19,000
1981	-

Society Value of Zoo Admissions for 1981 - \$116,000
(per Society-prepared work sheet) =====

Cost of Memberships to the Society for 1981 (per Society work sheet
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

Society Value of Zoo Support for 1981-

Volunteer program	\$16,000
Membership program	70,000
Education program	Not available

ANNUAL PASS REVENUE DISTRIBUTION

1) Estimated revenue is based on the Society projections for FY 1982 as follows: *COMPANION 2,000*

	<i>6,000</i>				
Family	7,300	passes	@	\$ 30.00	= \$ 219,000
Individual	<i>1,000</i> 1,500	passes	@	\$ 20.00	= \$ 30,000
Supporting	250	passes	@	\$ 50.00	= \$ 12,500
Donor	<u>250</u>	passes	@	\$100.00	= \$ <u>25,000</u>
Total Passes	<u>9,300</u>			Total Revenue	<u>\$ 286,500</u> <i>290,000</i>

2) All revenue deposited in a special gift fund established with the authorization of the Legislative Advisory Committee at the December, 1981 meeting.

3) All operating expenses of the program paid out of the special fund with quarterly payments made to the General Fund for actual gate attendance at the group sales rate.*

Gate Charge Formula	Family	Individual	Total FY81
Society Current	\$13.60	\$ 4.80	\$ 108,560
Proposed Zoo Passes	\$15.00	\$ 5.00	\$ 119,500
*Actual use (group rate)	\$12.00	\$ 3.00	\$ 94,954

5) Estimated Calendar Year Annual Pass Program Budget

Salaries \$ 43,000

1 Program Coordinator	\$25,000
1 FTE for volunteer & newsletter	\$18,000

Supplies & Expenses \$ 58,500

Postage	\$10,000	<i>15,000</i>
Publications/ <i>Printing</i>	20,000	
Data Processing	15,000	<i>10,000</i>
Poster	4,500	
Volunteer	4,000	<i>8,000</i>
Misc./Contingency	5,000	

TOTAL BUDGET \$ 101,500

6) Estimated Revenue Distribution FY 1982

Revenue	\$286,500	<i>290,000</i>
Less: Return to General Fund	(98,100)	<i>111,000</i>
Operating Budget	<u>(101,500)</u>	<u><i>101,000</i></u>
NET to Gift Fund	<u>\$ 86,900</u>	<i>78K 103K</i>

CONTINUING EDUCATION

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 with summer camps for students ages 8 through 12.

These 10 week long programs, with repeat curriculums, would deal with 15 students per session. Running from 10:00 - 4:30 PM daily, the classes would be staffed by naturalists, volunteers, interns and temporary help as needed. The fees charged, approximately \$75 - \$100 per student, would make the program entirely self-supporting. A full-time coordinator would design, coordinate, and teach a program, while support staff would assist with brochure production, scheduling and public relations. Using live animals, film, arts and crafts, Zoo exhibits and role playing, the groups would study areas of the Zoo.

A brochure would 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.

Led off by MISF during March, the spring classes again would focus on adult and young children's classes, while staff is once again preparing for a complete summer camp.

Class schedules, produced at a lower cost, will 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 print brochures for the summer camps. 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.

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 areas will be eliminated there by holding down some of the costs of the program.

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. Proposed level of distribution is 20,000 copies. 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.

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.

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 more simplistic reference for potential members.
3. A bi-lateral arrangement allows for quicker response and flexibility to program needs.

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 Speakers' 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 group. 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 one-half 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 to assure that the continuation of the Sponsorship effort will result in a self-sustaining budget situation.

In addition to the staff needs of one-half 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 \$2,000.00 per year for supplies. A permanent Sponsor Wall would have a cost of \$200.00, a one-time expense.

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.

DEC 4 1981
DEPARTMENT OF COMMERCE

STATE OF MINNESOTA
DEPARTMENT OF COMMERCE
CHARITABLE ORGANIZATIONS ANNUAL REPORT
For Twelve Months Ending
MAY 31 1981

Minnesota Law (Minn. Stat. Ch. 309) requires that every charitable organization required to file a Registration Statement (Commerce-1) shall also file an Annual Report (Commerce-2) and Financial Statements (Commerce-3) if such organization employed a professional fund raiser, or received in excess of \$10,000 during the accounting year last ended. A CPA opinion must accompany the Annual Report of a charitable organization if its gross contributions exceed \$25,000. Reports are due within six months of the accounting year end. File with the Department of Commerce, 500 Metro Square Building, St. Paul, Minnesota 55101.

1. Legally Established Name of Organization MINNESOTA ZOOLOGICAL SOCIETY

2. Address and Telephone Number of Principal Office 555 WABASHA, ST. PAUL, MN. 55102
(612) - 222 - 1706

3. Note any pertinent changes since the last report including, but not limited to, changes of names, affiliation, address, telephone, officers, directors, and purpose of the organization.
None X See Attached _____

4. During the reporting period has: The Organization been denied the right to solicit contributions?
(a) By any governmental agency: Yes _____ No X
(b) By any court: Yes _____ No X
If yes, identify State and Agency or Court and explain: _____

The Organization's tax exempt status been questioned, denied or cancelled by any Government Agency?
Yes _____ No X If yes, attach explanation of facts.

5. Compensation of Professional Fund Raisers

Name and Address of Professional Fund Raiser	Compensation	% of Gross Receipts
<u>NONE</u>		

Note: A professional fund raiser is any person (including a corporation or other entity) who for financial compensation or profit, participates in public solicitation in Minnesota of contributions for or on behalf of the reporting organization. This includes a bona fide officer or employee whose compensation is computed in part or whole on the basis of funds to be raised or actually raised.

6. Compensation paid to Mail Houses or for Mailing List:

Name and Address of Mail Order House or Mailing List Supplier	Compensation	% of Gross Receipts
<u>NONE</u>		

7. Amount of total contributions received during the accounting period last ended: 160,596

8. Of the contributions raised by your Organization in the accounting period last ended, what percentage of the gross amount was spent for:

<u>78.4</u>	% the charitable cause
<u>13.8</u>	% management and general
<u>7.8</u>	% fund raising costs
<u> </u>	% public education

9. Amount of funds or property received in Minnesota and transferred out of Minnesota, with explanations as to recipient and purpose. \$ NONE

10. Disclose any potential conflict of interest which existed during the period covered by this report. An explanatory statement pertaining to any such conflict of interest may be made. For purposes of this question, a potential conflict of interest existed if: NONE

- a. Any director, trustee, officer or employee directly or indirectly received money or other property from the organization other than as compensation for services rendered as a bona fide employee of the organization or as reimbursement for expenses paid on behalf of the organization.
- b. The organization held any securities of any corporation, partnership, or other entity in which any such person has a significant direct or indirect pecuniary interest.
- c. Any director, trustee, officer or employee directly or indirectly received any money or other property from a "professional fund raiser", any supplier of goods, facilities, or services to the organization or any such person had a significant direct or indirect financial interest in any such professional fund raiser or supplier.

(Attach statement)

11. Attach the financial statement of the organization for its calendar or fiscal year covered by this report.

SIGNATURES AND ACKNOWLEDGMENT

We hereby state and acknowledge, that we are duly constituted officers of the organization named in Item 1 of this Annual Report, being the PRESIDENT (title), and Treasurer (title) thereof, respectively, that this Annual Report is executed on behalf of said organization by us pursuant to resolution of the Minnesota Zoological Society (Board of Directors or Trustees, or if none, other Managing Group), duly adopted on the 24 day of October, 19 81, approving the content of this Annual Report including the financial statement attached to it.

dated: 11/30/81

(signed)

Mark C Jacobson
Title President

(signed)

Stephanie Anne Fox
Title Treasurer

MINNESOTA ZOOLOGICAL SOCIETY

Schedule attached to Commerce-2

- (1) The actual cash contributions for the year ended May 31, 1981 were \$39,908 (\$29,737 donation and \$10,171 for volunteer activities.) This represents 24.8% of all contributions. The Society has also designated \$57,688 in cash for future direct program support to The Minnesota Zoological Garden. In addition, the Society provides a substantial amount of volunteer hours to the Minnesota Zoological Garden each year. For the year ended May 31, 1980 such hours were valued at \$94,954.

- (2) The Minnesota Zoological Society does not solicit contributions from the public per se. The Society is a membership organization. Therefore, a functional allocation "cost of fund raising" is not applicable to the Society. The Society does incur costs related to obtaining new members, and these costs are shown under the functional classification "Membership Procurement" in the audit report for the year ended May 31, 1981. It should be noted that amounts received as dues from members in excess of the Society's services, which accrue to the member, are considered contribution revenue for financial reporting purposes.

Because of this, for purposes of question (8), management has estimated the portion of membership procurement which would be applicable to contribution revenue as "fund raising costs" based upon the relationship of contribution revenue and membership dues to total collections from members.

MINNESOTA ZOOLOGICAL SOCIETY

Balance Sheet

May 31, 1981

with comparative figures for 1980

<u>Assets</u>	<u>1981</u>	<u>1980</u>
Cash	\$ 92,904	58,183
Temporary cash investments, at cost which approximates market	256,140	202,583
Receivables	2,817	10,484
Materials held for use or sale	10,724	9,004
Prepaid expenses	2,533	964
Land	6,000	6,000
Office furniture and equipment, at cost less accumulated depreciation of \$5,523 in 1981 and \$4,369 in 1980	5,658	4,633
Oil painting, at cost	7,500	7,500
	<u>\$ 384,276</u>	<u>299,351</u>
<u>Liabilities and Fund Balances</u>		
Liabilities:		
Accounts payable	\$ 3,830	833
Unearned membership dues	112,151	58,076
Other liabilities	8,111	-
Total liabilities	<u>124,092</u>	<u>58,909</u>
Fund balances:		
Unrestricted:		
Designated for direct support to Minnesota Zoological Garden	57,688	79,425
Undesignated	196,496	155,017
Total unrestricted	254,184	234,442
Restricted	6,000	6,000
Total fund balances	<u>260,184</u>	<u>240,442</u>
	<u>\$ 384,276</u>	<u>299,351</u>

*See accompanying notes to financial statements.

MINNESOTA ZOOLOGICAL SOCIETY

Statement of Support and Revenue, Expenses and Changes
in Unrestricted Fund Balance

Year ended May 31, 1981
with comparative figures for 1980

	<u>1981</u>	<u>1980</u>
Public support and revenue:		
Contributions to the Society	\$ 127,888	104,638
Animal sponsorships	32,708	-
Volunteer service hours (note 2)	94,954	72,150
Membership dues	121,591	99,347
Investment income	33,277	26,727
Miscellaneous sales	7,358	7,931
Other	558	307
Total public support and revenue	<u>418,334</u>	<u>311,100</u>
Expenses:		
Program services:		
Membership activities	175,727	132,172
Public education	19,474	-
Animal sponsorship	34,034	-
Volunteer activities	10,171	5,363
Direct support to the Zoo	29,737	18,975
Total program services	<u>269,143</u>	<u>156,510</u>
Supporting services:		
Auxiliary	2,350	-
General and administration	55,197	63,075
Membership procurement	71,902	79,311
Total supporting services	<u>129,449</u>	<u>142,386</u>
Total expenses	<u>398,592</u>	<u>298,896</u>
Excess of public support and revenue over expenses	19,742	12,204
Unrestricted fund balance, beginning of year	<u>234,442</u>	<u>222,238</u>
Unrestricted fund balance, end of year	<u>\$ 254,184</u>	<u>234,442</u>

See accompanying notes to financial statements.

MINNESOTA ZOOLOGICAL SOCIETY

Statement of Functional Expenses

Year ended May 31, 1981
with comparative figures for 1980

	Program Services					Supporting Services			Total	
	Membership Activities	Public Education	Animal Sponsorship	Volunteer Activities	Direct Support to the Zoo	Membership Procurement	Auxiliary	General and Administrative	1981	1980
Salaries	\$ 16,536	7,566	14,559	3,876	-	12,692	1,247	29,917	86,393	53,056
Occupancy	1,651	250	1,050	200	-	1,551	50	1,300	6,052	4,545
Telephone	106	13	760	4	-	8	5	1,894	2,790	1,543
Supplies	7,017	422	3,519	472	-	4,454	142	2,188	18,214	10,228
Rental and maintenance of equipment	94	-	328	-	-	94	-	1,908	2,424	1,874
Printing and publications	41,966	4,159	6,248	1,072	-	12,603	500	2,525	69,073	46,277
Postage and shipping	6,176	428	1,173	280	-	8,096	252	752	17,157	8,095
Conferences and meetings expense	396	-	121	1,547	-	169	-	2,263	4,496	4,418
Other travel	465	58	632	256	-	362	43	623	2,439	1,211
Professional fees	3,369	-	4,962	25	-	2,574	90	4,214	15,234	10,829
Zoological garden admission (note 2)	94,954	-	-	-	-	-	-	-	94,954	72,150
Data processing services	1,077	107	21	-	-	1,322	-	2,327	4,854	1,828
Publicity and public relations	81	6	645	-	-	2,753	21	-	3,506	4,812
Promotional consultant services	-	-	-	-	-	24,439	-	-	24,439	38,076
Depreciation	-	-	-	-	-	-	-	1,276	1,276	995
Awards and grants	7	-	11	315	-	-	-	32	365	983
Contributions to the Zoo	-	-	-	-	29,737	-	-	-	29,737	18,975
Loss on obsolete calendars	-	6,343	-	-	-	-	-	-	6,343	5,133
Other	1,832	122	5	2,124	-	784	-	3,979	8,846	13,868
Total functional expenses	\$ 175,727	19,474	34,034	10,171	29,737	71,902	2,350	55,197	398,592	298,896

See accompanying notes to financial statements.



Peat, Marwick, Mitchell & Co.

Certified Public Accountants

1600 Conwed Tower
444 Cedar Street
St. Paul, Minnesota 55101
(612) 224-7466

The Board of Directors
Minnesota Zoological Society:

We have examined the balance sheet of the Minnesota Zoological Society as of May 31, 1981 and the related statements of support and revenue, expenses and changes in unrestricted fund balance, changes in financial position and functional expenses for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances. The financial statements of the Minnesota Zoological Society for the year ended May 31, 1980, were examined by other auditors whose report dated June 26, 1980, expressed an unqualified opinion on those financial statements.

In our opinion, the aforementioned financial statements present fairly the financial position of the Minnesota Zoological Society at May 31, 1981 and the results of its operations and changes in its financial position for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Peat, Marwick, Mitchell & Co

July 6, 1981

MINNESOTA ZOOLOGICAL SOCIETY

Statement of Changes in Financial Position

Year ended May 31, 1981
with comparative figures for 1980

	<u>1981</u>	<u>1980</u>
Funds provided from:		
Operations:		
Excess of public support and revenue over expenses	\$ 19,742	12,204
Charges to operations not requiring funds:		
Depreciation	1,276	995
Loss on disposal of equipment	-	139
Total from operations	<u>21,018</u>	<u>13,338</u>
Sale of short-term investments	-	50,450
Decrease in receivables	7,667	-
Decrease in prepaid expenses and accrued investment income	-	2,107
Increase in accounts payable	2,997	-
Increase in unearned membership dues	54,075	-
Increase in other liabilities	8,111	-
Total funds provided	<u>93,868</u>	<u>65,895</u>
Funds used:		
Purchase of short-term investments	\$ 53,557	-
Increase in receivables	-	10,484
Purchase of material held for use and sale	1,720	3,579
Increase in prepaid expenses	1,569	-
Purchase office furniture and equipment	2,301	3,096
Decrease in accounts payable	-	36,205
Decrease in unearned membership dues	-	4,305
Total funds used	<u>59,147</u>	<u>57,669</u>
Increase in cash	<u>\$ 34,721</u>	<u>8,226</u>

See accompanying notes to financial statements.

MINNESOTA ZOOLOGICAL SOCIETY

Notes to Financial Statements

May 31, 1981

(1) Summary of Significant Accounting Policies

General

The Minnesota Zoological Society is organized as a nonprofit corporation under the laws of the State of Minnesota for the purpose of aiding in the development, care and maintenance of a Zoological Garden within the State of Minnesota and encouraging public interest in the science of zoology.

Basis of Accounting

The accompanying financial statements are prepared on the accrual basis of accounting.

Fund Accounting

To ensure observance of the limitations and restrictions placed on the use of resources available to the Society, the accounts of the Society are maintained in accordance with the principles of fund accounting. This is the procedure by which resources are classified for accounting and reporting purposes into funds established according to their nature and purposes.

The unrestricted fund balance represents all resources over which the Society's Board of Directors has discretionary control. In fiscal 1980 the Board of Directors designated \$106,400 for direct program support to the Minnesota Zoological Garden. As of May 31, 1981, \$57,688 remains available under this designation.

The restricted fund balance represents donated land which is stated at its estimated value at the date of receipt. The use or sale of this land is subject to approval by the donor.

Office Furniture and Equipment

Office furniture and equipment purchased by the Society are recorded at cost. The fair value of donated furniture and equipment is similarly capitalized. Depreciation is provided over the estimated useful lives of the assets (generally 5 years) using the straight-line method.

(Continued)

MINNESOTA ZOOLOGICAL SOCIETY

Notes to Financial Statements, Continued

(1) Summary of Significant Accounting Policies, ContinuedMembership Dues

The Society charges dues for its membership on an annual basis. The portion of of the dues relating to the estimated value of the Society's services to which a member is entitled is deferred and recorded as dues income over the life of the related membership. The remaining portion is recognized as contribution revenue when received.

A reconciliation of the amount collected from members and the amounts reflected in the financial statements during the years ended May 31, 1981 (with comparative figures for 1980) is as follows:

	<u>1981</u>	<u>1980</u>
Unearned membership dues, beginning of the year	\$ 58,076	62,381
Total collection from members during the year	295,488	189,881
Less:		
Amount reported as contributions	(119,822)	(94,839)
Amount recognized as dues income	<u>(121,591)</u>	<u>(99,347)</u>
Unearned membership dues, end of year	<u>\$ 112,151</u>	<u>58,076</u>

The cost of membership procurement is charged to expense as incurred.

Allocation of Functional Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of support and revenue, expenses, and changes in unrestricted fund balance. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

(2) Reciprocity Agreement

The Society and the Minnesota Zoological Garden have entered into a reciprocity agreement whereby all Society members are afforded admission at no cost into the Minnesota Zoological Garden in exchange for the performance of volunteer services by the Society at the Minnesota Zoological Garden. The value of volunteer services rendered is determined on an hourly rate negotiated annually under the agreement while gate admissions are valued according to the prevailing public rates. In the event that the value of volunteer services rendered at the Minnesota Zoological Garden is less than the total of membership gate admissions, the Society is obligated to reimburse the Minnesota Zoological Garden; however, in no event is the excess of the value of

(Continued)

MINNESOTA ZOOLOGICAL SOCIETY

Notes to Financial Statements, Continued

(2) Reciprocity Agreement, Continued

volunteer services performed over the total of membership gate admissions to be remitted by the Minnesota Zoological Garden to the Society.

The Society recognizes volunteer contributions to the extent of benefits received by the Society's members. The value of volunteer hours contributed to the Minnesota Zoological Garden was \$124,960 (\$111,621 in 1980) and was recognized as income to the extent of benefits received by the members in the amount of \$94,954 (\$72,150 in 1980). The value of accumulated volunteer services hours in excess of member gate admissions at May 31, 1981 of \$118,669 can be used to offset future liabilities arising from membership gate admissions.

(3) Leases

The Society leases office space under a lease which expires in February, 1982. In addition, the Society also rents various office equipment and storage space. Total rent expense for the year ended May 31, 1981 was \$8,476 (\$6,420 in 1980). Total minimum future rental commitments at May 31, 1981 are approximately \$3,900.

MINNESOTA ZOOLOGICAL SOCIETY

GOAL: It shall be the goal of the Minnesota Zoological Society to provide a high quality promotion and support program needed for continuing recognition of the Minnesota Zoological Garden.

METHOD: The goal of the Society shall be achieved primarily through the continuing promotion and development of a broad-based membership organization to serve as a strong support base for the Minnesota Zoological Garden; and more specifically through:

- a) Promotion of the image and interests of the Zoo and the Society; and
- b) Programs and services that enhance and attract Society membership; and
- c) Programs and services that assist the operations of the Zoo and Society; and
- d) Programs and services that provide citizen commitments of time and financial resources to the Zoo and Society; and
- e) Programs and services that meet interests of Zoo visitors, Society members, and the public in zoo-related topics and broad-based public information.

BASIC

PHILOSOPHY: The Minnesota Zoological Garden is the primary focus of the activities of each member of the zoo family of organizations. In maintaining that focus, the Society member is the most important component of the Minnesota Zoological Society. Through membership, the Society becomes an organization of people and thereby forms a strong support base for the Minnesota Zoological Garden. Both elements together provide for a situation by which programs and services may be implemented to benefit the member and the organization, and to assist the Minnesota Zoological Garden in meeting zoological objectives.

The Society strives to better inform its members about the interrelationship of man, animals and plants, and to serve as the vehicle for organizing activities to promote concern by the general public for the natural world we share. The Society is a primary support organization for the Minnesota Zoological Garden.

Society Programs and Services:

1. SPECIAL EVENTS, PROMOTIONS and PUBLICITY

- Garden Show at Zoo
- Trial membership program
- Pako Photo Contest
- Coloring Contest
- weekly press releases to print and electronic media
- volunteer recruitment p.s.a.'s
- Sponsorship p.s.a.'s
- Science Museum Lecture Series
- Mpls. Star story-telling contest

2. ZOO FUNDING

- as feasible - direct support for requested Zoo services

3. EDUCATION PROGRAMS

- year round education classes
- promotional brochures
- registration, accounting and operational support
- funds for Zoo education coordinator

4. VOLUNTEER SERVICES

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

5. ANIMAL SPONSORSHIP

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

6. MEMBERSHIP PROGRAM

- 8,500 family members in 7 county metro area
- direct mail membership campaign
- on-going renewal program
- on-site membership and information booth
- computerized name inventory and list exchange program

7. MEMBERSHIP ACTIVITIES

- monthly members programs
- guest lectures and annual open house
- behind-the-scene tours
- national and international travel

8. PUBLICATIONS, PRODUCTS

- ZOONEWS monthly newsletter
- Animal Kingdom, bi-monthly magazine
- posters and signed prints
- calendars

ZOO PROGRAM COMMITTEE
RECOMMENDATION

Zoo Program Committee has received and reviewed the MZG request for funds to be made available by the society. Several revisions in the request have caused a delay in our recommendations until this time. You have received a document from the Zoo indicating how monies have been spent from the initial requests as well as the specific request for this year's funds.

Funds available include \$38,300.00 originally approved but not spent. This is made up of the silkscreen project (\$25,000.00) which the Zoo feels it can not develop currently, equipment for animal health project (\$8,000.00) which is not available in the market and short term internship (\$5,000.00) which could not be adequately supervised. A figure of \$42,000.00 has been identified as potentially available from 1981 revenues bringing the total request to \$80,282.21. However, because of the uncertainties regarding reciprocity, we suggest re-allocating only the \$38,282.00 remaining from our 1980 contribution and approving the remaining program concepts but withholding approval of expenditures until a new contract has been developed between the Zoo and the Society.

The request priority is as follows:

1. Special Events Programming Support (#5 page 7) - \$10,000.00

The committee felt that Society funds should generally be used for more visible and long-term programs. However, it should be noted that both Zoo staff and Zoo board feel that the orchestra concert and float are important to promote the Zoo's visibility through the community. WAYL is providing several thousand dollars worth of free advertising for the concert and the Society's name will be mentioned as one of the sponsors of the program. Similarly, the float could, as well, advance the Society's name through the Aquatennial and other summer events. Our recommendation then, is to approve the \$5,000.00 for the float. We do not recommend the concert funding as outside corporate sponsors are being sought. We felt an expenditure of this size for a one-time event was perhaps not the best use of our funds. Should an outside sponsor not be found, we suggest resubmitting at a future meeting for consideration. The Board may of course, decide against this program under any circumstance.

2. Direct Advertising (#6 page 7) - \$15,000.00

The Zoo's budget under current legislative action has been increased by \$100,000.00 for addition of advertising. However, the best guess would be that this would eventually be dropped in light of the state's severe financial problems. It was felt that because of the Zoo's unique needs, that the Society should approve this program if in fact, the legislature cuts the advertising budget. It is also recommended that, where possible, acknowledgement of the Society's contribution be made.

2. Direct Advertising Continued:

For example, a print ad could have in the bottom "this ad sponsored by The Minnesota Zoological Society".

3. Internship Program (#2 page 5)

Summer interns have been requested by the Zoo and the development of this program must begin soon if the program is to occur.

At this point, the post-doctoral and pre-doctoral support program would be recommended as a part of the \$42,000.00 to be approved at a later date. It should be noted here that both programs A & B must be considered on a long term basis. That is, the programs must have some guarantee of continuing for as long as four years to make it a viable program.

4. Audio Self-Guided Tours (#3 page 6) - \$3,000.00

This pilot program is recommended for Board approval as presented.

5. Staff Enrichment Programs

The committee recommends that the remaining \$5,000.00 be approved for use in programs 1A or 1B. The committee felt that 1C should not be approved as it is the type of program that should be part of the ongoing staff development program funded as part of state personnel practices. A and B are different in that they are entirely Zoo related programs which could be difficult to fund through state monies.

6. Tropics Zoo Lab (#4 page 6) - \$8,000.00

The committee had some strong reservations regarding this program and would recommend rejecting this for the time being. Major concerns were expressed as to how the Zoo Lab would be developed and we felt that a general plan should be drawn up and approved by the staff and zoo board and then returned to the society for funding requests. The committee agreed that orientation to the tropics was indeed a commendable concept but one that should be designed before funding is sought.

It is our recommendation then, that the Board discuss the committees recommendation if so desired and then vote on each of the following two motions.

Motion number 1. Motion is made to approve the re-allocation of \$38,000.00 for immediate expenditure for programs as outlined by the zoo's program committee. These are:

1. Special Events/Float - \$5,000.00
2. Direct Advertising - \$15,000.00
3. Summer Interns - \$10,000.00
4. Audio Tours - \$3,000.00
5. Staff Enrichment - \$5,000.00

Zoo Program Committee
Recommendation
Page Three

Motions Continued:

Motion Number 2. Motion is made to approve the concepts of post-doctoral support, pre-doctoral support and an additional \$2,000.00 for animal management/zoo keeper exchange programs. Release of funding for these programs will begin at such time as a satisfactory contract between the Zoo and Society has been developed.

The Zoo Programs Committee recommends the zoo staff re-submit requests for additional funding from the \$8,000.00 remaining later in the year after signing of the contract and further development of programs.

DA:jmt

MZS
 National Department

Actual
 \$ 581

Analysis of Operations -

	<u>1979</u>	<u>1980</u>	<u>1981 (est)</u>
Total Revenue	\$ 386,000	\$ 311,000	\$ 271,000
Total expense	294,000	280,000	212,000
Direct paym. to Zoo	28,000	19,000	-
Animal Acquisition Costs	-	-	50,000
Excess (Deficiency)	<u>64,000</u>	<u>12,000</u>	<u>(41,000)</u>
Ending Fund Balance	<u>\$ 228,000</u>	<u>\$ 240,000</u>	<u>\$ 199,000</u>

Animal Adoption Dollars (thru 5/31/81) - \$ 40,000
 (actual \$ 27,600 thru 4-15-81)

Approved but uncommitted funds for Zoo - \$ 25,000

Analysis of Memberships -

	<u>Actual</u>	<u>Estimated</u>	
	<u>1981</u>	<u>1982</u>	<u>1983</u>
Family	7200	7300	7400
Individual	800	1550	2285
Donor (\$50-100)	250	250	300
Supporting (over \$100)	250	250	300
	<u>8500</u>	<u>9,350</u>	<u>10,285</u>

M 2 S
Background Information

Amel
5/5/81

Five year forecast -

See attached

Cost of membership to the Society -

	<u>Cost</u>	<u>Members:</u> <u>Fee</u>
Family	\$ 5.91	\$ 32.50
Individual	5.91	21.50
Donor	5.91	* 50.00 (at least)
Supporting	25.00	* 100.00 (at least)

Value of 200 Admissions for Society Workshop -

	<u>Amount</u>	<u>1981 Number</u>	<u>Value Total</u>
Family	\$ 13.60	7200	\$ 97,920
Individual	4.80	800	3840
Donor	25.60	250	6400
Supporting	31.60	250	7900
			<u>\$ 116,060</u>

Staffing Levels -

Full time	6
Part time	2
	<u>8</u>

M 2 S
 Budget Department

Am 21
 5-5-81

Society Schedule of Zoo Support - 1981 (fiscal)

Operation of membership program	\$ 24,000
Promotion and membership marketing	26,000
Special events, Public Relations and Publications	5,000
Continuing Education -	
Literature	11,000
Administrative Time	9,000
Bookkeeping	5,000
Volunteer program	16,000
Animal Sponsorship	20,000
Auxiliary Activities	5,000
	<u>\$ 141,000</u>

MINNESOTA ZOOLOGICAL SOCIETY
Proposed Actual Income Budget (April 1981)

	1	2	3	4	5	6	7
		1981	1982	1983	1984	1985	1986
1	Revenue						
2	Membership Dues:						
3	Benefit Portion	118.8	176.9	190.1	196.7	203.9	210.2
4	Deductible Portion	109.2	131.2	144.5	191.0	200.1	207.7
5	Investments	31.0	25.8	19.4	20.4	24.4	25.6
6	Auxiliary	12.0	15.0	18.0	20.0	22.0	25.0
7	Other	.4	.8	1.0	1.5	2.0	2.5
8	Animal Sponsorship (30%)	40.1	24.0	30.0	33.0	37.5	45.0
9	Total Revenue	311.4	373.7	403.0	462.6	489.9	516.0
10							
11	<u>Expenses</u>						
12	Salaries	74	83.6	93.2	102.5	112.7	123.9
13	Membership/Marketing	82	80.0	82.0	90.2	94.5	99.2
14	Auxiliary	20	21.0	23.0	25.3	27.8	30.5
15	Membership Benefits	62.2	68.8	75.6	83.1	91.4	100.5
16	Volunteer Services	10.8	10.8	11.8	12.9	14.1	15.5
17	General Administrative	32.5	35.5	39.0	42.9	47.1	51.8
18	Animal Sponsorship	29.6	44.0	48.0	52.8	58.0	63.8
19		311.1	343.7	372.6	409.7	445.6	485.2
20							
21	Net profit before commitment to Zoo	.3	30.0	30.4	52.9	44.3	30.8
22	Donations:	22.5	60.4				
23	Education Grant		.8				
24	Donor Contribution	0	8.7	8.7	10.5	10.5	12.2
25	Animal Sponsorship	40.0					
26	Net Profit	(62.2)	(39.9)	21.7	42.4	33.8	18.6
27	Animal Sponsorship		56.0	70.0	77.0	87.5	105.0
28							
29							
30							
31							

EFFICIENCY LINE No. 4636

D-940

0-47, 882

ARTICLES OF INCORPORATION
MINNESOTA ZOOLOGICAL SOCIETY
(As amended June 10, 1975)

KNOW ALL MEN BY THESE PRESENTS:

That the undersigned, all of whom are citizens of the United States, do hereby associate themselves together for the purpose of forming a nonprofit corporation under the Minnesota Nonprofit Corporation Act (Minnesota Statutes, 1971, Ch. 317), and to that end have adopted, signed and acknowledged the following restated Articles of Incorporation:

ARTICLE I

The name of the corporation shall be
MINNESOTA ZOOLOGICAL SOCIETY

ARTICLE II

This corporation shall be organized for the following charitable, educational and scientific purposes:

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.

ARTICLE III

No part of the net earnings of the Corporation shall inure to the benefit of, or be distributable to, its members, Directors, officers,

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3.

who shall be elected by class as hereinafter provided, fourteen (14) of whom
by Class II members.

0-47, 443

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2.

or other private persons, except that the Corporation shall be authorized and empowered to pay reasonable compensation for the services rendered and to make payments and distributions in furtherance of the purposes set forth in Article II hereof. No substantial part of the activities of the Corporation shall be the carrying on of propaganda, or otherwise attempting, to influence legislation, and the Corporation shall not participate in, or intervene in (including the publishing or distributing of statements) any political campaign on behalf of any candidate for public office. Notwithstanding any other activities not permitted to be carried on (a) by a corporation exempt from Federal income tax under Section 501 (c) (3) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue Law) or (b) by a corporation, contributions to which are deductible under section 170 (c) (2) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue Law).

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ARTICLE IV

The Corporation shall have perpetual existence.

education

ARTICLE V

The principal office of the Corporation shall be located in the City of St. Paul, Ramsey County, Minnesota, or such other place as the Board of Directors may determine.

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said Gard

ARTICLE VI

The property, affairs and business of the Corporation shall be managed and controlled by a Board of Directors of twenty-one (21) members,

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4.

said Garden.

ARTICLE III

No part of the net earnings of the Corporation shall inure to the benefit of, or be distributable to, its members, Directors, officers,

0-47, 884

3.

who shall be elected by class as hereinafter provided, fourteen (14) of whom shall be elected by Class I members and seven (7) by Class II members. The term of office, powers, authority and duties of the Directors, and the times and places of their meetings, shall be as set forth in the Bylaws of the Corporation.

ARTICLE VII

There shall be two classes of voting members. Class I shall be dues paying members whose qualifications and manner of becoming members shall be prescribed by the Bylaws.

Class II members shall be the members from time to time of the Minnesota Zoological Board, or other persons selected by said Board to act in the place of members of said Board. The total numbers of said Class shall not exceed the number of members of said Board.

Each class shall vote as a class for the election of the number of Directors assigned for that Class and on the amendment of the Articles of Incorporation. No amendment shall be adopted without the approval of both Classes.

The manner of appointment or election of members of Class II, and the manner of voting by each class, shall be prescribed by the Bylaws.

ARTICLE VII

There shall be no personal liability of members for corporate obligations.

ARTICLE VI

The property, affairs and business of the Corporation shall be managed and controlled by a Board of Directors of twenty-one (21) members.

0-47,885

4.

ARTICLE IX

The Corporation shall have no capital stock.

ARTICLE X

Upon dissolution of the Corporation, the Board of Directors shall, after adding or making provisions for the payment of all of the liabilities of the Corporation, distribute the assets to the Minnesota Zoological Garden.

ARTICLE XI

These Articles of Incorporation shall be subject to amendment or repeal, and new Articles may be made, by the affirmative vote of a majority of the members of the Society in attendance at an annual meeting, or at a special meeting called for that expressly stated purpose, except as stated in the new Article VII.

0-47, 886

5.

The twenty-eight persons who constitute the Board of Directors
at the time of the passage and enactment of this amendment are as follow:

Dennis P. Albrecht	St. Louis Park
Elmer C. Birney	Minneapolis
Kendall W. Corbin	Minneapolis
W. Clough Cullen	Mankato
Thomas E. Dougherty	Duluth
Bruce E. Douglass	Rochester
Larry Freeman	St. Louis Park
Sandra Gale	Bloomington
M.G. Goldberg	St. Paul
Harold Hammerbeck	Little Falls
James L. Hetland, Jr.	Minneapolis
Donald E. Lease	Hugo
Mary McGee	Minneapolis
Helen E. McMillan	Austin
L. David Mech	Minneapolis
Linda Murtfeldt	Farmington
Valentine O'Malley	St. Paul
Richard Owen	Minneapolis
Maurice E. Scroggins	Minneapolis
John M. Shank	White Bear Lake
Leon C. Snyder	Excelsior
Dave Thorbeck	Gonvick
Richard H. Votel	St. Paul
Christopher A. Walters	St. Paul
Alvin F. Weber	St. Paul
Linda Weiss	Minneapolis
Karla A. Williams	New Brighton
Paul Zollman	Rochester

The foregoing Amended Articles of Incorporation though duly enacted by the Board of Directors of the Minnesota Zoological Society in June, 1975, have not been filed with the Secretary of State until December, 1977, due to clerical oversight.

at the

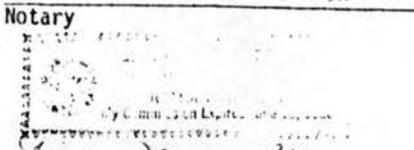
These Amended Articles of Incorporation dated June, 1975, have served as a basis for Minnesota Zoological Society Board of Directors action since that date.

IN WITNESS THEREOF, we have hereto subscribed our names.

Larry Freeman
Larry Freeman, President Minnesota Zoological Society
June 1, 1975 - May 31, 1976

Subscribed and sworn to before me this 15th day of December, 1977.

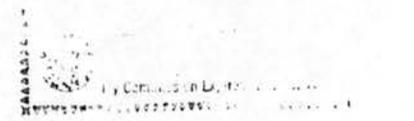
Notary



Linda Murtfeldt
Linda Murtfeldt, Secretary Minnesota Zoological Society
June 1, 1975 - May 31, 1976

Subscribed and sworn to before me this 15th day of December, 1977.

Notary



STATE OF MINNESOTA
 DEPARTMENT OF STATE
 I hereby certify that the within instrument was filed for record in this office on the 15 day of Dec A. D. 19 77, at 9 o'clock P. M., and was duly recorded in Book 0-47 of Incorporations, on page 882

Joan Anderson Leave
 Secretary of State

V-20,253

ARTICLES OF INCORPORATION
MINNESOTA ZOOLOGICAL SOCIETY

KNOW ALL MEN BY THESE PRESENTS:

That the undersigned do hereby associate themselves together for the purpose of forming a nonprofit corporation under Chapter 317 Minnesota Statutes 1957, and to that end have adopted, signed and acknowledged the following Certificate of Incorporation:

ARTICLE I.

- A) The name of the corporation shall be the
MINNESOTA ZOOLOGICAL SOCIETY.
- B) The registered office of the corporation shall be in the City of St. Paul, Minnesota.
- C) The general purposes of the corporation shall be:
 - 1) To establish, develop, care for, maintain and aid in the establishment, development, operation, care and maintenance within the City of St. Paul, Minnesota of a zoological garden containing a zoo adequate to serve the needs of Minnesota in that respect.
 - 2) To enter into understandings and agreements with the City of St. Paul, Minnesota, and other municipal, county, state or federal authorities with respect to the establishment, development, operation, care, and/or maintenance of said zoological garden.

V-20,254

3) 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.

4) To acquire, exchange and dispose of mammals, birds, fowl, reptiles, fish, insects, invertebrates, plants and specimens of all kinds appropriate to the objects to which this corporation is formed.

5) Subject to the provisions of the statutes of the State of Minnesota, to take, receive, and hold real and personal property, including the principal and interest of any money or other fund that is given, conveyed, bequeathed, devised to or otherwise vested in the corporation, in trust for a purpose consistent with the purposes set forth in these Articles of Incorporation.

6) To do all other acts necessary or expedient for the administration of the affairs and attainment of the purposes of the corporation, whether similar or dissimilar to the matters hereinabove specifically set forth.

ARTICLE II.

No part of the net earnings or income of the corporation shall inure to the benefit of, nor shall the corporation afford pecuniary gain incidentally or otherwise to its members, and no part of its activities shall be carrying on propaganda

V- 20, 255

or otherwise attempting to influence legislation.

ARTICLE III.

The corporation shall have perpetual existence.

ARTICLE IV.

The names and addresses of the incorporators are:

<u>Name</u>	<u>Address</u>
<u>Archibald G. Bush</u>	<u>St. Paul, Minnesota</u>
<u>Stanley E. Hubbard</u>	<u>St. Paul, Minnesota</u>
<u>Raymond M. Schneider</u>	<u>St. Paul, Minnesota</u>
<u>Thomas Moore, Sr.</u>	<u>Minneapolis, Minnesota</u>
<u>Roy W. Larson</u>	<u>Minneapolis, Minnesota</u>
<u>David Paper</u>	<u>St. Paul, Minnesota</u>
<u>Harry L. Holtz</u>	<u>St. Paul, Minnesota</u>
<u>Adolf T. Tobler</u>	<u>St. Paul, Minnesota</u>
<u>Fred Hanley</u>	<u>St. Paul, Minnesota</u>

V-30, 256

<u>Name</u>	<u>Address</u>
<u>Reuel D. Harmon</u>	<u>St. Paul, Minnesota</u>
<u>William H. Oppenheimer</u>	<u>St. Paul, Minnesota</u>

ARTICLE VI.

Sec. 1. The annual meeting of the corporation shall be held at such place in the City of St. Paul, Minnesota as may from time to time be designated by the Board of Directors on the second Tuesday in June of each year beginning with the year 1962, unless said day shall be a legal holiday, in which event the meeting shall be held on the next succeeding business day. Such meeting shall be held at such hour as may be named by the Secretary in the notice thereof.

Sec. 2. There shall be no personal liability of members for corporate obligations. This corporation shall have no capital stock.



ARTICLE VII

Sec. 1. The property, affairs and business of the corporation shall be managed and controlled by the Board of Directors, aided, as permitted by the statutes of Minnesota, by an Executive Committee. The Board of Directors shall consist of 15 members divided into three groups, each group of 5 to hold office for three years or until its successors are elected. The term of office of one group shall expire each year and successors shall be elected at the annual meeting of the members.

Sec. 2. Vacancies in the Board may be filled for the unexpired term by the Board of Directors or Executive Committee at any regular or special meeting.

ARTICLE VIII.

The first Board of Directors shall consist of the following:

<u>Name and address</u>	<u>Expiration of term</u>
Donald C. Burton _____ Minneapolis, Minnesota _____	Upon election of successor in 1962
Thomas Moore _____ Minneapolis, Minnesota _____	Upon election of successor in 1962
Roy W. Larsen _____ Minneapolis, Minnesota _____	Upon election of successor in 1962
Fred W. Manley _____ St. Paul, Minnesota _____	Upon election of successor in 1962

V-30, 258

<u>Name and Address</u>	<u>Expiration of term</u>
<u>Ruel D. Harmon</u> <u>St. Paul, Minnesota</u>	Upon election of successor in 1962
<u>J. G. Ordway</u> <u>St. Paul, Minnesota</u>	Upon election of successor in 1963
<u>Adolf Tobler</u> <u>St. Paul, Minnesota</u>	Upon election of successor in 1963
<u>Harry L. Holtz</u> <u>St. Paul, Minnesota</u>	Upon election of successor in 1963
<u>Oliver Skellet</u> <u>St. Paul, Minnesota</u>	Upon election of successor in 1963
<u>B. H. Ridder, Sr.</u> <u>St. Paul, Minnesota</u>	Upon election of successor in 1963
<u>Archibald G. Bush</u> <u>St. Paul, Minnesota</u>	Upon election of successor in 1964
<u>Stanley E. Hubbard</u> <u>St. Paul, Minnesota</u>	Upon election of successor in 1964
<u>Raymond M. Schneider</u> <u>St. Paul, Minnesota</u>	Upon election of successor in 1964
<u>David Paper</u> <u>St. Paul, Minnesota</u>	Upon election of successor in 1964
<u>W. H. Oppenheimer</u> <u>St. Paul, Minnesota</u>	Upon election of successor in 1964

V-30,259

ARTICLE IX.

Upon dissolution or liquidation of the corporation all of its assets shall pass to and vest in the City of St. Paul, Minnesota.

IN WITNESS WHEREOF, the undersigned, constituting the persons hereinabove named as the ^{INCORPORATORS} First Directors of this Corporation, have executed these Articles of Incorporation this 5th day of June, 1901.

Archibald M. Rush

Stanley C. Hubbard

Raymond M. Schenck

Thomas Moore Sr.

James M. ...

David Baper

Harry F. Shetty

Walter A. ...

John ...

Ronald D. ...

James H. ...

STATE OF MINNESOTA }
COUNTY OF RAMSEY } ss.

V-30, 260

On this 6 day of June, 1961, before me a
Notary Public within and for said County personally ap-
peared Archibald G. Bush, Stanley E. Hubbard, Raymond H. Schneider,
Thomas Moore, Sr., Roy W. Jansen, David Paper, Harry L. Holtz,
Adolf T. Tobler, Fred Manley, Reuel D. Harmon, and William H.
Oppenheimer,
to me known to be the persons described in and who exe-
cuted the foregoing instrument and acknowledged that they
executed the same as their free act and deed.

Mary Ward
Notary Public, Ramsey County,
Minnesota
My Commission Expires:

(Seal)

MARY WARD
Notary Public, Ramsey County, Minn.
My Commission Expires: Jan 21, 1962

STATE OF MINNESOTA
DEPARTMENT OF STATE

I hereby certify that the within
instrument was filed for record in this
office on the 6 day of June
A. D. 1961, at 4 o'clock P.M.,
and was duly recorded in Book V-30
of Incorporations, on page 253

Joseph L. Roman
Secretary of State

APPR'D & FILED
INDEXED 6/7
IND. FILED
DEX. CHECKED f

M-25, 120

THIS CERTIFIES that pursuant to a resolution adopted by the Board of Directors of the Minnesota Zoological Society, a nonprofit corporation formed under Chapter 317 Minnesota Statutes 1961, proposing such action, the following amendment to the Articles of Incorporation was unanimously adopted at a meeting of the members duly called and held on the 21st day of January, 1965, and at which a majority of the members of the corporation were present:

BE IT RESOLVED, that Article VII, Section 1 of the Articles of Incorporation be and hereby is amended to read as follows:

Section 1. The property, affairs and business of the corporation shall be managed and controlled by a Board of Directors. The number, term of office, powers, authority and duty of the Directors, the time and place of their meetings, shall be as set forth in the Bylaws of the corporation.

FURTHER RESOLVED, that the Vice President and Secretary of this corporation be and hereby are authorized and directed to execute and file the necessary Certificate of Amendment with the Secretary of State of the State of Minnesota.

IN WITNESS WHEREOF, the undersigned Vice President and Secretary of said corporation have hereunto affixed their signatures and the seal of said corporation this 23rd day of January, 1965.

W. H. Oppenheimer
Vice President

R. H. Schneider
Secretary

(Corporate
Seal)

STATE OF MINNESOTA }
COUNTY OF RAMSEY } ss.

M-25, 121

On this 24 day of January, 1965, before me a Notary Public within and for said County, personally appeared W. H. Oppenheimer and R. M. Schneider, to me personally known, who being each by me duly sworn did say that they are respectively the Vice President and Secretary of Minnesota Zoological Society, the corporation named in the foregoing instrument, and that the seal affixed to said instrument is the corporate seal of said corporation, and that said instrument was signed and sealed in behalf of said corporation by authority of its members, and said W. H. Oppenheimer and R. M. Schneider acknowledged said instrument to be the free act and deed of said corporation.

Dean J. ...
Notary Public, Ramsey County,
Minnesota
My Commission Expires:

(Seal)

STATE OF MINNESOTA
DEPARTMENT OF STATE
I hereby certify that the within
instrument was filed for record in this
office on the 27 day of Jan
A. D. 1965, at 2:00 o'clock P. M.,
and was duly recorded in Book M-25
of Registrations, on page 120
Joseph L. ...
Secretary of State

SEARCHED
SERIALIZED
INDEXED
FILED

THIS CERTIFIES that pursuant to a resolution adopted by the Board of Directors of the Minnesota Zoological Society, a nonprofit corporation formed under Chapter 317 Minnesota Statutes 1961 proposing such action, the following amendment to the Articles of Incorporation was unanimously adopted at a meeting of the members duly called and held on the 29th day of August, 1966, at which meeting a majority of the members of the corporation were present:

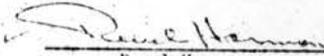
BE IT RESOLVED, that Article I, subdivision C), subparagraphs 1) and 2), be amended so as to read as follows:

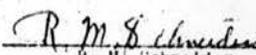
C) The general purposes of the corporation shall be:

- 1) To establish, develop, care for, maintain and aid in the establishment, development, operation, care and maintenance within the State of Minnesota, of a zoological garden containing a zoo adequate to serve the needs of Minnesota in that respect.
- 2) To enter into understandings and agreements with the State of Minnesota, and/or other municipal, county, state or federal authorities with respect to the establishment, development, operation, care and/or maintenance of said zoological garden.

IN WITNESS WHEREOF, the President and Secretary of said corporation have hereunto affixed their signatures and the seal of said corporation this 29th day of August, 1966.

(Corporate Seal)


Rouel Harmon
President


R. M. Schneider
Secretary



STATE OF MINNESOTA }
COUNTY OF RAMSEY } ss.

Q-37, 304

On this 29th day of August, 1966, before me a Notary Public within and for said County, personally appeared Reuel Harmon and R. M. Schneider, to me personally known, who being each by me duly sworn did say that they are respectively the President and Secretary of Minnesota Zoological Society, the corporation named in the foregoing instrument, and that the seal affixed to said instrument is the corporate seal of said corporation, and that said instrument was signed and sealed in behalf of said corporation by authority of its members, and said Reuel Harmon and R. M. Schneider acknowledged said instrument to be the free act and deed of said corporation.

Notary Public, Ramsey County, Minnesota
My commission expires: _____

(Seal)
My Commission Expires: _____

STATE OF MINNESOTA
I hereby certify that the foregoing instrument was filed for record in my office on the 6th day of August, A. D. 1966, at 4:00 P.M. and was duly recorded in Book 503 of Incorporations, on page 503.
Joseph L. Harmon
Secretary of State

RECEIVED
AUG 30 1966
STATE OF MINNESOTA
SECRETARY OF STATE



The polar bear is featured in the Zoo's plans for future Northern Trail development. Plans for the exhibit include an arctic pool to highlight the transformation of this lumbering bear to a sleek aquatic animal. A special National Geographic program on the polar bear will air March 10 at 7 p.m. on KTCA-TV, Ch. 2, and again on March 13 at 5:52 p.m.

Polar bears on TV.

The annual polar bear migration through Churchill, Manitoba is featured in a National Geographic special to air Wednesday, March 10 at 7 p.m. on Ch. 2, KTCA-TV. The program will be rebroadcast March 13 at 5:52 p.m.

The polar migration through the town of Churchill creates unusual problems for the people who make their home there. Polar bears are powerful and unpredictable. Their assault is deadly to man. To keep the peace between man and animal, the Manitoba Department of Natural Resources activates a 24-hour bear patrol team when bear season approaches. The team attempts to divert the bears' path away from the town and traps those which persist.

The bear-plagued town of Churchill was also the base for capture of the Minnesota Zoo's two beluga whales. In August 1977, zoo staff captured the whales in the shallows of the Churchill River. Belugas normally live in deeper arctic waters, but during the summer months they move into inland bays and rivers where the shallow water makes their capture possible.

Spring photo contest.

Spring alive at the Zoo's Spring Fling in April and enter your photo in the Zoo's photo contest. Entries can be 35mm or 110mm prints or slides of zoo subjects. First, second and third place winners will receive photo enlargements and camera equipment. The top winning entries will be displayed at the Zoo. The contest begins April 1 and entries must be postmarked no later than May 8. Photos will be judged on originality and technique. Entry blanks can be obtained at the Zoo. More information is available from the Zoo at 432-9010.

The contest takes place in conjunction with other April photography events at the Zoo, sponsored by Fuji film and the **Twin Cities Reader**. On every weekend in April, the first 100 camera-carrying visitors to the Zoo will receive a free roll of film. Signs are going up, too, courtesy of Fuji, that will indicate good spots for animal shots. Spring alive at the Zoo's Spring Fling, April 1982.

Renewals available soon.

A new Society membership package is on its way to you. The Society board of directors has developed a new proposal which includes admission privileges to the Zoo. "The package will be presented to members of the Zoo board this month," reports Robert Bonawitz, chairman of the ad hoc marketing committee. Society members whose memberships have expired or will be expiring soon will receive renewal forms in the mail.

Crane featured.

Special films and programs about the Sandhill crane will be featured at the Zoo on Saturday and Sunday, March 27-28. The program is co-sponsored by the Minnesota Department of Natural Resources which will also donate Sandhill crane chicks for a breeding program at the Zoo.

Zoo dates.

- | | |
|-------------|--|
| March 6-28 | Weekend Britannica film festival, Minnesota Zoo. Nature films. |
| 10 | National Geographic special: The Polar Bear . 7:00 p.m., Ch. 2 TV. |
| 13 | Repeat broadcast: The Polar Bear . 5:52 p.m., Ch. 2 TV. |
| 13-April 18 | Maynerd Reese wildlife art exhibit. Jacques Gallery, Bell Museum of Natural History. |
| 14 | Monthly members day: The Wildlife of Kenya . 1:30 p.m. Zoo board room. |
| 17 | Jacques Cousteau special: Warm Sea Animals . 8:00 p.m., Ch. 2 TV. |
| 18 | Society board meeting, 7:30 p.m. |
| 27-28 | Sandhill crane featured in film and special programming, Minnesota Zoo. |
| April 1 | Society memberships and renewals available! |
| 1-May 8 | Spring Fling photo contest, Minnesota Zoo. |
| 15 | Society board meeting, 7:30 p.m. |
| 17 | Monthly members day: Early bird walk . Lowry Nature Center, 6:30 a.m. |

Monthly member days/March-April.



Monthly member day activities are offered free of charge as a benefit to Society members. Reservations for the activities are necessary. To reserve a place, call the Society at 222-1706.

The wildlife of Kenya.

Sunday March 14 1:30-2:30 p.m.
Zoo board room.

Society members are invited to experience a multi-media presentation of the wildlife of East Africa. Ellen O'Neill, Society member and participant on the Society-sponsored tour of Kenya last October, describes the geology, people and wildlife of Kenya.

Early bird walk.

Saturday April 17 6:30-9:30 a.m.
Lowry Nature Center, Carver Park Reserve.
Rise and shine, birders, spring is here! On this early walk, naturalist Kathy Heidel guides us through the abundant bird species of Carver Park. Participants will meet at the entrance to the Lowry Nature Center promptly at 6:30 a.m. and use their cars as blinds to observe the shore birds. Then, out of the car and on to the meadows and forests to watch for their feathered inhabitants. Kathy knows the territory of the hawks, too, although she can't promise we'll spot one. Finally, we go back to the interpretive center for hot coffee and rolls at 9:30 a.m. Birders should prepare for cool, wet walking and bring field glasses and guides.

Steady rain will cancel the walk. Group size is limited to 30 on a first call, first registered basis. For directions to the nature center, call the Society 222-1706 or the Lowry Nature Center at 472-4911.

Zoonews. Update.

Minnesota Zoological Society
55 Wabasha Street North
St. Paul Minnesota 55102

Non-Profit Organization
U.S. Postage
Paid
St. Paul, Minnesota
Permit Number 1819

COMPLIMENTARY

Nancy Gibson
Public Information
Minnesota Zoo
12101 Johnny Cake
Apple Valley, MN 55124

Time Value - Please expedite

Address Correction Requested
Return Postage Guaranteed



Minnesota Zoological Society

March 2, 1982

Stephen A. Iserman
Business Services
Minnesota Zoological Garden
12101 Johnny Cake Ridge Road
Apple Valley, MN 55124

Dear Steve:

This letter is in response to your February 24, 1982, letter 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.

Full board approval to issue a check will be sought at the next Society board of directors meeting scheduled for March 18, 1982. As of December 30, 1981, the sponsorship account balance was \$23,224; the zoo's share being \$16,256. The money is currently invested in a Dain Bosworth liquid capitol account paying a very nice fluctuating daily interest. It is an amount, I believe, greater than the current interest rate on funds managed by the State Investment Board.

You will be advised when the check is ready to be transferred to the zoo. At that time I would like also to make arrangements for a check presentation photo/press release.

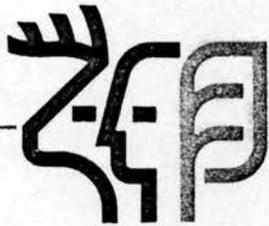
On another matter related to the sponsorship funds, I understand that the Society will receive a quarterly accounting from the zoo as to the disbursements of animal sponsorship proceeds. I feel the status reports are necessary until such time as the amount raised through the Society's efforts is totally expended.

Regards,

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

Karla A. Williams
Executive Director

cc: M. Jacobson



Minnesota Zoological Society

cc: SF, SI
gd

March 1, 1982

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

Dear Ed:

The Minnesota Zoological Society received a gift of stock valued at \$474.15 from a Society member with a request that the money be used to purchase animals for, or to make improvements in, ZooLab.

The donor requested the Society be responsible for dispersing the funds, hence, the stock was sold at my direction and deposited in the Society's Zoo Fund restricted account. May I suggest we use the same method of payment developed by S. Friedman for other Zoo Fund expenditures. The Zoo identifies the needs and places the orders; the Society pays the authorized invoices direct to the vendors.

Please notify me if you have any questions or wish to discuss the gift further.

Regards,

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

Karla A. Williams
Executive Director

cc: M. Jacobson

MINNESOTA ZOOLOGICAL SOCIETY

STATEMENT OF FUNCTIONAL EXPENSES

For the Period Ended 5/31/81

	PROGRAM SERVICES					SUPPORTING SERVICES			TOTAL	BUDGET Year to Date	TOTAL BUDGET
	Marketing & Promotion	Membership Activities	Public Education	Animal Sponsorship	Volunteer Activities	Auxiliary	General Administra- tion	Contribu- tion to Zoo			
401 Salaries	10,572.90	16,536.24	7,565.53	15,790.37	3,876.12	1,247.16	30,121.53		85,709.85	86,130+200	86,130+20
401.1 On-site Salaries	2,119.07								2,119.07	5,000	5,000
404 Occupancy				1,050.00			5,001.92		6,051.92	6,922	6,922
405 Telephone	8.43	106.48	13.34	759.76	4.13	4.89	1,893.47		2,790.50	2,220	2,220
406 Supplies	4,454.40	7,017.26	421.43	3,518.73	471.96	141.76	2,188.21		18,213.75	25,625	25,625
407 Rental Equipment	94.00	94.00		328.68			1,907.89		2,424.57	2,700	2,700
408 Printing/Publica.	12,603.46	41,965.88	4,158.93	6,247.88	1,072.28	500.33	2,524.57		69,073.33	64,550	64,550
409 Postage/Shipping	8,095.70	6,176.01	428.37	1,172.69	279.96	251.96	752.28		17,156.97	15,925	15,925
410 Publicity/P.R.	2,753.46	81.27	5.73	644.87		21.01			3,506.34	1,700	1,700
411 Conferences/Conv.	169.14	396.12		121.09	1,546.97		2,262.27		4,495.59	5,400	5,400
412 Travel	362.01	465.05	58.20	631.91	255.50	42.40	622.76		2,437.83	3,892	3,892
414 Professional Fees	2,574.44	3,369.25		4,962.01	25.00	90.00	4,213.62		15,234.32	15,613	15,613
414.1 Data Processing Se	1,322.02	1,077.29	106.55	21.33			2,326.78		4,853.97	4,000	4,000
414.2 Promotional Cons.	27,539.00								27,539.00	37,000	37,000
415 Awards and Grants		7.36		11.00	315.02		32.00		365.38	1,000	1,000
415.1 Zoo Vap Recog.					1,628.86				1,628.86	3,500	3,500
415.2 Society Recog.		54.00							54.00	700	700
416 MZG Adm. Membersps											
417 Comp. Memberships							3,462.00		3,462.00	2,850	2,850
418 Depreciation							1,276.30		1,276.30		
419 Other		104.00			490.21		303.00		897.21	23,010	23,010
419.1 Hospitality			68.34	5.07	5.00		202.41		280.82	4,500	4,500
419.2 Open House		1,728.38							1,728.38	6,788	6,788
419.3 Search Committee							11.95		11.95		
419.4 On Site Program	782.55								782.55	5,000	5,000
									Sub Totals	**272,094.46	-284,225
Direct Support to MZG										29,736.93	**40,000 ASI
Total to date	73,450.58	79,178.59	12,826.42	35,265.39	9,971.01	2,299.51	59,102.96	29,736.93	301,831.39		
Budget/Year to date	127,000	79,000	(Budgeted in M.A.)	40,000	15,160	(Budgeted in M&P)	63,065		**324,225		
Total Budget	127,000	79,000	**40,000	15,160		63,065				284,225	** 40,000 ASI

* Includes Zoo Fund ** Animal Sponsorship Program

MINNESOTA ZOOLOGICAL SOCIETY

BALANCE SHEET

For Period Ended 5/31/81

A S S E T S

Cash	90,895.18	
WIN-Dain Bosworth Account	56,139.84	
Certificate of Deposit	200,000.00	
*Total Cash and temporary investments		347,035.02
Receivable		-0-
Inventories		13,967.53
Prepaid Expense		2,533.47
Property and equipment	11,180.34	
less accumulated depreciation of	5,522.65	5,657.69
Other assets:		
Land		6,000.00
Oil Painting		7,500.00
		<hr/>
		382,693.71
		<hr/> <hr/>
Total assets		

LIABILITIES & FUND BALANCES

Accounts payable		-0-
Accrued liabilities		1,820.53
Unearned membership dues		125,651.23
Holding Account for Special Events		8,111.18
		<hr/>
Total liabilities		135,582.94
		57,688.03
Fund balance Restricted for Direct Support to MZG		189,422.74
Fund balance Unrestricted		<hr/>
		382,693.71
		<hr/> <hr/>
Total liabilities and fund balances		

* Cash and temporary investments to the extent of \$ 87,056.00 are restricted for the future payment of membership benefits to the Minnesota Zoological Garden.

MINNESOTA ZOOLOGICAL SOCIETY

STATEMENT OF SUPPORT AND REVENUE, EXPENSES
AND CHANGES IN FUND BALANCES
FOR THE PERIOD ENDED: 5/31/81

	CURRENT MONTH		YEAR TO DATE	
	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>
Support and revenue:				
Membership dues - deferred	12,507.02	7,826	121,590.85	115,657
Recognized income				
Contributions and bequests	26,912.60	49,515	114,388.32	112,959
Investment income	8,931.97	8,123	31,896.74	31,309
Animal Sponsorship Program	6,053.03		32,708.34	
Auxiliary activities	2,915.77	5,692	7,358.37	34,027
Other - Conferences, meetings and annual meeting	195.00	84	557.50	364
TOTAL SUPPORT AND REVENUE	57,515.39	71,240	308,500.12	294,316
Expenses				
Salaries and related expenses	8,720.81	8,736.50	87,828.92	91,330
Occupancy	737.78	832	6,051.92	6,922
Telephone	306.92	199	2,790.50	2,220
Supplies	9,762.96	2,015	18,213.75	25,625
Rental and Maintenance of Equipment	424.54	125	2,424.57	2,700
Printing and publications	22,243.56	2,064	69,073.33	64,550
Postage and shipping	3,013.30	1,377	17,156.97	15,925
Publicity/Public Relations	1,193.77	162	3,506.34	1,700
Conferences	950.74	24	4,495.59	5,400
Travel	389.02	368	2,437.83	3,892
Professional fees	31,789.30	4,756	47,627.29	56,613
Awards and grants	1,407.30	42	2,048.24	5,200
Complementary memberships	275.00	243	3,462.00	2,850
Depreciation	106.33		1,276.30	
Other	1,513.92	3,598.50	3,700.91	39,298
Total Office	76,005.19	20,425	236,829.07	284,225
Total ASP	6,830.06	4,117	35,265.39	40,000
Total Direct Support to MZG	2,501.34		29,736.93	
TOTAL EXPENSES and BUDGETS	85,336.59	24,542	301,831.39	324,225
 EXCESS (DEFICIENCY) of support and revenue over expenses	 (27,821.20)		 6,668.73	
 Fund balances at beginning of period: (Adjusted)			 <u>182,754.01</u>	
Fund balances at end of period:			<u>189,422.74</u>	

RELATIVE TO
RECIPROCITY AGREEMENT
For Period Ended 5/31/81

MONTH	ADMISSION COSTS		ZOO VAP VALUE		DELTA (MZS CREDIT) MZG PAYMENT DUE
	CURRENT MONTH	CUMULATIVE	CURRENT MONTH	CUMULATIVE	
JUNE	7,548.20	7,548.20	9,521.75	9,521.75	*(1,973.55)
JULY	9,590.40	17,138.60	10,092.61	19,614.36	*(2,475.76)
AUGUST	11,290.00	28,428.60	8,572.59	28,186.95	*241.65
SEPTEMBER	7,890.00	36,318.60	9,194.99	37,381.94	*(1,063.34)
OCTOBER	4,172.60	40,491.20	**12,369.51	49,751.45	*(9,260.25)
NOVEMBER	5,904.20	46,395.40	12,363.75	62,115.20	*(15,719.80)
DECEMBER	4,654.00	51,049.60	10,634.00	72,749.60	*(21,700.00)
JANUARY	8,371.40	59,421.00	9,636.90	82,386.50	*(22,965.50)
FEBRUARY	8,011.80	67,432.80	9,298.80	91,685.30	*(24,252.50)
MARCH	10,303.60	77,736.40	10,776.15	102,461.45	*(24,725.05)
APRIL	8,505.60	86,242.00	10,463.25	112,924.70	*(26,682.70)
MAY	8,711.80	94,953.80	12,035.10	124,959.80	*(30,006.00)

* Total does not include credit to MZS of \$ 88,663.00 for period ending May 31, 1980....

** Adjusted to reflect increase in value of Volunteer hours effective 7/01/80. Value was increased from \$ 3.89 per hr. to \$ 4.20 per hr.

cc: 5/9d

MINNESOTA ZOOLOGICAL SOCIETY

STATEMENT OF SUPPORT AND REVENUE, EXPENSES
AND CHANGES IN FUND BALANCES
FOR THE PERIOD ENDED: 8/31/81

	CURRENT MONTH		YEAR TO DATE	
	Actual	Budget	Actual	Budget
Support and revenue:				
Membership dues - deferred	13,210.24	13,000	38,541.54	38,000
Recognized income				
Contributions and bequests	11,414.00	11,000	40,319.13	39,000
Investment income	9,881.18	8,000	11,225.85	8,000
Animal Sponsorship	1,565.50	6,500	8,643.75	19,500
Auxiliary activities	124.60		1,655.96	1,000
Other - Conferences, meetings and annual meeting	68.00	100	121.00	200
TOTAL SUPPORT AND REVENUE	36,263.52	38,600	100,507.23	105,700
Expenses				
Salaries and related expenses	7,249.53	9,567	24,778.86	29,568
Occupancy	1,175.56	650	1,763.34	1,950
Telephone	572.45	284	846.68	872
Supplies	2,145.12	1,081	3,152.97	3,538
Rental and Maintenance of Equipment	180.19	166	341.61	498
Printing and publications	9,401.24	5,244	5,532.10	13,782
Postage and shipping	2,818.90	1,681	5,344.48	3,929
Publicity/Public Relations	300.20	150	587.90	450
Conferences	200.61	61	960.89	263
Travel	82.94	205	420.72	685
Professional fees	1,295.59	1,190	2,437.81	8,470
Awards and grants	30.21	120	130.21	360
Complementary memberships	-0-	100	162.50	300
Depreciation	86.10	-	232.87	-
Other	195.94	760	2,153.31	3,230
Total Office	23,195.72	16,343	40,991.72	55,707
Total ASP	2,538.86	4,916	7,854.53	12,188
Total Direct Support to MZG	4,000		21,295.45	
TOTAL EXPENSES and BUDGETS	29,734.58	21,259	70,141.70	67,895
EXCESS (DEFICIENCY) of support and revenue over expenses	6,528.94		30,365.53	
Fund balances at beginning of period: (Adjusted)			210,718.19	
Fund balances at end of period:			241,083.72	

MINNESOTA ZOOLOGICAL SOCIETY

BALANCE SHEET

For Period Ended 8/31/81

A S S E T S

Cash	90,060.69	
WIN-Dain Bosworth Account	94,435.73	
Certificate of Deposit	200,000.00	
		384,496.42
*Total Cash and temporary investments		
Receivable		-0-
Inventories		25,247.07
Prepaid Expense		541.86
Property and equipment	12,690.34	
less accumulated depreciation of	(5,755.52)	6,934.82
Other assets:		
Land		6,000.00
Oil Painting		7,500.00
		430,720.17

L I A B I L I T I E S & F U N D B A L A N C E S

Accounts payable		-0-
Accrued liabilities		1,857.12
Unearned membership dues		107,552.62
Holding Account for Special Events		43,834.13
Total liabilities		153,243.87
Restricted for Direct Support to MZG		36,392.58
Fund balance Unrestricted		241,083.72
Total liabilities and fund balances		430,720.17

* Cash and temporary investments to the extent of \$ 15,998.00 are restricted for the future payment of membership benefits to the Minnesota Zoological Garden.

MINNESOTA ZOOLOGICAL SOCIETY

STATEMENT OF FUNCTIONAL EXPENSES

For the Period Ended 8/31/81

	PROGRAM SERVICES					SUPPORTING SERVICES			TOTAL	BUDGET Year to Date	TOTAL BUDGET
	Marketing & Promotion	Membership Activities	Public Education	Animal Sponsorship	Volunteer Activities	Auxiliary	General Administra- tion	Contribu- tion to Zoo			
401 Salaries	2,830.48	3,400.56	1,996.09	5,009.94	524.34	443.23	9,027.67		23,232.31	27,468	106,600
401.1 On-site Salaries	1,546.55								1,546.55	2,100	5,000
404 Occupancy				450.00			1,313.34		1,763.34	1,950	7,800
405 Telephone	26.81	28.77	19.73	232.83		2.00	536.54		846.68	872	3,500
406 Supplies	1,371.31	63.61		749.76	17.09	255.20	696.00		3,152.97	3,538	43,085
407 Rental Equipment							341.61		341.61	498	2,000
408 Printing/Publica.	1,134.80	2,276.97	104.35	538.84	441.04	221.93	814.17		5,532.10	13,782	82,820
409 Postage/Shipping	2,708.87	1,207.47	500.21	399.11	76.64	228.88	223.30		5,344.48	3,929	20,370
410 Publicity/P.R.	455.70			39.70			92.50		587.90	450	4,250
411 Conferences/Conv.	584.60	48.69	15.00	30.40	255.00		27.20		960.89	263	5,400
412 Travel	16.20	84.80	23.28	252.07	5.70	3.60	35.07		420.72	685	2,700
414 Professional Fees	1,288.35	417.24		24.63		100.00	100.00		1,930.22	5,110	15,000
414.1 Data Processing Se	50.34	96.29					264.71		411.34	2,360	10,200
414.2 Promotional Cons.	96.25								96.25	1,000	17,000
415 Awards and Grants										300	1,260
415.1 Zoo Vap Recog.					130.21				130.21	60	3,800
415.2 Society Recog.											200
416 MZG Adm. Membersps											
417 Comp.Memberships							162.50		162.50	300	1,000
418 Depreciation							232.87		232.87		
419 Other				127.25	45.93		111.87		285.05	1,460	7,190
419.1 Hospitality					27.23		56.84		84.07	770	3,900
419.2 Open House		1,784.19							1,784.19	1,000	2,500
419.3 Search Committee											
419.4 On Site Program											
									Sub Total	48,846.25	345,575
Direct Support to MZG										21,295.45	
Total to date	12,110.26	9,408.59	2,658.66	7,854.53	1,523.18	1,254.84	14,036.19	21,295.45	* 70,141.70		
Budget/Year to date	12,490	21,647	(Budgeted in M.A.)	12,188	2,231	867	18,472			67,895	
Total Budget	93,850	102,425		44,000	15,800	21,000	68,500				345,575

* Includes ...

MINNESOTA ZOOLOGICAL SOCIETY

Schedule of Costs

Direct and Indirect Support of Minnesota Zoo

I.	Operation of Membership Program.....	24.0	
II.	Promotion and Membership Marketing..	46.0	
III.	Special Events, Public Relations and Publications.....	5.0	✓
VI.	Continuing Education.....	25.0	✓
V.	Volunteer Program.....	16.0	✓
VI.	Animal Sponsorship Program.....	20.0	
VII.	Auxiliary Activities.....	5.0	✓

2.5
50% membership
\$ 61,000 - budget

11.3 w mem't budget
14 salaries

=====
141.0

100K max

MINNESOTA ZOOLOGICAL SOCIETY

Direct and Indirect Support of Minnesota Zoo

The Minnesota Zoological Garden is the beneficiary of the programs sponsored by the Minnesota Zoological Society. In recognition of the Society's efforts in the following program areas, the Garden shall award certain benefits and priveleges.

I. Through the Society membership acquisition and renewal programs , citizens join in support of the Zoo project and utilization of the facility. This participation of people produces direct revenues as a result of member and member's guests parking, food and gift shop purchases and monorail ridership. Members serve as off-site ambassadors, indirectly resulting in further Zoo promotion and usage.

II. Through membership marketing and promotion programs, 125,000 metropolitan households receive information about the Zoo and unlimited others are exposed to regularly released p.s.a.'s, news releases, advertising and audio visual presentations and oral communications.

III. Through a variety of special events and collaborative projects, the general public is made aware of the Zoo while experiencing an opportunity to participate directly. Publications help to enhance and expand the Zoo image and use.

IV. The Continuing Education program is totally subsidized by the Society with direct grants, general operation and maintenance, and promotion and publicity. Members and non-members alike participate in the classes expanding the potential of site use and user.

V. Through the Society sponsored portion of the volunteer program, operating funds are granted and management and general operation performed for recruitment and recognition of volunteers.

VI. The Society assumes responsibility and liability for development and implementation of the Animal Sponsorship Program on an on-going basis. Promotion materials, education presentations and general goodwill expands the Zoo's potential and strengthen's image.

VII. Product promotions, poster distribution and calendar marketing assist in promoting the Zoo to a wider and more diverse audience.

REQUESTED BENEFITS AND PRIVILEGES

In recognition of the direct and indirect services and support performed by the Minnesota Zoological Society, the Minnesota Zoological Garden awards the following benefits and privileges to the Society.

A. (same) Unlimited free entry to the admission area of the Zoo upon presentation at the gate of a valid current Society membership card for each Society membership entitled such privileges, as described previously.

B. Free entry to the admission area of the Zoo for one person upon presentation and surrender at the gate of a Society guest pass.

C. Use of the Zoo Board Room for regularly scheduled meetings of the Society Board of Directors or a sub-committee of the Board , when such use does not conflict with official Zoo business.

D. Special "Members events" at the Zoo, as approved by the Board, which shall be open only to Society members, who will receive free entry. Any entertainment, food or beverages shall be paid for by the Society. The members events shall be held on dates mutually agreed on by the parties hereto.

E. Designated space at the Zoo to organize ZooVAP and Society activities.

F. Free parking and entry to admissions area for volunteers on duty and Society staff or representatives.

G. Zoo staff shall be available as resource people in Society activities to the extent that such services can be provided without interfering with official Zoo operations.

H. Termination Provision: to include free entry privileges to all Society members until the expiration date of each such membership.

PRIMARY BUDGETARY GOALS F.Y. '82

I. Increase Membership

- A. Increase membership by 10% of the anticipated year end figure of 8,500 for a total of 9,350.
- B. Retain a minimum of 75% of F.Y. '81 members or 6,375.
- C. Maintain a minimum of 600 donors through new or renewal efforts.
 - 1. expand membership sales and service on-site.
 - 2. improve on-site sales area.
 - 3. locate a place on-site for regular Society staff and member activities.
 - 4. expand direct mail program to new demographics.
 - 5. develop new programs to capture members and/or enhance Society image.
 - 6. design a seasonal, short-term or special interest campaign mid year.
 - 7. expand donor acquisition and recognition programs.
 - 8. fine-tune all membership services to further improve public relations.
 - 9. test tele-marketing system to improve renewal rates.
 - 10. design quarterly "breakfasts" at the zoo for donor members.

II. Expand and Improve Education Opportunities

- A. Design and implement tuition classes for all ages and interests on a quarterly schedule.
- B. Provide an educational activity to members Free twelve times a year.
- C. Increase level of participation and expand the number of classes, lectures and field trips.
 - 1. work closely with Zoo Continuing Education Coordinator to design a variety of activities; emphasis on family participation and zoo awareness.
 - 2. improve design and function of promotion brochure and produce supplementary handouts.
 - 3. build educational program to include people who do not live near facility or who have special needs.
 - 4. mail regular press releases to promote classes, and photo releases to report classes.

III. Enhance and Improve Society Image

- A. Coordinate mailings to current and potential Society members.
- B. Expand programs in sponsorship with other organizations, businesses or persons.
- C. Use media resources to promote Society projects.
- D. Work towards establishing and improving relationships with zoo-related organizations or zoo-interested persons.
 - 1. improve overall layout and content of ZooNews by June 1981.
 - 2. expand use of newsletters and magazines as promotion tool.
 - 3. continue to research member's level of satisfaction and interest.
 - 4. sponsor another lecture series in conjunction with other organizations.
 - 5. involve media people, business representatives and community leaders in Society activities.
 - 6. develop and market a line of products from artwork.
 - 7. modify Annual Open House to broaden scope and participation.
 - 8. design and sponsor annual orientation for information, social and promotion purposes.

IV. Provide Direct Services or Financial Assistance to the Minnesota Zoo

- A. Encourage use of the zoo site by members and guests.
- B. Promote non-member zoo site functions, activities, programs and products.
- C. Improve operation of Animal Sponsorship and work towards increased revenues.
- D. Make a year end cash contribution to the Zoo.
- E. Expand and improve on-site and off-site volunteer program.
 - 1. offer discount tickets for member's guest admissions.
 - 2. promote company organization and group functions at the zoo.
 - 3. mail press releases a minimum of twice a month to announce Society-sponsored zoo-site activities.
 - 4. expand education component of Sponsorship Program in cooperation with Zoo Education Department.
 - 5. design quarterly Sponsorship appeals
 - 6. work to broaden base of volunteer and donor participation in Sponsorship Program.
 - 7. review volunteer services and recommend improvements to strengthen the program.

V. General Operation

- A. Develop short term and long term goals for Society operation.
- B. Revise and strengthen staff functions and continue to improve general office management and operation.
- C. Draft policies for all areas of involvement and activity.
- D. Propose and direct new areas of activity.
 - 1. increase board participation in drafting goals and objectives.
 - 2. review, revise and reorganize staff job descriptions and responsibilities.
 - 3. seek board approval for revised Personnel Policy and Guidelines.
 - 4. work towards more efficient and effective office processing mechanisms.
 - 5. continue to improve office working conditions.
 - 6. utilize staff and board members for new ideas and encourage participation.

ASSUMPTIONS

1. Programs unchanged.
2. Major staff unchanged -- clerical reduced by CETA.
3. No income recognized for Continuing Education.
4. Previous funding commitments recognized.
5. All 1981 Sponsorship contributions to Zoo.
6. 30% of sponsorship revenues retained by the Society., 1982-1986.
7. Membership -- 10% growth through 1983 -- 5% growth 1984-1986.

	<u>1981</u>	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>	<u>1986</u>
Family	7,200	7,300	7,400	7,500	7,600	7,700
Individual	800	1,550	2,285	2,700	3,200	3,600
Donor	250	250	300	300	300	300
Supporting	250	250	300	300	300	300
	<u>8,500</u>	<u>9,750</u>	<u>10,285</u>	<u>10,800</u>	<u>11,200</u>	<u>11,900</u>

8. Membership price -- \$4 increase 1984.
9. Expenses -- +11% 1982,+8% 1983,+9% 1984,+8% 1985,+8% 1986.
10. \$5.50 recognized as zoo contribution -- Supporting level membership.
11. \$29.50 recognized as zoo contribution -- Donor level membership.
12. Recognition of need for Continuing Education grants.
13. 1982 revenue based on 8,500 members at new rate.

201 letter

MINNESOTA ZOOLOGICAL SOCIETY
Recognized Income Budget (April 1981)

EFFICIENCY LINE No. 4636

	1	2	3	4	5	6	7
	1981	1982	1983	1984	1985	1986	
1 <u>Revenue</u>							
2 Membership Dues:							
3 Direct Benefit	118.8	171.3	176.9	190.1	196.7	203.9	
4 Deduction	109.2	117.3	131.2	144.5	191.0	200.1	
5 Investment	31.0	25.8	19.4	20.4	24.4	25.6	
6 Auxiliary Activi.	12.0	15.0	18.0	20.0	22.0	25.0	
7 Other	.4	.8	1.0	1.5	2.0	2.5	
8 Animal Sponsor.	40.0	24.0	30.0	33.0	37.0	45.0	
9 (30% 1982-86)							
10 Total Revenue	311.4	354.2	376.5	409.5	473.6	502.1	
11 <u>Expenses</u>							
12 Salaries		74	83.6	93.2	102.5	112.7	123.9
13 Membership/Marketing		82	80.0	82.0	90.2	94.5	99.2
14 Auxiliary		20	21.0	23.0	25.3	27.8	30.5
15 Membership Benefits		62.2	68.8	75.6	83.1	91.4	100.5
16 Volunteer Services		10.8	10.8	11.8	12.9	14.1	15.5
17 General Administrative		32.5	35.5	39.0	42.9	47.1	51.8
18 Animal Sponsorship		29.6	44.0	48.0	52.8	58.0	63.8
19		311.1	343.7	372.6	409.7	445.6	485.2
20							
21 Net profit before commitment to Zoo	.3	8.7	.9	(.2)	28	16.9	
22 Donations:							
23 Encumbured	22.5	60.4					
24 Education Grant		8.0	?	?	?	?	
25 Donor Contribut.		8.7	8.7	10.5	10.5	10.5	
26 Animal Sponsor.	40.0						
27							
28 Net Profit:	(62.2)	(68.4)	(7.8)	(10.7)	17.5	6.4	
29 Animal Sponsorship		56.0	70.0	77.0	87.5	105.0	
30							
31 (And fund balances)							

MINNESOTA ZOOLOGICAL SOCIETY
 Proposed Actual Income Budget (April 1981)

EFFICIENCY LINE No. 4636

	1	2	3	4	5	6	7
		1981	1982	1983	1984	1985	1986
1	Revenue						
2	Membership Dues:						
3	Benefit Portion	118.8	176.9	190.1	196.7	203.9	210.2
4	Deductible Portion	109.2	131.2	144.5	191.0	200.1	207.7
5	Investments	31.0	25.8	19.4	20.4	24.4	25.6
6	Auxiliary	12.0	15.0	18.0	20.0	22.0	25.0
7	Other	.4	.8	1.0	1.5	2.0	2.5
8	Animal Sponsorship (30%)	40.1	24.0	30.0	33.0	37.5	45.0
9	Total Revenue	311.4	373.7	403.0	462.6	489.9	516.0
10							
11	<u>Expenses</u>						
12	Salaries	74	83.6	93.2	102.5	112.7	123.9
13	Membership/Marketing	82	80.0	82.0	90.2	94.5	99.2
14	Auxiliary	20	21.0	23.0	25.3	27.8	30.5
15	Membership Benefits	62.2	68.8	75.6	83.1	91.4	100.5
16	Volunteer Services	10.8	10.8	11.8	12.9	14.1	15.5
17	General Administrative	32.5	35.5	39.0	42.9	47.1	51.8
18	Animal Sponsorship	29.6	44.0	48.0	52.8	58.0	63.8
19		311.1	343.7	372.6	409.7	445.6	485.2
20							
21	Net profit before commitment to Zoo	.3	30.0	30.4	52.9	44.3	30.8
22	Donations:	22.5	60.4				
23	Education Grant		.8				
24	Donor Contribution	0	8.7	8.7	10.5	10.5	12.2
25	Animal Sponsorship	40.0					
26	Net Profit	(62.2)	(39.9)	21.7	42.4	33.8	18.6
27	Animal Sponsorship		56.0	70.0	77.0	87.5	105.0
28							
29							
30							
31							

STATEMENT OF TAX DEDUCTIBILITY ON MEMBERSHIP DUES

Benefits	Benefit Value	^{Cost} Contribution to Society	Dues Increase	Contribution to Zoo
1) Magazine subscription	\$ 4.50			
2) Annual individual pass (average attendance-2)	4.80	X	} <i>assumed full value (net real costs)</i>	
3) Family annual pass (average attendance-2)	13.60	X		
4) Guest pass (one admission)	3.00	X		
5) Signed art print	20.00	?		
6) Art poster	.66			
7) Newsletter	.75			
<u>Dues</u>				
\$18.50	1) Subscription 10.71	\$7.79	\$3.00	
	2) Annual individual pass			
	6) Art poster			
	7) Newsletter			
\$28.50	1) Subscription 19.51	8.99	4.00	
	3) Annual family pass			
	6) Art poster			
	7) Newsletter			
\$50.00	1) Subscription 31.51	8.99	[4.00]	\$5.50
	2) Annual family pass			
<i>Donor</i>	4) Four guest passes			
	6) Art poster			
	7) Newsletter			
\$100.00	1) Subscription 57.51	8.99	[4.00]	29.50
	3) Annual family pass			
<i>Suggate</i>	4) Six guest passes			
	5) Signed art print			
	6) Art poster			
	7) Newsletter			
\$500.00	1) Subscription 99.51	8.99	[4.00]	387.50
	3) Annual family pass			
	4) Twenty guest passes			
	5) Signed art print			
	6) Art poster			
	7) Newsletter			

Handwritten notes:
 453 @ 300 = 135,000
 7,170
 55.50
 29.50
 22,170

MEMBERSHIP FEE DISTRIBUTION

		1	Benefit	Society	Fee	Zoo	6	7	
		1982	Value	Contri.	Increase	Contri.			Total
1	Individual	800	\$ 9,368	\$ 7,832					\$ 17,200
2	Family	7,200	154,872	79,128					234,000
3	Supporting	250	8,377	2,747		1,375			12,500
4	Donor	250	14,877	2,747		7,375			25,000
5		8,500	\$187,494	\$92,454		\$8,750			\$288,700
6									
7		1983							
8	Individual	1,550	\$18,150	\$15,174					\$33,324
9	Family	7,300	157,023	80,227					237,250
10	Supporting	250	8,377	2,747		1,375			12,500
11	Donor	250	14,877	2,747		7,375			25,000
12		\$9,350	\$198,427	\$100,895		\$8,750			\$308,070
13									
14		1984							
15	Individual	2,285	\$ 26,757	\$ 22,370					\$ 49,127
16	Family	7,400	159,174	81,326					240,500
17	Supporting	300	10,053	3,297		1,650			15,000
18	Donor	300	17,853	3,297		8,850			30,000
19		10,285	\$213,837	\$110,290		\$10,500			\$334,627
20									
21		1985							
22	Individual	2,700	\$31,617	\$26,433	\$8,100				\$ 66,150
23	Family	7,500	161,325	82,425	30,000				273,750
24	Supporting	300	10,053	3,297		1,650			15,000
25	Donor	300	17,853	3,297		8,850			30,000
26		10,800	\$220,848	\$115,452	\$38,100	\$10,500			\$384,900
27		1986							
28	Individual	3,200	\$ 37,472	\$ 31,328	\$ 9,600				\$ 78,400
29	Family	7,600	163,476	83,524	30,400				277,400
30	Supporting	300	10,053	3,297		1,650			15,000
31	Donor	300	17,853	3,297		8,850			30,000
		11,400	\$228,854	\$121,446	\$40,000	\$10,500			\$400,800

EFFICIENCY LINE No. 4636

DEFINITION OF ACCOUNTING PROCEDURES

1. At the end of the month, total receipts are calculated for each level of membership.
2. Our auditing firm has determined the dollar value of benefits the Society offers its members. All levels of membership have a different package of benefits.
3. After the number of memberships has been determined for a particular level, it is then multiplied by the set value of that level's benefit package.
4. This amount is then divided by the length of membership which is usually 12 months.
5. * This will be the amount recognized as income each month on the financial statement.
6. The remainder will be held in the Unearned Membership Fees account until recognized.

* Because membership fees are received at different times throughout the period of cash receipts, only $\frac{1}{2}$ of the deferred amount will be recognized the first month.

Membership Debit and Income Schedule

		3	2	3	4	5	6
		# of	Amt. of	Amt. of	Total	Total	Total
		Members	Donation	Benefits	Received	Donation	Benefit
1	1981 January						
2	Aids	84	779	1071	1554 00	654 36	2991 61
3	Family	320	277	1951	1092 00	2236 46	702 36
4	Support	12	2039	2911	600 00	250 62	349 32
5	Donor	12	5209	4191	1200 00	627 08	502 93
6					1261 40	2122 52	2775 48
7							
8	1981 February						
9	Aids	96	779	1071	1776 00	747 84	1028 16
10	Family	295	899	1951	8407 50	2652 05	5755 45
11	Support	23	2039	2911	1150 00	480 47	669 53
12	Donor	10	5209	4191	1000 00	520 00	419 10
13					12723 50	4461 26	7872 24
14							
15	1981 March						
16	Aids	59	779	1071	1091 50	459 61	631 89
17	Family	359	899	1951	7321 50	2322 41	5053 09
18	Support	12	2039	2911	600 00	250 62	349 32
19	Donor	6	5209	4191	100 00	242 51	251 46
20					9173 00	3275 14	622 57
21							
22							
23							
24							
25							
26							
27							
28							
29							
30							
31							
32							
33							
34							
35							
36							
37							
38							
39							
40							

Minnesota Zoological Society

Deferred Income

continued from page 1

Month	Total Earned 1/1/81	Total Deferred 12/31/80	Total Recognized 1/31/81	Total Deferred 1/31/81	Total Recognized 2/28/81	Total Deferred 2/28/81
980						
January	39031	14509	14509	—		
Feb.	31100	31650	21100	10550	10550	—
Mar.	27196	157927	7196	40792	27196	13596
April	25032	87657	25032	16229	25032	37551
May	324723	1461513	324723	1126745	324723	811962
June	153296	919771	153296	764172	153296	613122
July	129204	774026	129204	645033	129204	516018
August	83771	647200	83771	544509	83771	460738
Sept.	44522	373993	44522	334404	44522	289816
Oct.	40822	327271	40822	347643	40822	206215
Nov.	40819	422999	40819	387780	40819	346961
Dec.	86151	990733	86151	904537	86151	812436
981						
Jan.	73129	277548	36565	240923	73129	767254
Feb.	65602	727224	1027647	6031422	33801	754423
March	52321	622576			1071954	5736752

Society Gate Use-Req rate	<u>FY82 est</u>	118,750	
Less: 40% Discount + 20%		(47,500)	71,250
Continuing Education		(25,000)	
Volunteer Program		(15,800)	
Publication		(15,000)	
Admission Pymt to zoo		<u>* 15,450</u>	
Plus Donor + Supporting		<u>12,250</u>	
Total pymt to zoo		<u>* 27,700</u>	

Donor	50.00	
Family	(32.50)	
4 passes	(40.00)	
	17.50 x 250 =	<u>\$ 4375</u>

Supporting	100.00	
Family	(32.50)	
6 passes	(40.00)	
Art Print	(5.00) 5.00	
	62.50 x 250 =	<u>\$ 15,625</u>
		<u>\$ 20,000</u>

Mark f.

November 9, 1981

CASH CONTRIBUTIONS TO MINNESOTA ZOOLOGICAL GARDEN FROM THE SOCIETY:

FYE

1974 \$84,000.....1974,1975,1976 Minnesota Aid-to-the-Zoo
 -1976 Horse Shows

1977 \$137,364.....Zoo Walks in cosponsorship with the Foundation
 -1978

1978 7,300.....Midwest Federal/Society promotion.

\$228,664

1979 15,000.....for purchase of television cameras

1979 2,500.....for purchase of Zoo Walk materials

1979 2,900.....for visitor information booth

1979 3,000.....for Zoo Walk Sundae Social

1980 23,400 912.....for newspaper advertising

1980 2,300.....for Speakers Bureau equipment

1980 200.....for lecture honorariums

1980 3,612 200.....for learning excursion packets

1981 98,400.....for Zoo Fund

1981 1,600.....for label making machine

1981 500.....for Waterfowl Conference Luncheon

1980 16,000.....for Continuing Education Coordinator
 -1981 *(4,000 not yet pd.)*

1981 650.....for Speakers Bureau Projector

1981 32,700.....for Animal Sponsorship Program

1980 3,000.....for AAZPA scholarships to zoo staff
 -1981 152,850 *(4,000 not yet pd.)*

1981 42,000.....for research program
(not yet pd.)

\$221,862 — *(4,000 + 42,000 not yet paid)*

7,500 9,200 11,000

Gate Use Group Rate
less: Volunteer Prog
Newsletter + other Projects
Net to GF

Reduce budget 10%.

Unrestricted less 20% for Ed + Sponsorship
+ across the board

Gate Use @ Group Rate	\$ 95,000
less: Volunteer Program	(15,000)
Newsletter	<u>(15,000)</u>
Net to G. F	64,000

Current Budget	\$ 345,600
less: Education	(25,000)
Sponsorship	<u>(44,000)</u>
	276,600
10% cut	<u>(27,700)</u>
	248,900
Current Revenue (less sponsorship)	<u>330,200</u>
Unrestricted Fund Balance	\$ 81,300

MZG/MZS
Annual Report

June 1, 1980 - May 31, 1981

<u>Attendance Category</u>	<u>Number</u>	<u>Charge</u>	<u>Totals</u>
Adult	31,784	\$2.40	\$76,281.60
Child	18,672	1.00	<u>18,672.00</u>
Total Yearly Usage			<u>\$94,953.60</u>

<u>Month</u>	<u>Hours</u>	<u>Rate</u>	<u>Totals</u>
June	2,447.75	\$3.89	\$ 9,521.75
July - December	15,054.25	4.20	63,227.85
January - May	12,431.00	4.48	<u>55,690.88</u>
Total Yearly Credits			<u>\$128,440.48</u>

Total Yearly Usage	\$ 94,953.60
Less Total Yearly Credits	128,440.48
Less Prior Year Carry Forward	<u>88,662.94</u>
Total Year-End Credit	<u>\$122,149.82</u>

Memo from the desk of -

JIM HETLAND

Ed -

This is the Society's
proposal. I have noted
~~an~~ areas of change
on the agreement. Mark
wants to present it about
11:30 on the 19th.

See you Tuesday

cc: R. Slows Was.
R. Arnett
E. Iserman
gf

AGREEMENT

This agreement is made effective _____, 1981, by and between the Minnesota Zoological Board, an ~~independent~~ agency of the State of Minnesota ("the Zoo Board"), and Minnesota Zoological Society, a Minnesota non-profit corporation ("the Society").

R E C I T A L S

A. Pursuant to Minnesota Statutes, the Zoo Board has the responsibility and the authority to set policy for and to operate the Minnesota Zoological Garden ("the Zoo"), including the authority to contract for services to be provided for the Zoo.

B. The Society is a non-profit Minnesota corporation formed for the purpose of assisting and supporting the Zoo by providing, among other things, special services and programs for the Society's members and members of the community which will enhance the Zoo's image and encourage Zoo attendance.

C. The Zoo Board desires to contract with the Society for the following services to be provided by the Society within its budgetary limitations:

- (1) Sponsorship of a continuing education program at the Zoo;
- (2) Sponsorship of the Zoo volunteer program;
- (3) Coordination and publication of a periodic newsletter on behalf of the Society, the Zoo and the Minnesota Zoological Foundation; and

(4) Sponsorship of such other activities or events as may be agreed upon by the parties hereto from time to time which shall be designed to enhance the Zoo's image in the community and to promote and develop attendance at the Zoo.

D. The Zoo Board recognizes that the Zoo derives a certain benefit, the value of which cannot be readily determined, as a direct consequence of the Society's membership and promotional activities, other than those services enumerated in paragraph C above, which do not involve or directly affect the Zoo or usage of Zoo facilities by Society or its members.

IT IS THEREFORE AGREED AS FOLLOWS:

1. Term of Agreement. This agreement shall become effective as of _____, 1981 and shall continue in force until May 31, 1983, and shall thereafter be automatically renewed for successive one (1) year terms (hereafter "contract years") until terminated as hereafter set forth.

2. Termination. This agreement may be terminated by either party without cause at the end of any contract year by giving written notice of such termination to the other party not less than 90 days prior to the end of such contract year, provided, however, that no such termination shall alter membership rights of any Society member whose membership term has not then expired.

3. General Duties of the Society. At all times during the term of this agreement, the Society shall:

(a) Recruit a broad-based membership in the Society throughout the State of Minnesota;

(b) Develop general public support for the Zoo;

(c) Sponsor within its budgetary limitations activities and programs designed to enhance member and public interest in, and knowledge of, animals and the Zoo and its programs;

(d) Pursue the foregoing activities at Society expense unless otherwise agreed in close cooperation with the Zoo Board and the Zoo staff;

(e) Upon agreement between the Zoo Board and Society, perform such other services as will benefit the Zoo.

4. Specific Services to be Performed by the Society. In addition to the general duties of the Society set forth in paragraph three hereof, the Society shall, within its budgetary limitations, provide the following services to the Zoo:

(a) Sponsorship of a continuing education program at the Zoo;

(b) Sponsorship of the Zoo volunteer program;

(c) Coordination and publication of a periodic newsletter on behalf of the Society, the Zoo and the Minnesota Zoological Foundation.

The foregoing programs shall be administered by the Society in close coordination with the Zoo Board which shall have the right at any time, upon 90 days notice, to terminate the Society's sponsorship of any one or more of such programs and to assume administration of any such programs, provided, however, the Society shall have the right, independent of the Zoo, to conduct a continuing education program and to publish its own periodic newsletter fol-

lowing termination of such services by the Zoo but without any offset against gate admissions for the cost of administering or sponsoring such continuing education program or publication of a periodic newsletter.

5.1 Gate Admission for Society Members. In consideration of the good will and other intangible benefits which the Society, through its members, provides to the Zoo by promoting and enhancing the Zoo's image and encouraging Zoo attendance by the public, the Zoo shall provide Society members the right to access to the Zoo at a group discount rate which shall result in a 40 percent discount from the prevailing gate admission charge in effect from time to time for individuals attending the Zoo. It is acknowledged by the parties hereto that such group discount rate is a discount in excess of the normal group discount rate offered by the Zoo and that such special group rate is offered to the Society members attending the Zoo in recognition of the benefits and services which the Society provides to the Zoo upon which it is either difficult or impossible to place a specific monetary value.

*negotiated
from 25-
25-30.
35 etc*

5.2 Except as hereafter expressly set forth, Society members and their guests shall be required to pay the prevailing parking fees charged from time to time to persons attending the Zoo.

5.3 In addition to the group discount for Society members' attendance at the Zoo, the Zoo shall provide to the Society members four single admission guest tickets annually for each annual supporting membership in the Society, six such guest tickets for

*purchase
at
group
rate*

each donor membership, twenty such guest tickets for each patron membership and such other on-site benefits as are set forth in the 1981 Society membership literature. *Who determines*

6. Other Obligations of the Zoo Board. In addition to the benefits set forth in paragraph 5 hereof, the Zoo Board shall provide the following:

(a) Meeting space on a regularly scheduled basis for the Society's board of directors and committees when such use does not interfere with the Zoo operations;

(b) Free parking for volunteers, Society staff and Society Board members when on official Society business or scheduled to work;

(c) Space for a booth at the Zoo located in a mutually satisfactory, conspicuous place at the Zoo site for sale of Society memberships. The Society shall pay the Zoo the sum of \$25.00 per month for the space so allocated for use by the Society.

7. Payment of Gate Receipts by Society and Offset. The Society shall pay the Zoo quarterly, on a calendar quarter basis, the accumulated unpaid balance for gate admissions of Society members to the Zoo, based upon the group discount rate as set forth herein, provided, however, that the amount of such payment shall be reduced by the offset for the cost of services as set forth in paragraph 8 of this agreement. Such payment shall be made by depositing the amount due for such gate admissions, after reduction by the offset set forth in paragraph 8 hereof, in a separate *the Zoo gift account or in*

Not possible if tied directly to gate use.

at Zoo Board discussion

Society account, which may be drawn upon by the Zoo Board at any time for the uses and purposes hereafter set forth. Any amounts so requested by the Zoo Board from said account shall be transferred by the Society to the Zoo, ^{*gift account*} without requirement of approval by the Society Board, within forty-five days of such request by the Zoo Board.

8. Credit for Direct Services by Society.

8.1 The Zoo Board shall give a credit to the Society for the cost to the Society of sponsoring and administering the following direct benefit programs for the Zoo:

(a) Sponsorship of a continuing education program at the Zoo; **\$20,800**

(b) Sponsorship of the Zoo volunteer program; **\$15,800**

(c) Administration and publication of a joint newsletter on behalf of the Society, the Zoo and the Minnesota Zoological Foundation; **\$15-20,000**

(d) Such other programs as may from time to time be agreed upon in writing by the Society and the Zoo Board. **?**

8.2 The credit to the Society for sponsoring the foregoing programs shall be determined annually by agreement of the parties and shall be applied pro rata each calendar quarter as an offset to reduce the cash payment by the Society to the Zoo for gate admissions of Society members as set forth in paragraph 7 hereof. Such credit shall be cumulated and may be applied retroactively or carried forward for any quarter in a contract year, but any unused credit shall lapse at the end of each contract year.

8.3 The amount of the credit for each contract year shall be determined by the parties hereto and shall be set forth in a letter of understanding signed by an authorized officer or director of the Society Board and of the Zoo Board. The amount of the credit which shall be granted to the Society for the foregoing programs shall be determined by the reasonable cost of administering such programs determined on the basis of estimates of administering such programs made at or prior to the commencement of each contract year. The Society budget for administering such programs shall be given due consideration in determining the estimated amount of the cost of such programs, but shall not be binding upon the Zoo Board.

9. Coordination between Zoo Board and Society. The Zoo Board and the Society, and their respective staffs, shall coordinate their efforts and activities with respect to the Zoo so as to accomplish the goals and purposes of each as effectively as possible. Specifically,

9.1 Designated representatives of the Zoo Board and the Society shall meet at least once each contract year to set goals, evaluate past and pending projects, and review financial matters with respect to the Society;

9.2 The Zoo Board and the Society shall mutually agree as to specific fund raising goals for specific projects. The nature and extent of the Society's participation in any given project which is not expressly provided for herein and the method and timing of the Society's fund raising efforts shall be deter-

mined by Society, giving due consideration to the objectives and financial needs of the Zoo and the fund raising programs of the Minnesota Zoological Foundation.

9.3 Any Society sponsored events or activities conducted on the Zoo site or which involve the Society's members' usage of Zoo facilities shall require prior approval of the Zoo Board or the director of the Zoo. The Society shall reimburse the Zoo for any incremental costs incurred by the Zoo in connection with any such Society programs and activities conducted on the Zoo site or which involve Society's members' usage of Zoo facilities. Such incremental costs, to the extent practicable, shall be determined by the Zoo director in advance of each activity or event.

9.4 Any special fund raising programs, such as animal sponsorship programs, other than direct solicitations, shall be the subject of a separate agreement between the Society and the Zoo board.

9.5 The Society shall adopt policies and procedures to inform its members as to the disposition of their membership fees and other contributions to the Society.

9.6 The Society shall develop policies and procedures to ensure clarity in its advertising and in its public announcements relating to the Society programs and activities.

9.7 The Society and the Zoo Board shall cooperate in developing policies and procedures relating to the administration and publication of the combined newsletter for the Zoo, the Socie-

ty and the Minnesota Zoological Foundation, including policies relating to the following:

- (a) Editorial functions;
- (b) Mailing lists;
- (c) Apportionment and allocation of costs of printing and mailing copies of such newsletter to recipients other than Society members.

Such policies and procedures shall be set forth in a separate agreement to be executed by the Society, the Zoo Board and the Minnesota Zoological Foundation.

9.8 The Zoo Board shall have the right of prior review and approval of Society sponsored educational programs on the Zoo site or held in conjunction with the Zoo.

9.9 The Society shall continue to operate in a reasonable and prudent business manner as required by applicable Federal and State laws and regulations.

9.10 Cash payments to the Zoo for net gate admissions of Society members, after reduction for offsets permitted herein, and cash payments by the Society to the Zoo for the portion of donor and sponsor membership fees in excess of family and individual membership fees as hereafter set forth shall not be utilized by the Zoo for general operations ^{No way} but shall be utilized exclusively for educational equipment and programs, purchase of plants and animals, animal and plant research, and exhibit development and improvements, including exhibit graphics. The determination as to the application of such cash payments to any one or more of the

foregoing purposes shall be made by the Zoo Board. The Zoo shall furnish an accounting to the Society at least quarterly as to the application of such funds.

10. Supporting, Donor and Patron Contributions to Society.

That portion of membership fees received by the Society for memberships in the supporting, donor and patron membership categories which exceeds the cost of extra benefits to such members plus the amount of the membership fee which such members would pay for individual or family memberships, as the case may be, shall be allocated for Society or Zoo purposes in accordance with the expressed desires of the supporting, donor and patron members. In the absence of any express designation, the amount of such excess portion of such membership fees shall be allocated to Zoo purposes. All such amounts received from supporting, donor and patron members in excess of individual or family memberships, as the case may be, which are allocated for Zoo purposes shall be deposited in the Society account referred to in paragraph 7 hereof to be drawn upon by the Zoo Board from time to time pursuant to said paragraph 7. All such funds shall be applied to the uses permitted in paragraph 9.10 hereof.

11. Society Credit for Volunteer Program. As of the date hereof, the Society has accumulated in its favor credits for services provided by Zoo volunteers pursuant to the reciprocity agreement dated October 4, 1978, currently in force and effect by and between the parties hereto. Such credit shall be carried forward as a journal entry in the records of the Zoo and the Society until May 31, 1983. In the event this agreement is automatically renew-

clear accounts as of date agreement - change

ed for a succeeding contract year commencing June 1, 1983, all such credits shall be cancelled as of May 31, 1983, and the Society shall not be entitled to any further benefit from such credits. In the event this agreement is not automatically renewed for a contract year commencing June 1, 1983, and the Society and the Zoo board do not execute a new reciprocity agreement for a term commencing June 1, 1983, the Society shall be entitled to apply any such accumulated credits against gate admissions of Society members pursuant to the terms of the October 4, 1978 agreement until all such credits have been expended.

12. Pro Rating of Society Membership Fees Upon Termination.

In the event this agreement is not automatically renewed at the end of any contract year, the Society shall following the close of such contract year cease to accept new memberships that grant free or unlimited access to the Zoo or other benefits involving utilization of Zoo facilities except to the extent such benefits will be paid for by the Society. Any unexpired Society memberships in existence at the end of such contract year shall continue in force, and such members whose membership terms have not then expired shall continue to have the same rights and privileges with respect to usage of Zoo facilities and attendance at the Zoo, including unlimited gate admissions without payment of any gate admission fee other than the admission fees paid by the Society to the Zoo pursuant to this agreement. The Society shall make all payments to the Zoo as required herein for gate admissions of its members through the end of such final contract year and thereafter for the gate admissions of Society members whose membership term

has not then expired until the expiration of all such membership terms.

13. Miscellaneous Provisions.

13.1 Notices. All notices or other communications permitted or required to be given by one of the parties hereto to the other party shall be given under the signature of the president or secretary of the Society Board or the Zoo Board, as the case may be, or such other person as may be appointed by their respective boards and designated by written notice of such designation signed by the president or secretary of the respective boards. Such notices or communications shall be delivered to the president or secretary of the board to whom it is directed by hand delivery or by depositing the same in a depository of the United States Post Office, regular first class, certified or registered mail, postage prepaid, properly addressed to the officer of the board to whom it is directed. Such notice shall be deemed to be given or served (i) at the time it is hand delivered, or (ii) if sent by regular U.S. Mail, upon receipt, or (iii) if it is sent by certified or registered mail, at the time it is postmarked with postage prepaid, properly addressed to the respective party.

13.2 Paragraph Headings. The paragraph headings contained in this agreement are for reference purposes only and shall not in any way affect the meaning or interpretation of this agreement.

13.3 Amendment. This agreement may be modified or amended only by written agreement executed by the parties hereto.

IN WITNESS WHEREOF, the parties have caused this agreement to be executed to become effective as of the day and year first above set forth.

ATTEST:

MINNESOTA ZOOLOGICAL BOARD

Secretary

BY:

Its President

MINNESOTA ZOOLOGICAL SOCIETY

Secretary

BY:

Its President

MEJ26/B

The Minnesota Zoological Board, a state appointed citizen board that operates the Minnesota Zoological Garden, has taken action to permit progress in the business management of its annual sales.

The Board closed a contract under which an outside organization, the Minnesota Zoological Society, has sold and administered annual zoo passes to families and individuals as a membership service.

Every membership that has been sold by the Society, will be honored by the
an outside organization,
MINN Zoo completely for the full term of each, and each member will have the
opportunity to renew their annual passes.

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 has worked faithfully and well to support the development of the new zoo and to launch an annual admissions program and the Zoo Board commended it highly for its support and achievements.

By direct administration of the sale of annual passes the Zoo will be able to fully promote and administer their sale on the zoo site. ~~and~~ *INAV*
This is a privilege that under state regulations the Society, a non-~~state~~ *governmental* outside organization could not ~~enjoy~~ *fully exercise*. As an off-site operation, it has been necessary for the Society to invest up to 42% of its annual sales proceeds to general administrative and membership renewal services. By direct operation the Zoo should

be able to reduce those indirect costs and thereby return more of the annual passholder revenue to the benefit of the zoo's accounts.

All gift income to the zoo carries full tax deductible privileges for its donors.

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.

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MINNESOTA ZOOLOGICAL SOCIETY

BALANCE SHEET

For Period Ended 7/31/81

A S S E T S

Cash	137,212.84	
WIN-Dain Bosworth Account	57,478.86	
Certificate of Deposit	200,000.00	
*Total Cash and temporary investments		394,691.70
Receivable		-0-
Inventories		13,626.49
Prepaid Expense		1,006.63
Property and equipment	11,180.34	
less accumulated depreciation of	(5,669.42)	5,510.92
Other assets:		
Land		6,000.00
Oil Painting		7,500.00
Total assets		428,335.74

L I A B I L I T I E S & F U N D B A L A N C E S

Accounts payable		-0-
Accrued liabilities		1,898.94
Unearned membership dues		115,564.34
Holding Account for Special Events		39,925.10
Total liabilities		157,388.38
Restricted for Direct Support to MZG		40,392.58
Fund balance Unrestricted		230,554.78
Total liabilities and fund balances		428,335.74

* Cash and temporary investments to the extent of \$ 12,020.00 are restricted for the future payment of membership benefits to the Minnesota Zoological Garden.

MINNESOTA ZOOLOGICAL SOCIETY

STATEMENT OF SUPPORT AND REVENUE, EXPENSES
AND CHANGES IN FUND BALANCES
FOR THE PERIOD ENDED: 7/31/81

	CURRENT MONTH		YEAR TO DATE	
	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>
Support and revenue:				
Membership dues - deferred Recognized income	12,838.71	12,500	25,331.30	25,000
Contributions and bequests	15,968.86	14,000	28,905.13	28,000
Investment income	614.76		1,344.67	
Animal Sponsorship Program	1,860.00	6,500	7,078.25	13,000
Auxiliary activities	1,417.29		1,531.36	1,000
Other - Conferences, meetings and annual meeting	11.00		53.00	100
TOTAL SUPPORT AND REVENUE	32,710.62	33,000	64,243.71	67,100
Expenses				
Salaries and related expenses	9,160.99	9,567	17,529.33	20,001
Occupancy		650	587.78	1,300
Telephone		279	274.23	588
Supplies	825.98	1,491	1,007.85	2,457
Rental and Maintenance of Equipment	56.90	166	161.42	332
Printing and publications	(3,693.06)	6,794	(3,869.14)	8,538
Postage and shipping	817.05	1,129	2,525.58	2,248
Publicity/Public Relations	287.70	150	287.70	300
Conferences	547.31	51	760.28	202
Travel	196.66	215	337.78	480
Professional fees	1,041.59	5,140	1,142.22	7,280
Awards and grants	100.00	120	100.00	240
Complementary memberships		100	162.50	200
Depreciation	86.10		146.77	
Other	1,379.40	710	1,957.37	2,470
Total Office	7,802.35	23,346	17,796.00	39,364
Total ASP	3,004.27	3,216	5,315.67	7,272
Total Direct Support to MZG	16,450.45		17,295.45	
TOTAL EXPENSES and BUDGETS	27,257.07	26,562	40,407.12	46,636
 EXCESS (DEFICIENCY) of support and revenue over expenses	 5,453.55		 23,836.59	
 Fund balances at beginning of period: (Adjusted)			 206,718.19	
Fund balances at end of period:			<u>230,554.78</u>	

HOLDING ACCOUNT FOR SPECIAL EVENTS

#1 Continuing Education Classes

Beginning Balance as of 6/30/81 \$ 1,302.98

REVENUE for July 513.00

Sub Total \$ 1,815.98

EXPENSED in July

Instructor Fees \$ 805.00
Supplies 72.36
Honorariums 60.00

Total Exp. (937.36)

Restricted Balance as of 7/31/81 \$ 878.62

#2 Restricted Funds for Speakers Bureau 407.48

#3 Restricted Funds for Africa Trip 38,639.00

TOTAL RESTRICTED FUNDS FOR SPECIAL EVENTS \$ 39,925.10

R. Gort suggested three points in a press release:

a) The Zoo board appreciates and recognizes the Society for its many past contributions and thanks the Society for its role in contributing to the zoo's success.

b) the Zoo Board dealt with its responsibility in the terms of the Board's giving to the Society reduced admission in exchange for support of a volunteer program.

c) In light of the realities of the zoo today, including economic conditions, it is no longer, in the Board's judgment, beneficial to renew the reciprocity agreement with the Minnesota Zoological Society. Thus the reciprocity agreement has not been renewed; only the reciprocity is affected. The Society's continuing community support is appreciated.



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:

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

- ZONEWS 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.

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DEPARTMENT

ATTORNEY GENERAL

Office Memorandum

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

DATE: 11/10/81

FROM : RICHARD S. SLOWES *RSS*
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
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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

Minnesota Zoological Garden/Minnesota Zoological Society
Annual Report

June 1, 1979-May 31, 1980

<u>Membership Attendance</u>	<u>Number</u>	<u>Charge</u>	<u>Totals</u>
Adult	15,487	\$2.00	\$30,974.00
Adult	9,959	\$2.40	\$23,901.60
Child	<u>17,274</u>	\$1.00	<u>\$17,274.00</u>
	42,720		
		Total Yearly Usage	<u>\$72,149.60</u>

<u>Volunteer Credit Hours</u>	<u>Hours</u>	<u>Rate</u>	<u>Totals</u>
June Hours	2,679.75	\$3.72	\$9,968.67
July-May Hours	26,131.75	\$3.89	<u>\$101,652.53</u>
		Total Yearly Credits	<u>\$111,621.20</u>

Total Yearly Usage	\$72,149.60
Less Total Yearly Credits	\$111,621.20
Less Prior Year Carry Forward	<u>\$49,191.34</u>
Total Year End Credit	<u>\$88,662.94</u>

MZG/MZS
ANNUAL REPORT
 January 1, 1978 - May 31, 1979

<u>Membership Attendance</u>	<u>Number</u>	<u>Charge</u>	<u>Totals</u>
Adult	35,960	\$2.00	\$71,920.00
Child	27,138	1.00	<u>27,188.00</u>
TOTAL USAGE May 22, 1978 - May 31, 1979:	<u>63,148</u>		<u>\$99,108.00</u>

<u>Volunteer Credit Hours</u>	<u>Hours</u>	<u>Rate</u>	<u>Totals</u>
Total Credits to Date:			
May & June 1978	8,619.00	\$3.52	\$30,338.88
July 1978 - May 1979	<u>31,709.80</u>	3.72	<u>117,960.46</u>
	40,328.80		\$148,299.34
TOTAL YEAR END CREDIT (DEBIT):			\$ <u>49,191.34</u>

DR/pn
 7/19/79

MZG/MZS
Annual Report
 FY1981
 June 1, 1980 - May 31, 1981

<u>Attendance Category</u>	<u>Number</u>	<u>Charge</u>	<u>Totals</u>
Adult	31,784	\$2.40	\$76,281.60
Child	<u>18,672</u>	1.00	<u>18,672.00</u>
	<i>50,456</i>	Total Yearly Usage	<u>\$94,953.60</u>
	<i>1.88 per</i>		

<u>Month</u>	<u>Hours</u>	<u>Rate</u>	<u>Totals</u>
June	2,447.75	\$3.89	\$ 9,521.75
July - December	15,054.25	4.20	63,227.85
January - May	12,431.00	4.48	<u>55,690.88</u>
		Total Yearly Credits	<u>\$128,440.48</u>
		Total Yearly Usage	\$ 94,953.60
		Less Total Yearly Credits	128,440.48
		Less Prior Year Carry Forward	<u>88,662.94</u>
		Total Year-End Credit	<u>\$122,149.82</u>

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, and Oregon non-profit corporation (Corporation).

RECITALS

- 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 2½ 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 2½ 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:

Don H. Atch
President

METROPOLITAN SERVICE DISTRICT

By:

A. H. P. Johnson
Executive Officer

By:

J. B. D. O.
Corporate Secretary

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: Cherie J. Williams
President

By: Richard J. Smith
Executive Officer

By: _____
Corporate Secretary

Date: Sept 9, 1981

Date: _____

POINDEXTER AND JACOBSON, P.A.
ATTORNEYS AT LAW

STEPHEN J. POINDEXTER
MARK E. JACOBSON

430 MARQUETTE BUILDING
400 MARQUETTE AVE.
MINNEAPOLIS, MN 55401
(612) 340-0234

October 13, 1981

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

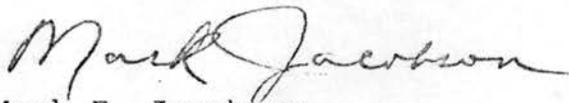
RE: Guidelines for Reciprocity Agreement

Dear Mr. Arndt:

Bob Bonawitz requested that I forward to you the Guidelines for Reciprocity Agreement Between Minnesota Zoological Garden and Minnesota Zoological Society.

The enclosed guidelines are in the form submitted by the Zoo Board with revisions by the Society Board's executive committee made with the approval of the Society Board.

Sincerely,



Mark E. Jacobson

MEJ/jmh

Enclosure

cc: Robert L. Bonawitz
Dennis Albrecht

GUIDELINES FOR RECIPROCITY AGREEMENT BETWEEN
MINNESOTA ZOOLOGICAL GARDEN AND MINNESOTA ZOOLOGICAL SOCIETY

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 to contract for certain services from the Minnesota Zoological Society which has provided the Zoo with long and valued support toward attainment of a world class zoo.

Services to be performed by the Minnesota Zoological Society in support of the Zoo within the Society's budgetary limitations-

- (1) Sponsor a continuing education program at the Zoo
- (2) Sponsor the Zoo volunteer program
- (3) Publish a periodic newsletter on behalf of the Society, the Zoo and the Minnesota Zoological Foundation
- (4) Sponsor a zoo-related research program
- (5) Conduct other activities or events which will enhance the Zoo's attendance and/or community image. Any such events or activities conducted on the Zoo site or which

ZB needs input on off site also

involve the Society's members' usage of Zoo facilities will require the prior approval of the Zoo Board of Directors. Any special fund-raising programs, such as the Animal Sponsorship Program, will be covered in a separate agreement between the Society and the Zoo.

For providing the above services, the Zoo will give the Society the right to-

- (1) Provide Society members the right to free access to the Zoo and other on-site benefits as contained in the 1981 Society membership literature. Memberships shall be sold for a period of not less than twelve (12) months.
- (2) Use Zoo meeting facilities when such use does not interfere with Zoo operations
- (3) Free parking for volunteers, Society staff and Society Board members when on official Society business or scheduled to work
- (4) Sell Society memberships at the Zoo in space designated by the Zoo Director at a monthly rental of \$25.00.

Other Matters-

- (1) The Society will print and control its membership cards which shall serve as the Society's members' Zoo admission authorization. The Zoo will print and control all free passes to the Zoo. Any free passes requested by

the Society, other than the membership cards, must be approved and distributed by the Zoo Director

- (2) The Society will reimburse the Zoo for any and all incremental costs incurred by the Zoo in connection with Society programs and activities. Such incremental costs will be identified by the Zoo Director prior to the conduct of the event or class.
- (3) The Society should adopt a procedure to inform its members regarding the final disposition of their contributions, i.e., for Society operations or designated for the Zoo
- (4) The Society will develop policies and procedures to insure clarity in its advertising and/or public announcements relating to Society programs and activities.
- (5) An editorial committee shall have final approval of content of the combined newsletter. The editorial committee shall be comprised of one representative each from the Society, the Zoo and the Foundation. The Society representative on said committee shall have the editorial responsibility for the combined newsletter. The newsletter shall be distributed to the then current Society members and up to 1,000 other recipients designated by each of the Zoo and the Foundation. The incremental cost of printing and mailing in excess of 1000

each by the Zoo and the Foundation shall be paid to the Society by the requesting organization.

- (6) Zoo Director will have prior review of Society sponsored educational and research programs held in conjunction with the Zoo.
- (7) This agreement will be automatically renewable each year unless notice of termination is given by either party at least ninety (90) days prior to the end of the contract year (May 31), provided, however, that no such termination shall alter membership rights of any Society member whose membership term has not then expired.

Financial Responsibility of the Society to the Zoo

- (1) The Society shall be a source of funding for education, research and other special programs.
- (2) The remainder of the prior pledges and commitments formally approved by the Society for the Zoo (approximating \$42,000.00) will be disbursed to the Zoo upon request pursuant to prior Society Board approval.
- (3) Annual contributions commencing with the Society's fiscal year beginning May 1, 1982, will take the form of:
 - (a) All dollars received over the amount equivalent to the family and individual membership fee plus all amounts received in excess of the fund balance described in subparagraph (b) of this paragraph 3 will be deposited in a separate Society account for future use by the Zoo upon quarterly request by the treasurer of the Zoo Board for the uses described

$$\begin{array}{r} 28,750 \\ 12 \overline{) 345,000} \\ \underline{24} \\ 105 \\ \underline{96} \\ 9 \end{array}$$

$$\begin{array}{r} 28,750 \\ 9 \\ \hline 258,750 \end{array}$$

$$\begin{array}{r} 241,083 \\ 107,552 \\ \hline 348,635 \\ 258,750 \\ \hline 89,885 \end{array}$$

in paragraph (4) below. The amounts so requested shall be transferred within 45 days of such request.

- (b) The Society will maintain an operating fund balance approximately equal to nine (9) months of operating expenses based upon the annual budget adopted by the Society Board. Any amount in excess of such fund balance shall be transferred monthly to the Society's Zoo account referred to in subparagraph (a) above.
- (4) The Zoo will furnish an accounting to the Society at least annually as to the use of the funds received from the account referred to in subparagraph (3)(a) above. Such funds will not be utilized for the general operations of the Zoo but will be utilized for educational equipment and programs, purchase of plants and animals, animal and plant research, and exhibit development and improvements, including exhibit graphics.
- (5) The Society shall continue to operate in a reasonable and prudent business manner as required by applicable Federal and State laws and regulations.
- (6) The Society Board and/or individuals designated by it will meet with the Zoo Board or its designated committee at least annually during the term of this agreement to present the Society's proposed objectives, programs and budget for the succeeding year for information and discussion purposes.

cc: 5/9d

MINNESOTA ZOOLOGICAL SOCIETY

STATEMENT OF SUPPORT AND REVENUE, EXPENSES
AND CHANGES IN FUND BALANCES
FOR THE PERIOD ENDED: 8/31/81

	CURRENT MONTH		YEAR TO DATE	
	Actual	Budget	Actual	Budget
Support and revenue:				
Membership dues - deferred	13,210.24	13,000	38,541.54	38,000
Recognized income				
Contributions and bequests	11,414.00	11,000	40,319.13	39,000
Investment income	9,881.18	8,000	11,225.85	8,000
Animal Sponsorship	1,565.50	6,500	8,643.75	19,500
Auxiliary activities	124.60		1,655.96	1,000
Other - Conferences, meetings and annual meeting	68.00	100	121.00	200
TOTAL SUPPORT AND REVENUE	36,263.52	38,600	100,507.23	105,700

Expenses				
Salaries and related expenses	7,249.53	9,567	24,778.86	29,568
Occupancy	1,175.56	650	1,763.34	1,950
Telephone	572.45	284	846.68	872
Supplies	2,145.12	1,081	3,152.97	3,538
Rental and Maintenance of Equipment	180.19	166	341.61	498
Printing and publications	9,401.24	5,244	5,532.10	13,782
Postage and shipping	2,818.90	1,681	5,344.48	3,929
Publicity/Public Relations	300.20	150	587.90	450
Conferences	200.61	61	960.89	263
Travel	82.94	205	420.72	685
Professional fees	1,295.59	1,190	2,437.81	8,470
Awards and grants	30.21	120	130.21	360
Complementary memberships	-0-	100	162.50	300
Depreciation	86.10	-	232.87	-
Other	195.94	760	2,153.31	3,230
Total Office	23,195.72	16,343	40,991.72	55,707
Total ASP	2,538.86	4,916	7,854.53	12,188
Total Direct Support to MZG	4,000		21,295.45	
TOTAL EXPENSES and BUDGETS	29,734.58	21,259	70,141.70	67,895

EXCESS (DEFICIENCY) of
support and revenue
over expenses

	6,528.94	30,365.53
--	----------	-----------

Fund balances at beginning of period: (Adjusted)

Fund balances at end of period:

210,718.19
<u>241,083.72</u>

MINNESOTA ZOOLOGICAL SOCIETY

BALANCE SHEET

For Period Ended 8/31/81

A S S E T S

Cash	90,060.69	
WIN-Dain Bosworth Account	94,435.73	
Certificate of Deposit	200,000.00	
		384,496.42
*Total Cash and temporary investments		
Receivable		-0-
Inventories		25,247.07
Prepaid Expense		541.86
Property and equipment	12,690.34	
less accumulated depreciation of	(5,755.52)	6,934.82
Other assets:		
Land		6,000.00
Oil Painting		7,500.00
Total assets		430,720.17

L I A B I L I T I E S & F U N D B A L A N C E S

Accounts payable		-0-
Accrued liabilities		1,857.12
Unearned membership dues		107,552.62
Holding Account for Special Events		43,834.13
Total liabilities		153,243.87
Fund balance	Restricted for Direct Support to MZG	36,392.58
	Unrestricted	241,083.72
Total liabilities and fund balances		430,720.17

* Cash and temporary investments to the extent of \$ 15,998.00 are restricted for the future payment of membership benefits to the Minnesota Zoological Garden.

MINNESOTA ZOOLOGICAL SOCIETY

STATEMENT OF FUNCTIONAL EXPENSES

For the Period Ended 8/31/81

		PROGRAM SERVICES				SUPPORTING SERVICES			TOTAL	BUDGET Year to Date	TOTAL BUDGET	
		Marketing & Promotion	Membership Activities	Public Education	Animal Sponsorship	Volunteer Activities	Auxiliary	General Administra- tion				Contribu- tion to Zoo
401	Salaries	2,830.48	3,400.56	1,996.09	5,009.94	524.34	443.23	9,027.67		23,232.31	27,468	106,600
401.1	On-site Salaries	1,546.55								1,546.55	2,100	5,000
404	Occupancy				450.00			1,313.34		1,763.34	1,950	7,800
405	Telephone	26.81	28.77	19.73	232.83		2.00	536.54		846.68	872	3,500
406	Supplies	1,371.31	63.61		749.76	17.09	255.20	696.00		3,152.97	3,538	43,080
407	Rental Equipment							341.61		341.61	498	2,000
408	Printing/Publica.	1,134.80	2,276.97	104.35	538.84	441.04	221.93	814.17		5,532.10	13,782	82,820
409	Postage/Shipping	2,708.87	1,207.47	500.21	399.11	76.64	228.88	223.30		5,344.48	3,929	20,370
410	Publicity/P.R.	455.70			39.70			92.50		587.90	450	4,250
411	Conferences/Conv.	584.60	48.69	15.00	30.40	255.00		27.20		960.89	263	5,400
412	Travel	16.20	84.80	23.28	252.07	5.70	3.60	35.07		420.72	685	2,700
414	Professional Fees	1,288.35	417.24		24.63		100.00	100.00		1,930.22	5,110	15,000
414.1	Data Processing Se	50.34	96.29					264.71		411.34	2,360	10,200
414.2	Promotional Cons.	96.25								96.25	1,000	17,000
415	Awards and Grants										300	1,260
415.1	Zoo Vap Recog.					130.21				130.21	60	3,800
415.2	Society Recog.											200
416	MZG Adm. Membersps											
417	Comp.Memberships							162.50		162.50	300	1,000
418	Depreciation							232.87		232.87		
419	Other				127.25	45.93		111.87		285.05	1,460	7,190
419.1	Hospitality					27.23		56.84		84.07	770	3,900
419.2	Open House		1,784.19							1,784.19	1,000	2,500
419.3	Search Committee											
419.4	On Site Program											
Sub Total										48,846.25		345,570
Direct Support to MZG										21,295.45		
Total to date		2,110.26	9,408.59	2,658.66	7,854.53	1,523.18	1,254.84	14,036.19	21,295.45	* 70,141.70		
Budget/Year to date		12,490	21,647	(Budgeted in M.A.)	12,188	2,231	867	18,472			67,895	
Total Budget		93,850	102,425		44,000	15,800	21,000	68,500				345,575

HOLDING ACCOUNT FOR SPECIAL EVENTS

#1 Continuing Education Classes

Beginning Balance as of 7/31/81 \$ 878.62

REVENUE for August 554.00

Sub Total \$1,432.62

EXPENSED in August

Instructor Fees \$ 283.75

Supplies 6.62

Class Tuition Refunded 6.00

Total Exp. (296.37)

Restricted Balance as of 8/31/81 \$1,136.25

#2 Restricted Funds for Speakers Bureau 302.88

#3 Restricted Funds for Africa Trip 42,395.00

TOTAL RESTRICTED FUNDS FOR SPECIAL EVENTS \$ 43,834.13



Minnesota Zoological Society

51

AGENDA

Minnesota Zoological Society
Board of Directors Meeting
Thursday, November 19, 1981
7:00 p.m.

Minnesota Zoo Board Room
Executive Committee
6:30 p.m.

- I. Minutes:
 - A. October 24, 1981
 - B. November 3, 1981
- II. Finance Report
 - A. October statement
- III. Reports:
 - A. Minnesota Zoological Garden
 - B. Minnesota Zoological Garden Foundation
- IV. Executive Committee Report
- V. Executive Director Report
- VI. Committee Reports (new business and action items)
 - A. Senior Advisory Committee
 - B. Other
- VII. Old Business
 - A. Reciprocity Agreement
- VIII. New Business

MINUTES

Minnesota Zoological Society
Board of Directors Meeting
October 24, 1981
Minnesota Zoological Garden
Board Room

Present

Dennis P. Albrecht, Vice-President
Robert L. Bonawitz, President
Narvel Brooks, Treasurer
David F. Dunn
Karen Ferguson
Stephanie Fox
Clayton Hatzenbuehler
Ingrid M. Holley
Mark E. Jacobson
Patricia Leefeldt
Terry Nelson
Marilyn Nordaune
Vicki Uchida
Karla A. Williams, Executive Director

Absent

Donald Block
Joseph Bohlen
Bruce Douglass, M.D.
Craig Halvorsen
Marialice Seal

Others Present

Patty Oldenburg
Phyllis Saltzman
Peg Wetzel

President Bonawitz called the meeting to order at 5:15 p.m., and directed the board's attention to the agenda.

I. Minutes, September 24, Meeting

MOTION to accept the minutes of the September 24, 1981 meeting as submitted. CH/TN.

II. Finance Report

Executive director K. Williams presented the finance report for the month ending 9/31/81. The report was distributed to all members of the board and is considered to be a part of these minutes. K. Williams noted that expenses to date are under budget. In the publications function, this is largely due to delayed Animal Kingdom fees. She also brought to the board's attention that the Holding Account for the Africa trip is reduced by \$40,000 this month as a result of a payment to the tour agency, Park East Tours.

III. Audit Report

Audit committee chairperson C. Hatzenbuhler presented the written audit report of the fiscal year 1981 prepared by Peat, Marwick and Mitchell. C. Hatzenbuhler noted that it was a very extensive audit and the auditor spent a great deal of time at the Society office working with Kathy Pentland, Karla Williams and Peg Wetzel. He pointed out to the board that in the report, the volunteer hours were recorded as revenue and are expensed under "Programs - Member Activities", thus the report shows the volume of volunteer hours without affecting the balance statement.

K. Williams reported that in the management letter accompanying the audit report from Peat, Marwick and Mitchell, four suggestions were made to improve internal accounting control. (A copy of the letter was distributed to the board.)

- 1) Segregate the duties of the cash receipts functions between two people to minimize possible errors.
- 2) Institute an independent review of the ticket ledger for Discount Zoo Tickets including review of numerical sequence of tickets sold.
- 3) Establish a policy whereby checks to be deposited daily if the balance exceeds \$200, in order to minimize possible loss of checks due to fire or theft.
- 4) Reduce the time needed by the finance officer in accounting for deferred membership revenue by setting up twelve general ledger accounts for deferred revenue (one for each month). When dues are received and are for a future membership period, the finance officer should code the unearned portion of the receipt to a deferred revenue account for the month the membership period begins. The total in each deferred revenue account should then be amortized on a pro-rata basis over the membership period.

K. Williams stated that the recommendations would be discussed with the appropriate board committee before institution. She recommended institution of the suggestions, with the possible exception of \$200 maximum of checks on hand since that amount represents only 5 memberships per day and would mean daily trips to the bank.

IV. Executive Committee

President Bonawitz reported that the Executive Committee met on October 8 to revise the proposed reciprocity agreement to be submitted to the Zoo. Copies of the revised proposal were distributed to all board members.

M. Jacobson added that the board's delegates met with the Zoo board's Finance Committee October 15, 1981. At that meeting Marialice Seal presented the historical relationship of the Society and the Zoo and highlighted efforts of the 20 year-old Society which resulted in the Metropolitan Council recommendation for a modern zoo. M. Jacobson further stated that at that meeting, the Zoo board committee seemed to understand why the Society desired the changes it was requesting in the proposed Society/Zoo Reciprocity Agreement. The Society delegates were surprised to learn that after that committee meeting, the Zoo committee voted unanimously not to enter into any reciprocity agreement with the Society. At the full Zoo board meeting later that day a motion was passed to table discussion regarding reciprocity until the board's December meeting. An additional motion was made to extend the current reciprocity agreement until November 30. M. Jacobson added that if the Zoo board does not extend the agreement beyond November 30, the Society would presumably have to stop selling memberships after that date. (Minutes of the October 15 Zoo Board meeting distributed at a later date, indicate the Zoo Board moved to extend the reciprocity agreement through November 19, 1981.)

V. Executive Director's Report

K. Williams highlighted the national AAZPA conference held in New Orleans this past September. She noted for the board the development of the Species Survival Plans adopted by the Association. The plans will be developed for a select number of species which would benefit from an aggressive animal management program. Ulysses S. Seal has accepted the position of Species Coordinator for the amur (Siberian tiger) species. At the November 19 Society Board meeting, Dr. Seal will address the topic of species survival programs and the role he and others will play in this pilot project. An invitation to all Society members to attend Dr. Seal's presentation will be included in the November issue of ZooNews. The presentation will follow the normally scheduled board meeting in the Zoo Theatre.

P. Wetzel reported current status of the member activities program. Monthly Member Day activities for the coming three months feature curator John Lewis in November, speaking about the social organization of the Zoo's Japanese macaque troop; Zoo vet Frank Wright in December, addressing the challenges of zoo medicine and including a tour of the veterinary facilities; and wildlife biologist Lynn Rogers in January, presenting current research results of study of the black bear in northern Minnesota. October's activity featured curator Austin McDevitt on the beluga whales, including a behind-the-scenes tour. More than 50 members participated in this activity, indicating the popularity of the whales.

P. Wetzel told the board that the fall quarter continuing education classes were doing very well. To date more than 240 participants have registered for the classes and only two have been cancelled. This is a positive improvement in the number of offerings that have had enough enrollment to be held, and is a result of adjusting tuition rates to reach break-even at an enrollment of 7 per class. The curriculum for winter quarter classes has been developed by coordinator Doug Langefels and the copy for the brochure will be ready for distribution in mid-November.

P. Wetzel added that the Society-sponsored tour of Kenya which just returned October 19 was a success. Wildlife viewing was excellent, the courier exceptionally knowledgeable, and the group a good mix socially. Net income from the Kenya trip is \$2,190 accruing from the \$100 tax-deductible portion of the trip fee. Kenya is a very popular travel destination and a repeat of this trip in 1982 is recommended as part of the Society's fund-raising travel program.

P. Saltzman reported to the board the status of the Animal Sponsorship program. The Society proposal for a Zoo Ball was presented to the October 15 Zoo Board which put off discussion pending reciprocity settlement. (Minutes of the Zoo Board's October 15 meeting distributed at a later date, show that the Zoo Board moved not to endorse consideration of a ball at this time and that consequent planning for such a May 1982 ball be suspended.)

The education packet developed for use by teachers as part of the Animal Sponsorship Program is complete and ready to distribute. Copies of the packet were distributed. P. Saltzman asked the board to assist in getting the packets into the schools.

P. Saltzman noted that radio station WAYL has committed \$10,000 in ad time in support of the Animal Sponsorship holiday promotion of the whales. Byerly's has also agreed to support the holiday program by distributing hand-outs about whale sponsorship and including an article on their bags. A \$10-\$24 donation to the program will earn the regular animal sponsorship packet plus a gift card. A donation of \$25 or more will earn the above plus a special gift of a small whale pin or whale poster (to be determined). A donation of \$500 or more will earn the above, plus a breakfast tour of the whale facilities with sealife curator Austin McDevitt.

Also in support of the holiday campaign, WAYL, Society staff and volunteers will be present at booths set up in shopping centers in the period between Thanksgiving and Christmas. Volunteers will present animal demonstrations at the booth and the whale will be present too in the form of a whale costume created by Carolyn Warweg.

VI. Nominating Committee Report

Nominating committee chairperson M. Jacobson reported that seven members were elected to the board in the September general election. Serving two-year terms on the Society board will be Donald Block, Joseph Bohlen, Stephanie Fox, Marilyn Nordaune, Roger Palmquist, and Mark Jacobson.

VII. Old Business

S. Fox reported to the board that the Zoo staff is making an effort to improve communications with the volunteers. Moral seems to have improved somewhat. The Zoo has initiated inter-divisional project teams which allow for much greater communication and broader based input.

VIII. Board Officers Nominating Committee Report

Chairperson N. Brooks announced the committee's recommendations for the new officers of the Society board: President: Mark Jacobson. Vice President: Dennis Albrecht and Don Block. Treasurer: Stephanie Fox. Secretary: Terry Nelson and Craig Halvorsen.

N. Brooks called for nominations from the floor. There being none, the nominations were declared closed and a vote taken by blind ballot.

MOTION to adjourn the meeting of the Society board of directors.
DB/IH.

MOTION CARRIED.

The meeting adjourned at 6:00 p.m.

Minutes recorded by P. Wetzel.

Submitted by:

DRAFT

SOCIETY MEMBERSHIP VERIFICATION PROCEDURES

One day each month will be assigned as a day to verify the memberships of Society visitors. This day will be established on a floating day basis by Steve Iserman or Doug Rickabaugh. The Admissions Supervisor will be advised the day before the scheduled day. Peak days will be avoided to the maximum extent possible.

Cashiers will ask each individual presenting an Minnesota Zoological Society membership card to provide a second form of identification. A picture I.D. card is preferred. However, any other type of card identifying the individual will be accepted.

If no other form of identification is provided, the visitor will be required to pay for the admissions.

Each cashier will keep a log of activities on the attached Society Membership Verification Log Sheet. Recorded will be the number in each party and a check mark to indicate if the membership was verified. If no I.D. was presented, a check mark will indicate if the party paid the admission or left the zoo.

Date _____

SOCIETY MEMBERSHIP VERIFICATION
LOG SHEET

	Number in Party	I.D. Verified (✓)	No I.D.	
			Paid Admission (✓)	Left Zoo (✓)
1.				
2.				
3.				
4.				
5.				
6.				
7.				
8.				
9.				
10.				
11.				
12.				
13.				
14.				
15.				
16.				
17.				
18.				
19.				
20.				
21.				
22.				
23.				
24.				

AGENDA

Minnesota Zoological Society
Board of Directors Meeting
Saturday, October 24, 1981
5:00 p.m.
(before Annual Meeting)
Minnesota Zoo Board Room

OLD BOARD

- I. Minutes, September 24 Meeting
- II. Finance Report
 - A. September Statement
 - B. Year-end Audit
- III. Executive Committee Report
- IV. Executive Director Report
- V. Nominating Committee Report
 - A. Election results - Board of Directors
- VI. Old Business
 - A. Reciprocity Agreement
- VII. New Business

NEW BOARD

- I. Nominating Committee Report
 - A. Election of Officers

MINUTES

CC: Division
Directors

Minnesota Zoological Society
Board of Directors Meeting
September 24, 1981
Minnesota Zoological Garden
Board Room

Present

Dennis Albrecht, Vice-President
Don Block
Narvel Brooks, Treasurer
Joseph Bohlen
David Dunn
Karen Ferguson
Clayton Hatzenbuehler
Ingrid Holley
Mark Jacobson
Patricia Leefeldt
Phillip Nelson, Secretary
Marilyn Nordaune
Marialice Seal
Vicki Uchida
Karla Williams, Executive Director

Absent

Robert Bonawitz, President
Bruce Douglass, M.D.
Stephanie Fox
Craig Halvorsen
Terry Nelson

Others Present

Denise Bell
Sandy Friedman
Kathryn Rosebear

Meeting was called to order by vice-president D. Albrecht at 7:45 p.m.

I. Minutes, August 27 Meeting

D. Block noted that the MOTION to accept the spending policy on page 4, VIII B was carried but not recorded.

MOTION to accept the minutes with the correction. CH/DB MOTION CARRIED.

II. Finance Report

A. August Statement

K. Williams distributed the August financial statement which is considered to be a part of these minutes.

MOTION to approve the financial report for August. JB/CH

MOTION CARRIED.

B. Year End Audit

C. Hatzenbuehler reported on a meeting with Peat, Marwick and Mitchell

where it was learned that the contribution portion of the pre-paid membership dues must be recognized upon receipt and not deferred with the membership portion. An adjustment is expected and will result in increased earnings for fiscal year '81, decreased earning for fiscal year '82.

The year-end audit report from Peat, Marwick and Mitchell is expected prior to the October 24 Annual Meeting.

III. Reports

A. Minnesota Zoological Garden

S. Friedman gave the report for the Minnesota Zoo. Modifications and changes in exhibits include:

- Whale tank has been filled and is operational after draining it several times to repair leaks.
- Musk-ox pathway has been graded and a viewing stand constructed. The walkway should be complete the second week in October.
- Sloth bear viewing area will be modified to improve safety for both the public and the animals.
- Gibbon lake will be improved with new trees and better nesting sites for the flamingos. The water level will also be raised to enhance the appearance.

S. Friedman added that these projects are all being funded through the Minnesota Zoological Garden Foundation short-range development program.

Other on-site activities and promotions include:

- The ski trails are being worked on with some modifications to improve access for the grooming equipment.
- A marketing campaign was launched to attract large business and corporations into cooperative ventures with the zoo. A new brochure was developed and marketing seminars held.
- Special classes for talented youth have begun with the employment of Steve Hague.
- Smile Day, 4-H activities and a drawing contest are scheduled for October.

The bid for the 1984 AAZPA conference placed second to the Metro Zoo in Miami.

A temporary Animal Sponsorship board is up. A permanent board is expected in the future. The Fall calendar of events will be ready soon and the education brochure has been mailed to schools.

The soon to be constructed (Daytons sponsored) red panda exhibit will be located in the upper Tropics building. The National Zoo will release a breeding pair to the Minnesota Zoo.

B. Minnesota Zoological Garden Foundation

K. Rosebear gave the report for the Foundation.

Work is continuing on materials for the Capital Campaign.

First draft of the case statement has been reviewed by staff and a slide show is in progress for corporate prospects. Completion of this phase is set for the end of September.

IV. Executive Committee Report

The Executive Committee did not meet.

V. Executive Directors Report

K. Williams summarized the AAZPA conference. Many ideas were shared in the individual zoo support meetings. In the future it would be valuable for board members to attend a national or regional conference to become more aware of what is happening in other areas of the zoo world.

Development and design is proceeding for a charity event to raise funds for Animal Sponsorship. Discussions have occurred and continue with the Zoo Director, volunteers, board members and Society/Zoo supporters.

May 22 is recommended as the date for the event and is coincidentally the zoo's fourth birthday. "Beastly Ball" is the suggested theme patterning the evening activities after the Lincoln Park Zoo's and the Los Angeles' successful fundraising charity balls.

K. Williams recommended formal endorsement by and approval of the Society board to sponsor the event and to seek approval to do so from the Zoo Board at their October 15 meeting.

MOTION to seek Zoo Board approval for the Society sponsorship of a zoo ball on May 22, 1982. KF/PL

D. Block questioned what the dollar advance would be and whether the Society is able to support this project without jeopardizing its financial position.

K. Williams explained that advance costs are expected to be minimal and will be incurred simultaneously with advance ticket sales. Band, dinner and entertainment expenses are payable the day of the event as are ticket purchases. The ball is projected as a fundraiser with tickets selling at approximately \$100 per couple with a silent

auction planned to raise more dollars during the event.

M. Seal asked why the charity ball would be under the direction of the Sponsorship Program.

K. Williams explained that it would assist the Society in meeting the goals set for Animal Sponsorship. Receipts thus far are not as great as anticipated and while special events would help, they are also beneficial to our overall efforts. The ball would have an animal sponsorship focus and theme; and thus keep the community abreast of the sponsorship program without adding a separate event for a totally different reason and cause more confusion. The animal sponsorship funds are clearly generated for zoo improvement and animal care.

Marialice recommended selecting a particular animal to raise ball funds for and not to choose projects so far down the road that people forget where their money went as has happened on the polar bear exhibit.

K. Williams acknowledged that the area for the funds must be highly visible and should be coordinated with the Zoo and the Foundation.

MOTION CARRIED.

D. Albrecht asked for a board member to join the committee and attend the next Zoo Board meeting to present the ball proposal.

K. Williams reported that the educational packet for Animal Sponsorship is near completion and wishes to express thanks to I. Holley for the great job done in preparing the packet.

Animal Sponsorship and WAYL plans for the Christmas campaign are being finalized. WAYL feels they can give us \$10,000 in free advertising and in return is asking for cooperation on shopping center promotions.

At the end of October and into the first part of November, the Society will be sending a letter to all members asking them to help the Society underwrite a research program and the continuing education program.

The Africa trip departs October 4 with 2 groups of 18. S. Friedman will lead a Spring trip to the Galapagos Islands and E. Kohn will be leading a trip to Alaska in August '82 for Society members.

VI. Committee Business

A. V.S.C.

M. Seal read a report prepared by S. Fox.

She expressed her concern about a communication problem between the volunteer corps and zoo staff. A second problem came to light when V.S.C. undertook a study of the work history of the volunteer corps.

S. Fox's letter stated "Slightly over 50 percent of the volunteers meet their commitment. In 1979, we trained 87 volunteers, but lost 115 from the previous year, 39%. In 1980, we trained 91 volunteers, but lost 112 from the previous year, 44%. In 1981, we trained 54 volunteers, but lost 74 from the previous year, 30%. We are obviously losing ground. Of the 334 volunteers trained prior to zoo opening, only 70 are still with the program after 4 years.

The Society has a vested interest in the volunteer program as it was through much hard work on the part of our Society Board members that the volunteer program was developed. At the ZooVAP Executive Board meeting, the Volunteer Services Committee expressed its support of the volunteer corps and offered to provide whatever assistance possible in improving communication between the volunteers and all levels of zoo staff. In addition to this expressed support, I think it is imperative that the Society Board express its concern to the Zoo Director on behalf of the Volunteer Corps."

D. Albrecht informed the Board that S. Friedman had sent a letter to all volunteers dealing with the communication problems.

S. Friedman when asked to reply agreed partly with S. Fox, but also felt there were problems with sensitivity levels on both sides. The volunteers were not voicing their feelings until recently and efforts are being made to increase communication through a Share-the-Wealth program where volunteers will have a chance to ask questions and make suggestions. There will also be more communication through Volunteer Voices.

M. Seal felt that there should be more volunteer involvement with the animals rather than less and suggested volunteers be further trained to provide additional public education programs.

S. Friedman replied that zoo staff feels animal care is a staff responsibility. With respect to the volunteers, animals need the consistency that staff provides. Interpretive programs should be the primary focus of the volunteers.

MOTION for V.S.C. to discuss our concerns with Zoo staff relating to corps communications with staff and the volunteer retention problems. DB/IH

MOTION CARRIED.

B. Activities and Education

I. Holley announced there would be a meeting October 1 to finalize plans for the October 24 Meeting. The evening event will have a Minnesota theme and the Foundation and Zoo Boards are invited.

C. Marketing and Promotion

N. Brooks led discussion on a proposed Society sponsored run to benefit Animal Sponsorship in the Spring of 1982.

Minutes

September 24, 1981

Page 6

MOTION to appoint N. Brooks as chairman, to present it to the Zoo Board and report future developments to the Society Board. CH/IH
MOTION CARRIED.

VIII. New Business

A. Personnel Policy

K. Williams reported that several comments were received and appropriate changes or additions will be incorporated into the final document.

D. Albrecht recommended the Executive Committee be empowered to issue final approval on the policy.

N. Brooks showed a slide of the zoo float funded by the Society. \$2,076.76 has been expended thus far on rental fees.

MOTION for the Society staff to examine the float prospects to rent or to buy, and to present a recommendation to the Executive Committee next month. DB/CH

MOTION CARRIED.

D. Block referred to a copy of a letter from E. Kohn requesting the fiscal year '81 Animal Sponsorship funds.

MOTION to accept the Director's request for last years funds but to consider this a one time request which does not constitute an agreement of further funds except when defined, in a yet to be negotiated reciprocity agreement. DB/PN

C. Hatzenbuhler asked for the minutes of the meeting where the motion was passed obligating the Animal Sponsorship funds.

K. Williams explained it was incorporated into the budget approved in March and was presented by the President as part of a 5 year plan for the Society.

MOTION AMENDED to exclude actual costs incurred by Animal Sponsorship in 1981. CH/NB

3 in favor, 9 against, 2 abstaining.

MOTION FAILED.

D. Albrecht called for a vote on the MOTION.
5 in favor, 5 against, 4 abstaining.

MOTION TIED.

MOTION AMENDED to drop the provision and give \$32,000 to the zoo communicating that it is being sent in good faith with a desire to pursue a satisfactory reciprocal agreement soon. MJ/IH

TABLE AMENDMENT CH/NB.

M. Jacobson stated the amendment was out of order as the previous motion had not passed.

P. Nelson brought to the Board's attention a customary procedure where the chair does not exercise his/her vote unless there is a tie. D. Albrecht consequently withdrew his vote and the original votes were recounted and recorded.

4 in favor, 5 against, 4 abstaining.

MOTION FAILED.

MOTION to release Animal Sponsorship funds to the Zoo's gift fund per prior understanding. MS/DD

MOTION CARRIED.

C. Hatzenbuhler opposed.

N. Brooks, D. Block abstaining.

MOTION that when funds are dispersed a letter be sent to the Zoo Board expressing our desire to resolve an agreement of understanding. MJ/DD.

MOTION CARRIED.

D. Albrecht, chairman of the Zoo Programs Committee, brought to the attention of the Board a request from zoo staff to make available previously restricted funds to underwrite a research position at the zoo. He expressed some concern and confusion at how this request was handled.

S. Friedman explained that a candidate had been selected and was well qualified to study the beaver colony. The prime time to study the exhibit is October and November, and by deferring the decision, the individuals ability to perform the study would be impacted.

D. Albrecht added the Zoo Programs Committee had understood there would be an open selection process for candidates and the proper procedures were not followed here with the consideration of one candidate only, regardless of her credentials.

S. Friedman said applications had not been solicited or received and it was their intention to wait until the dollars had been unrestricted to pursue applicants. This person however is available now.

MOTION to move back to agenda. NB/IH.

4 in favor, 7 against, 1 abstaining.

MOTION FAILED.

M. Seal, a member of Zoo Programs, explained that the original plan was to set up an open process for candidate competition. The Committee

had agreed on a format, and discussed it with the Zoo Director.

J. Bohlen reminded the board, that the committee's recommendation to provide funding for research had been approved by the Society Board several months ago pending the resolution of a satisfactory reciprocal agreement. Since that had not yet occurred, the funds continue to be restricted. J. Bohlen agreed that protocol was not adhered to but the credentials are excellent and thought the person could do the job, and upon release of funds, should be encouraged to apply for the position.

MOTION to establish an enrollment period for interested applicants, commencing October 30. NB/JB

MOTION AMENDED for the enrollment period to extend one month beyond completion of a reciprocity agreement. DB/CH

4 in favor, 4 against, 4 abstaining.

AMENDMENT TIED.

AMENDMENT to change MOTION to indicate it would be open as soon as reciprocity is resolved and for 90 days after. MJ/DD

M. Seal asked if one month would be sufficient.

J. Bohlen explained that the position has to be publicly announced, giving people time to prepare applications and time for the selection committee to review. It cannot be done in a month.

S. Friedman agreed 90 days would be sufficient.

MOTION CARRIED.

MOTION to close the remainder of the Society Board Meeting. CH/DB

MOTION CARRIED.

D. Albrecht referred all Board members to R. Bonawitz's letter to R. Arndt.

MOTION to approve response to the guidelines for reciprocity agreement as amended and to send a letter with outline as amended to R. Arndt. CH/DB

MOTION CARRIED.

Meeting was adjourned at 12:30 a.m.

Minutes recorded by D. Bell.

The Minnesota Zoological Society proposes sponsorship of a First Annual Run at the Minnesota Zoo, "Run Wild for the Minnesota Zoo", and through the Society's effort hopes to:

- A. enhance and expand the existing Society program and involve a new special interest segment of the community,
- B. assist in the promotion of and awareness for the Minnesota Zoo both through the event and subsequent good-will,
- C. raise funds through participant fees for support of the Society Animal Sponsorship Fund,
- D. gain visibility through event promotion with a joint media sponsor,
- E. focus on the zoo site and facility as an untapped resource for a variety of activities which can be an asset to the entire community.

To achieve the noted objectives, the Zoological Society will take the following steps:

- A. appoint a committee with representation from the Society Board, Zoo Board, local running organizations, media personalities and members of the community. The chairperson will be Narvel Brooks, Society board member.,
- B. establish a date for the event and develop framework for the project prior to January 1, 1982 ,
- C. identify prime media sponsors and other supporting entities,
- D. work with zoo, city and state officials to establish run route, gain cooperation and support,
- E. tie in promotion with proposed National Zoo and Aquarium Month (May or June).

Continuing Ed ✓

1 Emp

Newsletter

Publications 20,000
 $\frac{1}{2}$ Time employee 10,000
\$30,000

Annual Sponsorships ✓

1 Full Time employee \$10,000
Accounting 2,400
S + E 2,200
\$14,600

Volunteer Program

$\frac{1}{2}$ time employee \$10,000
Recognition/Recruitment 4,000
\$14,000

Annual Pass



Minnesota Zoological Society

September 30, 1981

Richard Arndt
669 Laura Court
Mendota Heights, MN 55118

Subject: Guidelines for Reciprocity Agreement

Dear Dick:

The guidelines which were unanimously adopted by the Zoo Board in its August 20, 1981 meeting included several of the items which I had previously mentioned would be of concern to the Society's Board of Directors. As a result, I presented the Zoo Board's August 20, 1981 guidelines to the Society Board of Directors for review and comment.

The Society's Board of Directors has chosen to speak mainly to three areas. First, the overall tone and scope of the guidelines as adopted on August 20, 1981; second, the Society's expressed objectives with respect to Society and Zoo Board relationships; and, third, the specific changes which the Society wishes to see incorporated into the guidelines so that they express a spirit of cooperation and unity of purpose.

I. Scope and Tone:

The Society Board members received the Zoo Board proposed guidelines with shock and dismay. As one member of the Society Board stated, "At first reading of the document, it seemed to me that the Society was not addressed as a private organization whose membership of more than 8,000 members has exercised in the past, and continues to exercise, the right to vote within the organization."

The Society was not addressed in tone or scope as a viable structure with a twenty-year history of support to the principles upon which the Minnesota Zoological Garden was conceived, developed and implemented. Nor was the Society addressed in the guidelines as an organization with a competent staff, fully capable of foresight and growth, performing with high standards in relationship with the Zoological Garden and its Board and with other organizations.

The overall tone and scope, then, of the document was perceived as totally lacking in recognition of the spirited support of an autonomous, historical and viable organization that seeks to promote the welfare of the Zoo.

II. Society Expressed Objectives:

The Society's Board of Directors wishes to reiterate its oft repeated desire to be a participating, dedicated and loyal member of what has so frequently been referred to as "the Zoo family of organizations". Truly there ought to be such a family, a family in which its members do not harbor great needs for dominance, control and power but rather, where they pursue common goals with mutual respect and a full understanding of the needs and obligations of one another.

I made the request to add item 6 of the Financial Responsibilities Section of the proposed guidelines in order that Board-to-Board communications might be improved and because it is our belief that synergism will result if our individual efforts are properly coordinated.

III. Specifics Regarding Proposed Guidelines:

As to the specifics related to the guidelines, please refer to the attached guidelines which were adopted by the Society at its Board Meeting of September 24, 1981. Please note that the attached document changes the language received from the Zoo Board by crossing out certain sections and inserting others. The newly inserted items are underlined.

Dick, the Society Board members have requested that I continue to work directly with you to resolve this matter. Based upon our past two discussions, I remain confident that we can quickly reach an agreed basis upon which the actual Society/Zoo Board agreement(s) may be developed.

Sincerely,



Robert L. Bonawitz
President
Minnesota Zoological Society
Board of Directors

cc: All Zoo Board Members for information.

RLB/dab

The following guidelines were unanimously adopted by the Minnesota Zoological Society Board of Directors at its meeting on September 24, 1981.

MINNESOTA ZOOLOGICAL GARDEN BOARD GUIDELINES FOR RECIPROCITY AGREEMENT
BETWEEN THE MINNESOTA ZOOLOGICAL GARDEN AND THE WITH MINNESOTA
ZOOLOGICAL SOCIETY

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 to contract for certain services from the Minnesota Zoological Society.

The above language has not been disturbed. However, the Society suggests that the language be changed to reflect two organizations seeking to work together in a cooperative effort for a common objective. Suggested language for the Agreement follows:

"In consideration of their common interests, a long history of cooperation, and the Zoo Board's recognition of the long and valued support by the Society for the zoo, it is agreed that the Zoo Board and Society will continue to work together toward attainment of common goals and to establish an equitable exchange of zoo benefits for services rendered by the Society.

To achieve the mutual goal of support for and promotion of a world class zoo in Minnesota:

- 1) the Zoo Board has determined that there is a need for broad based community support and participation and,
- 2) that the Society as a non-profit citizen organization can provide special services and programs to involve members of the community and,
- 3) the Board will award the following zoo benefits to members of the Society in recognition of the following services rendered by the Society."

Services To Be Performed By Desired From the Minnesota Zoological Society
In Support of the Zoo

- 1) Sponsor a continuing education program at the Zoo.

- 2) Sponsor a the Zoo volunteer program.
- 3) Publish a periodic newsletter ~~on behalf of the Society, the Zoo and the Minnesota Zoological Foundation~~ to report on Society and Zoo activities.
- 4) 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~~ shall be subject to periodic review by the Zoo Board of Directors which shall cooperate with the Society in the development of such events and activities. Any significant programs, which have a direct financial effect on the Zoo, such as the Animal Sponsorship Program, will be covered in a separate agreement between the Society and the Zoo or will receive prior approval of the Zoo Board of Directors.

For providing the above services, the Zoo will give the Society the right to:

- 1) Provide Society members the right to free access admission to the Zoo and other benefits ~~as contained in the 1981 Society membership literature~~ which may be determined from time to time by the Society Board. Such ~~memberships shall be sold for a period of not less than twelve (12) months.~~ Any change in Society membership benefits which would involve increased membership usage of zoo facilities or change the amount paid for the usage of such facilities shall be subject to prior Zoo Board of Directors approval.
- 2) Use Zoo meeting facilities when such use does not interfere with Zoo operations.
- 3) Free parking for volunteers and Society staff and Society Board Members when on official Society business or scheduled to work.
- 4) Sell Society memberships at the Zoo in space designated by the Zoo Director at a monthly rental of \$25.00.

Other Matters

- 1) The Society will print and control its membership cards which shall serve as the Society member's zoo admission authorization. The Zoo will print and control all free passes to the Zoo. Any free passes requested by the Society, ~~in addition~~ other than those earned as part of the membership contribution, must be approved and distributed by the Zoo Director.
- 2) The Society will reimburse the Zoo for any and ~~all~~ the incremental costs incurred by the Zoo in connection with Society activities, events, ~~education classes, etc.~~ such as special events or education classes. Such incremental costs to be identified by the Zoo Director prior to the conduct of the event or class.

- 3) The Society shall adopt a procedure to inform its members regarding the final disposition of their contributions, i.e. for Society operations or designated for the Zoo.
- 4) The Society, in concert with the Zoo Board, will develop policies and procedures to insure clarity ~~clarify~~ in its advertising and/or public announcements relating to their programs and events.
- 5) Zoo Director to have ~~final approval of content of combined newsletter~~ and prior review of Society sponsored educational programs held in conjunction with the Zoo. Zoo Society and Zoo Director and Staff shall cooperate in preparing the content of the combined newsletter. The Zoo Director shall have final approval of any contributions of Zoo Staff. The Society shall have full and final approval for editing and publishing the combined newsletter and shall be responsible for all publication costs. The Society will mail 2,000 copies of the newsletter to addresses provided by the Zoo.
- 6) The contract will be automatically renewable each year unless 90 day notice by either party is given, of termination is given by either party at least 90 days prior to the end of the contract year, provided, however, that no such termination shall alter membership rights of any Society member whose membership term has not then expired.

Financial Responsibility of the Society to the Zoo

- 1) The Society shall not be ~~the principal~~ the only source for additional Zoo funding but shall remain a primary source of indirect financial assistance.
- 2) An annual dollar contribution is desirable and the balance of the 1981-82 contribution will be determined and dispersed by the Society. ~~will be the remainder of the prior pledge and commitments of the Society to the Zoo approximating \$42,000. is \$--~~
- 3) Annual contributions commencing with the Society's fiscal year beginning May 1, 1982, will take the form of:
 - a) All dollars received over in excess of the family or individual fee, plus any amount received in excess of the cost to service ~~i.e. all dollars received in excess~~ the donor and supporting level categories, will be designated in a separate Society account for future use by the Zoo, unless the contributing member specifically requests that such funds be earmarked for Society sponsored programs. ~~at its discretion for capital or other related projects. --Such transfer shall be made on May 31 of each year or earlier if the Society desires.~~ The funds so generated for Zoo use will be disbursed to the zoo following written request therefor from the Zoo Board, at such time as the funds are required for projects meeting the mutual desires of the Zoo Board and the Society.

- b) The Society will determine as of June 1, 1981, and annually thereafter, a base level of fund balance (such fund balance shall not exceed \$25,000 ~~or approximately 90 days of working capital needs~~, the budgeted amount approved by the Society Board of Directors for annual operation of the Society, its programs and functions. Any amount in excess of such fund balance shall be transferred ~~annually at the end of the the Society's fiscal year (May 31) or earlier if the Society desires, to a restricted account for future Zoo use at its discretion for capital and other related projects.~~ quarterly to the Society account for Zoo use as set forth in paragraph (a) for disbursement.
- c) Any funds transferred to the Society account for zoo use described in paragraph (a) may upon prior approval of the Zoo Board of Directors be drawn upon by the Society for (1) emergency needs such as temporary cash requirements and (2) special expenses for zoo related projects.
- 4) The Zoo Society Board will furnish an accounting to the Society Zoo Board of Directors at least quarterly as to the use of the funds received from (2) and (3) above. for the funds in paragraph 3 above.
- 5) The Society shall operate in a reasonable and prudent business manner during the term of this agreement with every effort made to maximize revenues and hold expenses to a minimum.

This is an unnecessary statement because the Society is already subject to the requirement under applicable Federal and State laws.

However, if it appears necessary to incorporate such a provision, it should read as follows:

"The Society shall be allowed to continue to operate in a reasonable and prudent business manner during the term of this agreement so that it may continue to operate efficiently and achieve one of its objectives in maximizing the annual contribution to the Zoo."

- 6) The Society Board and/or individuals designated by it will meet with the Zoo Board or its designated committee in May of each year at least annually during the term of this agreement to present the Society's proposed objectives and budget for the succeeding year for information and discussion purposes.



12101 Johnny Cake Ridge Road
Apple Valley, MN 55124
612/432-9010

September 11, 1981

Robert L. Bonawitz, President
Minnesota Zoological Society
CDC Mail Station PLY-011
2300 Berkshire Lane North
Minneapolis, Minnesota 55441

Dear Bob,

Prior extensions of the Reciprocity Agreement have extended the original contract terms from May 31, 1981 to September 30, 1981. Although negotiations are still progressing towards a mutually acceptable agreement, it does not appear that this process will be completed by the September 30, 1981 deadline.

Therefore, the Minnesota Zoological Board has agreed to an additional 30-day extension to October 31, 1981, or until a new agreement is executed (whichever occurs first) at which time the original agreement will be deemed terminated.

Sincerely,

A handwritten signature in dark ink, appearing to read 'E. Kohn', written over a horizontal line.

Edward Kohn
General Director

EK:gd

cc: James L. Hetland, Jr.
Richard Arndt
Richard Slowes



51

12101 Johnny Cake Ridge Road
Apple Valley, MN 55124
612/432-9010

July 20, 1981

Robert L. Bonawitz, President
Minnesota Zoological Society
CDC Mail Station PLY-011
2300 Berkshire Lane North
Minneapolis, Minnesota 55441

Dear Bob,

Although the negotiations between the Minnesota Zoological Board and the Minnesota Zoological Society concerning the Reciprocity Agreement have been continuing in good faith since May 31, 1981, no agreement has been reached. The original extension of the contract terms to July 31, 1981 will not be sufficient to allow execution of a new contract.

Therefore, the Minnesota Zoological Board has agreed to an additional 60-day extension to September 30, 1981, or until a new agreement is executed (whichever occurs first) at which time the original agreement will be deemed terminated.

Sincerely,

A handwritten signature in black ink, appearing to be "Edward Kohn". The signature is fluid and cursive, with a long horizontal stroke at the end.

Edward Kohn
General Director

EK:gd

cc: James L. Hetland, Jr.
Richard Arndt
Richard Slowes



Minnesota Zoological Society

CC Division Directors
ST

AGENDA

Minnesota Zoological Society
Board of Directors Meeting

Thursday, August 27, 1981

7:30 p.m.

Minnesota Zoo Board Room

Executive Committee

6:30 p.m.

- I. Minutes, July 27 meeting
- II. Finance Report
 - a. July statement
 - b. Year-end audit
- III. Reports:
 - a. Minnesota Zoological Garden
 - b. Minnesota Zoological Garden Foundation
- IV. Executive Committee Report
- V. Executive Director Report
- VI. Committee Business (action items)
- VII. Old Business
 - a. Reciprocity Agreement
- VIII. New Business
 - a. Personnel Policy
 - b. Spending Policy
 - c. Artwork Reproduction Policy

MINUTES
MINNESOTA ZOOLOGICAL SOCIETY
BOARD OF DIRECTORS
MEETING
JULY 23, 1981
Society Office
St. Paul, MN

Directors Present

R. Bonawitz, President
D. Albrecht, Vice President
J. Bohlen
D. Dunn
K. Ferguson
S. Fox
C. Halvorsen
C. Hatzenbuehler
I. Holley
M. Nordaune
K. Williams, Executive Director

Directors Absent

D. Block
N. Brooks, Jr., Treasurer
B. Douglass, M.D.
L. Freeman
M. Jacobson
P. Leefeldt
P. Nelson, Secretary
T. Nelson
M. Seal
V. Uchida

Also Present

E. Kohn, Minnesota Zoo Director
D. Molstad, Minnesota Zoo staff
K. Rosebear, Minnesota Zoo Foundation
P. Saltzman, Society staff
P. Wetzel, Society staff

President Robert Bonawitz called the meeting to order at 7:45 p.m., and introduced the agenda.

I. Minutes of May 27 meeting.

MOTION to amend the minutes of the May 27 meeting to read that Terry Nelson is also an appointed member of the Board of Directors whose term expires this year. D. Albrecht/ I. Holley.
MOTION CARRIED.

II. Finance Report.

Executive Director K. Williams presented a verbal summary of the financial reports for months ending 5/31/81 and 6/30/81. The May report was mailed to all Board members. The June report was distributed to all Directors at the meeting and is considered to be a part of these minutes. K. Williams noted for the Board that the May report is the year-end report. An audit has been conducted,

but the report has not yet been received by the Society. The results of the audit will be presented to the Board.

MOTION to accept the financial reports for May and June as presented.
C. Hatzenbuhler/M. Nordaune.
MOTION CARRIED.

III. Minnesota Zoo Report.

D. Molstad reported that many of the Zoo workers were out on strike as part of a State employee union strike, and the Zoo is now closed. Remaining Zoo staff are maintaining the animal collection and all necessary care requirements are being met. Recent special events attended by the Zoo include a booth at the NEA conference and statewide parades including the Aquatennial. Attendance for the Minnesota Orchestra Concert at the Zoo was 12,800. Future plans include a Zoo booth at the Renaissance Festival and State Fair. A special program about birds has been cancelled due to the strike.

Zoo director E. Kohn reported 122 Zoo staff members were out as part of the State AFSME employee strike, forcing the Zoo to close to the public. The decision to close the Zoo to the public was made after careful consideration and deliberation, noted Mr. Kohn. Zoo management estimates that the Zoo can reopen within 24-48 hours after strike settlement.

Mr. Kohn announced the approval of the "Capital Completion Plan" by the Zoo Board at its last meeting. Entitled "Rhino Beetles to Rhinos" the plan incorporates enrichment of current exhibits and completion of the Northern Trail. The plan now goes to the Foundation Board for its approval. Mr. Kohn added that a copy of the plan would be made available to any interested Society Board member.

III. Foundation Report.

Minnesota Zoological Garden Foundation staff member Kathryn Rosebear reiterated the approval by the Zoo Board of the Capital Completion Plan. She expressed the sense of urgency felt by the Foundation to begin securing commitments to fund the plan for the Zoo.

IV. Executive Committee Report.

R. Bonawitz reported that the committee did not meet this month. He also reported that the Reciprocity Agreement between the Zoo and the Society has been extended until the end of September 1981 to allow negotiations for a new Agreement to continue.

V. Directors Report.

K. Williams reported that the Society will continue to use direct mail for membership solicitation in addition to on-site sales, will work toward a stronger donor retention program and promote membership

during the cross-country ski season. Williams reminded the Board that the \$8,000 granted to the Zoo for a half-time Continuing Education Coordinator position runs out August 31, 1981. She recommended an additional grant of \$8,000 to carry the position through August 1982.

MOTION that the Minnesota Zoological Society grant an additional \$8,000 to fund a half-time Continuing Education Coordinator position at the Minnesota Zoo through August 1982. D. Albrecht/M. Nordaune.
MOTION CARRIED.

VI. Committee Reports.

A. Nominating Committee. Did not meet this month.

B. Activities and Education Committee.

Committee chair, I. Holley, informed the Board of three recommendations offered by the A & E committee.

1. The Annual Meeting of the Minnesota Zoological Society be scheduled for October 24, 1981. The announcement of newly elected Board members will be made at that time.

2. The publications function budget as approved by the Board does not consider the expense of providing publications for new members beyond 8200 memberships. Because current membership is 9200 and growing, the committee recommends a formal statement in anticipation of an overage in the publications function budget.

3. The anticipated overage in the publications budget is a result of increased memberships and increased production costs from a variety of sources. In order to keep the anticipated budget overage down and to reduce the number of print mail communications to members with the aim of increasing the readability of the materials, the committee recommends acceptance of a staff proposal to modify the "upgraded" newsletter. Instead of twelve, 8-page newsletters, the committee recommends six 8-page issues alternating with six 2-page "Updates". The brief "Update" would be received in the same months as Animal Kingdom magazine.

MOTION that the budget for production of publications be flexible to accommodate new members. I. Holley/D. Dunn.

C. Hatzenbuehler noted for the Board that the use of the word "flexible" may not be appropriate in regard to a formal budget.

MOTION CARRIED.

MOTION that the Society publish six issues of the regular 8-page newsletter, alternating with six 2-page "Update" issues. The "Update" to be mailed in the same month as Animal Kingdom magazine.
I. Holley/M. Nordaune.

MOTION CARRIED.

After some discussion among the Board members and Foundation representative K. Rosebear, the concept of a joint Annual Meeting for the Society and Foundation was accepted. K. Rosebear agreed to bring it up to the Foundation Board for its consideration.

VII. Animal Sponsorship Report.

P. Saltzman, Director of the Animal Sponsorship Program presented a report of recent activities.

1. With the recent sponsorship of the dolphins, \$37,000 has been raised for the Zoo. 1,079 individuals have sponsored an animal.
2. The Father's Day Gibbon promotion raised \$1300 representing contributions from 101 sponsors.
3. A new on-site promotion, "Luv a Bug" has been developed with Zoo volunteers. The concept is "a bug for a buck", allowing Zoo visitors to sponsor a ladybug for \$1. Sponsors receive a lady bug lapel sticker and a membership card in the Bug Club. Staff and volunteers desire the endorsement of the Society Board for the program.
4. Future promotions include a children's contest in the Minneapolis STAR using the Sponsorship graphics, a "Wet and Wild" Christmas/Hannuka promotion in conjunction with WAYL radio for group sponsorship of the whales.
5. Work continues to realize possible sport-endorsed promotions, ski-a-thon, Valentine's Day promotion, renewal promotion in March, and a spring Zoo Fest. Discussions are underway with Irene Whitney to head a Zoo Ball committee as part of Zoo Fest which would also include educational activities.

The following resolution was adopted by the Board:

WHEREAS, the Zoological Society Board wishes to express its commitment to the continued expansion of the Animal Sponsorship Program and whereas said Board unanimously endorses the special program concepts presented by the Society staff at the July 23, 1981 Board meeting; now therefore be it resolved that the proposed "Luv a Ladybug" campaign be implemented immediately and that the balance of the projects be implemented as specified in the attached schedule.

VIII. New Business.

S. Fox noted the retirement of Madge Demulling from the Society as Receptionist/Membership Clerk. She recommended that the Board express their appreciation to Mrs. Demulling for her years of service to the Society.

MOTION that the Board of Directors express their appreciation of service to Madge Demulling upon her retirement from the Minnesota Zoological Society. S. Fox/M. Nordaune.

MOTION CARRIED.

C. Hatzenbuhler added that the Audit Committee will explore the "flexible" budget concept for its appropriate use.

IX. Old Business.

None.

X. Adjournment.

MOTION to adjourn the meeting of the Minnesota Zoological Society Board of Directors. D. Albrecht/ C. Hatzenbuhler.

MOTION CARRIED.

The meeting was adjourned at 9:30 p.m.

Recorded by P. Wetzel

MINNESOTA ZOOLOGICAL GARDEN BOARD GUIDELINES FOR
RECIPROCITY AGREEMENT WITH MINNESOTA ZOOLOGICAL SOCIETY

The following guidelines were unanimously adopted by the Minnesota Zoological Garden Board of Directors at its meeting on August 20, 1981.

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 to contract for certain services from the Minnesota Zoological Society.

Services Desired from the Minnesota Zoological Society-

- (1) Sponsor a continuing education program at the Zoo
- (2) Sponsor a Zoo volunteer program
- (3) Publish a periodic newsletter on behalf of the
Society, the Zoo and the Minnesota Zoological
Foundation

Services Desired from the Minnesota Zoological Society (continued)-

- (4) 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. Any significant programs, such as the Animal Sponsor Program, will be covered in a separate agreement between the Society and the Zoo.

For providing the above services, the Zoo will give the Society the right to-

- (1) Provide Society members the right to free access to the Zoo and other benefits as contained in the 1981 Society membership literature. Such memberships shall be sold for a period of not less than twelve (12) months
- (2) Use Zoo meeting facilities when such use does not interfere with Zoo operations
- (3) Free parking for volunteers and Society staff when on official Society business or scheduled to work
- (4) Sell Society memberships at the Zoo in space designated by the Zoo Director at a monthly rental of \$25.00.

Other Matters-

- (1) The Zoo will print and control all free passes to the Zoo. Any free passes requested by the Society, in addition to those earned as part of the membership contribution, must be approved and distributed by the Zoo Director
- (2) The Society will reimburse the Zoo for any and all incremental costs incurred by the Zoo in connection with Society activities, events, education classes, etc.
- (3) The Society should adopt a procedure to inform its members regarding the final disposition of their contributions, i.e., for Society operations or designated for the Zoo
- (4) The Society will develop policies and procedures to clarify advertising and/or public announcements relating to their programs, events, etc. (See attached article.)
- (5) Zoo Director to have final approval of content of combined newsletter and prior review of Society sponsored educational programs held in conjunction with the Zoo.
- (6) The contract will be automatically renewable each year unless 90 day notice by either party is given.

Financial Responsibility of the Society to the Zoo-

- (1) The Society shall not be the principal source for additional Zoo funding
- (2) An annual dollar contribution is desirable and the 1981-82 contribution will be the remainder of the prior pledge and commitments of the Society to the Zoo approximating \$42,000
- (3) Annual contributions commencing with the Society's fiscal year beginning May 1, 1982, will take the form of:
 - (a) All dollars received over the family or individual membership fee, i.e., all dollars received in excess of these will be designated in a separate Society account for future use by the Zoo at its discretion for capital or other related projects. Such transfer shall be made on May 31 of each year or earlier if the Society desires
 - (b) The Society will determine as of June 1, 1981, and annually thereafter, a base level of fund balance (such fund balance shall not exceed \$25,000 or approximately 90 days of working capital needs. Any amount in excess of such fund balance shall be transferred annually at the end of the Society's fiscal year (May 31) or earlier if the Society desires, to a restricted account for future Zoo use at its discretion for capital and other related projects.
- (4) The Zoo will furnish an accounting to the Society at least quarterly as to the use of the funds received from (2) and (3) above.

Financial Responsibility of the Society to the Zoo (continued)-

- (5) The Society shall operate in a reasonable and prudent business manner during the term of this agreement with every effort made to maximize revenues and hold expenses to a minimum
- (6) The Society Board and/or individuals designated by it will meet with the Zoo Board or its designated committee in May of each year during the term of this agreement to present the Society's proposed objectives and budget for the succeeding year for information and discussion purposes.

ZOO FINANCE COMMITTEE RESPONSE
TO SOCIETY PROPOSAL OF JUNE 11, 1981

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 to contract for certain services from the Minnesota Zoological Society.

Services desired from the Minnesota Zoological Society -

- (1) Sponsor a continuing education program at the Zoo
- (2) Sponsor a Zoo volunteer program
- (3) Publish a periodic newsletter on behalf of the Society, the Zoo and the Minnesota Zoological Foundation
- (4) 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. Any ^{other} significant programs, such as the ~~Animal Sponsorship~~ ^{Animal Sponsorship} program, will be covered in a separate agreement between the Society and the Zoo

For providing the above services, the Zoo will give the Society the right to -

- (1) Provide Society members the right to free access to the Zoo and other benefits as contained in the 1981 Society membership literature. Such memberships shall be sold for a period of not less than twelve (12) months.
- (2) Use Zoo meeting facilities when such use does not interfere with Zoo operations
- (3) Free parking for volunteers and Society staff when on official Society business or scheduled to work
- (4) Sell Society memberships in space designated by the Zoo Director at the Zoo at a monthly rental of \$25.00

Other matters -

- Free Admissin?*
~~Admissin?~~
- (1) The Zoo will print and control all free passes to the Zoo. Any free passes requested by the Society, in addition to those earned as part of the membership contribution, must be approved and distributed by the Zoo Director
 - (2) The Society will reimburse the Zoo for any and all incremental costs incurred by the Zoo in connection with Society activities, events, education classes, etc.
 - (3) The Society should adopt a procedure to inform its members regarding the final disposition of their contributions, i.e. for Society operations or designated for the Zoo.

Put in Newsletter.

- (4) The Society will develop policies and procedures to clarify advertising and/or public announcements relating to their program, events, etc. (See attached article)
- (5) Zoo Director to have (~~input, review, approval or final approval~~ ^{of content} say?) regarding content of ^{the} newsletter, and Society sponsored educational programs ^{held in conjunction with the zoo}
- (6) The contract will be automatically renewable each year unless 90 day notice by either party is given

Financial Responsibility of the Society to the Zoo -

- (1) The Society shall not be the principal source for additional Zoo funding
- (2) An annual dollar contribution is desirable and the 1981-82 contribution will be the remainder of the prior pledge and commitments of the Society to the Zoo ^{appropriating} totaling \$ 40,000
- (3) Annual contributions commencing with the Society's fiscal year beginning May 1, 1982 will take the form of -
 - (1) All dollars received over the ^{individual family & individual} ~~base~~ membership fee, i.e. all dollars received in excess of ^{thereof} ~~stated~~ membership fees will be designated in a separate Society account for future use by the Zoo. ^{at its discretion} Such transfer shall be made on May 31 of each year or earlier if the Society desires
 - (2) The Society will determine as of June 1, 1981, ^{each year thereafter} a base level of fund balance (such ^{fund balance} amount shall not exceed \$ 25,000 ^{or 90 day average} ^{working capital} ^{operating needs} ~~or balance as of~~ ^{at its discretion}). Any amount in excess of such fund balance will be transferred at the end of Society's fiscal year (May 31) or earlier if the Society desires, to a restricted account for future Zoo use. ^{at its discretion}

- (4) The Society 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 Society Board and/or individuals designated by it will meet with the Zoo Board or its designated committee in May of each year during the term of this agreement to present the Society's proposed objectives and budget for the succeeding year for information and discussion purposes



Minnesota Zoological Society

Memo: December 3, 1981
TO: Steve Iserman
FROM: Karla A. Williams *KAW*

Enclosed please find a list of people who called the office after November 19th to inquire about gift memberships or substitutes for current Society memberships.

If only a name is listed, the caller did not wish to leave his address.

*Steve - also
attached) find
copies of
Zoo fund accounts
KAW*

MINNESOTA ZOOLOGICAL SOCIETY

NOTES TO FINANCIAL STATEMENTS

1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Organization-

The Minnesota Zoological Society is organized as a nonprofit corporation under the laws of the State of Minnesota for the purpose of aiding in the development, care and maintenance of a zoological garden within the state of Minnesota and encouraging public interest in the science of zoology.

Short-Term Investments-

Short-term investments consist of the following:

	<u>1980</u>	<u>1979</u>
Certificates of deposit	\$ 119,583	\$ 100,000
Repurchase agreements	<u>83,000</u>	<u>153,033</u>
	<u>\$ 202,583</u>	<u>\$ 253,033</u>

Repurchase agreements represent interest-bearing bank deposits secured by government securities.

Materials Held for Use and Sale-

Materials held for use and sale consisting principally of posters, are stated at the lower of average cost or market.

Investment in Real Estate-

Investment in real estate, a donated asset, is stated at its estimated value at date of receipt. The use or sale of the real estate is subject to approval by the donor.

Office Furniture and Equipment-

Expenditures for the acquisition of office furniture and equipment are recorded at cost. The fair value of donated furniture and equipment is similarly capitalized. Depreciation is provided over the estimated useful lives of the assets (generally 5 years) using the straight-line method.

Membership Dues-

Membership dues are recognized as revenue on a pro rata basis over the period to which the membership relates. Amounts received as dues from members in excess of the Society's services which accrue to the member have been reported as contribution revenue when received. A reconciliation of the amount collected from members and the amounts reflected in the financial statements during the years ended May 31, 1980 and 1979 is as follows:

MINNESOTA ZOOLOGICAL SOCIETY

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McGladrey Hendrickson & Co.
CERTIFIED PUBLIC ACCOUNTANTS



To the Board of Directors

Minnesota Zoological Society

St. Paul, Minnesota

We have examined the balance sheet of MINNESOTA ZOOLOGICAL SOCIETY (a nonprofit corporation) as of May 31, 1980 and 1979 and the related statements of support and revenue, expenses and changes in fund balance and changes in financial position for the years then ended. Our examinations were made in accordance with generally accepted auditing standards and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the financial statements referred to above present fairly the financial position of Minnesota Zoological Society as of May 31, 1980 and 1979 and the results of its operations and changes in its financial position for the years then ended, in conformity with generally accepted accounting principles applied on a consistent basis.

St. Paul, Minnesota

June 26, 1980

McGladrey Hendrickson & Co.

-2-

McGladrey Hendrickson & Co.

REGISTERED PUBLIC ACCOUNTANTS



To the Board of Directors

Minnesota Zoological Society

St. Paul, Minnesota

Our examinations have been made primarily for the purpose of formulating an opinion on the basic financial statements taken as a whole. The schedule of functional expenses included in this report, although not considered necessary for a fair presentation of the financial position, results of operations and changes in financial position in conformity with generally accepted accounting principles, is presented for supplementary analysis purposes. It has been subjected to the audit procedures applied in the examinations of the basic financial statements and is, in our opinion, fairly stated in all material respects in relation to the basic financial statements, taken as a whole.

St. Paul, Minnesota

June 26, 1980

McGladrey Hendrickson & Co.

MINNESOTA ZOOLOGICAL SOCIETY

BALANCE SHEET - MAY 31, 1980 AND 1979

<u>A S S E T S</u>	<u>1980</u>	<u>1979</u>
CASH:		
Checking accounts and on hand	\$ 45,903	\$ 42,897
Savings accounts	12,280	7,060
SHORT-TERM INVESTMENTS, at cost (Note 1)	202,583	253,033
ACCOUNTS RECEIVABLE	10,484	-
ACCRUED INVESTMENT INCOME	-	1,800
MATERIALS HELD FOR USE AND SALE (Note 1)	9,004	5,425
PREPAID POSTAGE	964	1,271
INVESTMENT IN REAL ESTATE (Note 1)	6,000	6,000
OFFICE FURNITURE AND EQUIPMENT, net of accumulated depreciation of \$4,369 in 1980 and \$3,460 in 1979 (Note 1)	4,633	2,671
ARTWORK, at cost	7,500	7,500
	<u>\$ 299,351</u>	<u>\$ 327,657</u>
 <u>LIABILITIES AND FUND BALANCES</u> 		
ACCOUNTS PAYABLE AND ACCRUED EXPENSES	\$ 833	\$ 37,038
DEFERRED MEMBERSHIP DUES (Note 1)	58,076	62,381
Total liabilities	<u>\$ 58,909</u>	<u>\$ 99,419</u>
FUND BALANCES (Note 1):		
Current unrestricted, available for general activities	\$ 161,017	\$ 228,238
Current unrestricted, designated by governing board for direct support to Minnesota Zoological Garden	79,425	-
Total fund balances	<u>\$ 240,442</u>	<u>\$ 228,238</u>
COMMITMENT AND CONTINGENCIES (Note 2)		
	<u>\$ 299,351</u>	<u>\$ 327,657</u>

See notes to financial statements.

MINNESOTA ZOOLOGICAL SOCIETY

STATEMENT OF SUPPORT AND REVENUE, EXPENSES

AND CHANGES IN FUND BALANCE

FOR THE YEARS ENDED MAY 31, 1980 AND 1979

	<u>1980</u>	<u>1979</u>
SUPPORT:		
Contributions-		
Members (Note 1)	\$ 94,839	\$ 87,939
Other	9,799	15,224
Volunteer service hours (Note 2)	72,150 ✓	96,259
REVENUE:		
Membership dues (Note 1)	99,347	155,223
Investment income	26,727	16,988
Gain on sale of investments	-	3,281
Miscellaneous sales	7,931	8,791
Other	<u>307</u>	<u>2,321</u>
Total support and revenue	<u>\$ 311,100</u>	<u>\$ 386,026</u>
	<u>72,150</u>	<u>96,259</u>
EXPENSES:		
Program Services-		
Membership activities-		
Zoological Garden admissions (Note 2)	\$ 72,150 ✓	\$ 96,259
Other	60,022	55,116
Volunteer activities	5,363	5,793
Minnesota Zoological Garden - Direct support	18,975	27,813
Support Services-		
Membership procurement	79,311	79,330
General and administrative	<u>63,075</u>	<u>57,587</u>
Total expenses	<u>\$ 298,896</u>	<u>\$ 321,898</u>
Excess of support and revenue over expenses	\$ 12,204	\$ 64,128
FUND BALANCE, AT BEGINNING OF YEAR	<u>228,238</u>	<u>164,110</u>
FUND BALANCE, AT END OF YEAR	<u>\$ 240,442</u>	<u>\$ 228,238</u>

See notes to financial statements.

MINNESOTA ZOOLOGICAL SOCIETY

STATEMENT OF CHANGES IN FINANCIAL POSITION

FOR THE YEARS ENDED MAY 31, 1980 AND 1979

	<u>1980</u>	<u>1979</u>
FUNDS PROVIDED FROM:		
Operations-		
Excess of support and revenue over expenses	\$ 12,204	\$ 64,128
Add- Expenses not affecting cash-		
Depreciation	995	548
Loss on disposal of equipment	<u>139</u>	<u>-</u>
Total from operations	\$ 13,338	\$ 64,676
Sale of marketable securities	-	6,250
Sale of short-term investments	50,450	-
Decrease in receivables	-	17,099
Decrease in prepaid expenses and accrued investment income	2,107	-
Increase accounts payable and accrued expenses	<u>-</u>	<u>28,049</u>
Total funds provided	<u>\$ 65,895</u>	<u>\$ 116,074</u>
FUNDS USED TO:		
Purchase short-term investments	-	253,033
Increase accounts receivable	10,484	-
Acquire material held for use and sale	3,579	5,425
Increase prepaid expenses and accrued investment income	-	1,103
Purchase office furniture and equipment	3,096	1,741
Acquire artwork	-	5,000
Decrease accounts payable and accrued expenses	36,205	-
Decrease membership dues collected on which revenue recognition is deferred (Note 1)	<u>4,305</u>	<u>69,659</u>
Total funds used	<u>\$ 57,669</u>	<u>\$ 335,961</u>
Increase (decrease) in cash	<u>\$ 8,226</u>	<u>\$ (219,887)</u>

See notes to financial statements.

	<u>1980</u>	<u>1979</u>
Deferred membership dues, beginning of the year	\$ 62,381	\$ 132,040
Total collection from members during the year	189,881	173,503
Less-		
Amount reported as contributions	(94,839)	(87,939)
Amount recognized as dues income	<u>(99,347)</u>	<u>(155,223)</u>
Deferred membership dues, end of year	<u>\$ 58,076</u>	<u>\$ 62,381</u>

The cost of membership procurement is charged to expense as incurred.

Fund Balances-

In 1980 the Board of Directors designated \$100,000 for direct program support to the Minnesota Zoological Garden. As of May 31, 1980 \$79,425 of this internal designation of funds remains available for future direct support.

Functional Expenses-

The Society follows the practice of presenting the expenses of providing its various services and other activities on a functional basis in the statement of support, revenue and expenses. A schedule of these functional expenses by object classification was presented as a basic financial statement in prior years. However, since this information is not required for a fair presentation of results of operations in accordance with generally accepted accounting principles, this schedule is included as supplementary financial information in this report.

2. COMMITMENTS AND CONTINGENCIES:

Leases-

The Society leases office space under a lease which expires in February of 1981. In addition, the Society also rents various office equipment and storage space. Total rent expense for the years ended May 31, 1980 and 1979 was \$6,420 and \$4,849, respectively. Total minimum future rental commitments at May 31, 1980 are approximately \$2,800.

Reciprocity Agreement-

The Society and the Minnesota Zoological Garden have entered into a reciprocity agreement whereby all Society members are afforded admission at no cost into the Minnesota Zoological Garden in exchange for the performance of volunteer services by the Society at the Minnesota Zoological Garden. The value of volunteer services rendered is determined on an hourly rate negotiated annually under the agreement while gate admissions are valued according to the prevailing

public rates. In the event that the value of volunteer services rendered at the Minnesota Zoological Garden is less than the total of membership gate admissions, the Society is obligated to reimburse the Minnesota Zoological Garden; however, in no event is the excess of the value of volunteer services performed over the total of membership gate admissions to be remitted by the Minnesota Zoological Garden to the Society. In accordance with generally accepted accounting principles, the Society recognizes volunteer contributions to the extent of benefits received by the Society's members. The value of volunteer hours contributed to the Minnesota Zoological Garden was \$111,621 in 1980 and \$130,164 in 1979 which was recognized as income to the extent of benefits received by the members in the amount of \$72,150 and \$96,259 in 1980 and 1979, respectively. The excess of volunteer services hours in excess of member gate admissions at May 31, 1980 of \$88,663 can be used to offset future liabilities arising from membership gate admissions.

Publication and Purchase Agreements-

Under terms of an agreement with a magazine publisher, the Society is obligated for approximately \$27,365 of future publications at May 31, 1980.

MINNESOTA ZOOLOGICAL SOCIETY

SCHEDULE OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED MAY 31, 1980 WITH COMPATATIVE TOTALS FOR 1979

	Program Services			Support Services		Total	
	Membership Activities	Volunteer Activity	Minnesota Zoological Garden	Membership Procurement	General and Administrative	1980	1979
Salaries	\$ 10,543	\$ 1,590	\$ -	\$ 15,318	\$ 25,248	\$ 52,699	\$ 35,663
Payroll taxes	71	11	-	104	171	357	227
Occupancy	910	137	-	1,321	2,177	4,545	4,053
Telephone	41	-	-	57	1,445	1,543	1,388
Supplies	2,979	869	-	3,745	2,635	10,228	1,400
Rental and maintenance of equipment	102	-	-	-	1,772	1,874	796
Printing and publications	35,561	298	-	9,352	1,066	46,277	77,093
Postage and shipping	2,680	157	-	3,659	1,599	8,095	16,560
Conferences and meetings expense	146	1,255	-	416	2,601	4,418	2,058
Other travel	802	409	-	-	-	1,211	2,368
Zoological Garden admission	72,150	-	-	-	-	72,150	96,259
Professional fees	1,943	11	-	4,714	4,161	10,829	6,531
Data processing services	-	-	-	825	1,003	1,828	2,943
Publicity and public relations	1,269	-	-	1,349	2,194	4,812	2,508
Promotional consultant services	-	-	-	38,076	-	38,076	32,822
Depreciation	-	-	-	-	995	995	548
Awards and grants	499	484	-	-	-	983	2,829
Contributions	-	-	18,975	-	-	18,975	27,813
Loss on obsolete calendars	-	-	-	-	5,133	5,133	-
Other	2,476	142	-	375	10,875	13,868	8,039
Total functional expenses	\$ 132,172	\$ 5,363	\$ 18,975	\$ 79,311	\$ 63,075	\$ 298,896	\$ 321,898

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 31-

1979	\$386,000
1980	311,000
1981	300,000 418,000

Society Direct Contributions to the Zoo for the Years Ended May 31

1979	\$28,000
1980	19,000
1981	30,000

1982

24,000

Society Value of Zoo Admissions for 1981 - \$116,000
(per Society-prepared work sheet) =====

Cost of Memberships to the Society for 1981 (per Society work sheet 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

Society Value of Zoo Support for 1981-

Volunteer program	\$16,000
Membership program	70,000
Education program	Not available

SIGNIFICANT FINANCIAL FACTS PERTAINING TO
THE SOCIETY/ZOO RELATIONSHIP

Society Revenues for the Year Ended May 31¹

1979	\$386,000	
1980	\$311,000	
1981	418,000 \$300,000 (est.)	
	<u>1,115,000</u> - 263,000 = ² 852,000	
	<u>\$997,000</u> ²	Vol hrs.

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

1979	\$ 28,000
1980	\$ 98,000 19,000
1981	\$ 8,000 30,000
	TOTAL \$134,000 - 77,000
	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 ^{\$ 406,000 (48%)} 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.

G+A 21%
Mem Pro 27%

MZG/MZS
Quarterly Report

September, 1981 - November, 1981

<u>Month</u>	<u>Attendance Category</u>	<u>Number</u>	<u>Charge</u>	<u>Totals</u>
September	Adult	2,577	\$2.40	\$ 6,184.80
	Child	1,297	1.00	1,297.00
October	Adult	1,736	2.40	4,166.40
	Child	977	1.00	977.00
November	Adult	1,783	2.40	4,279.20
	Child	865	1.00	865.00
Total Quarter Usage				<u>\$17,769.40</u>

<u>Month</u>	<u>Volunteer Hours</u>	<u>Rates</u>	<u>Totals</u>
September	2,507.00	\$5.06	\$12,685.42
October	2,208.75	5.06	11,176.28
November 1-19	1,675.25	5.06	8,476.77
Total Quarter Credits			<u>\$32,338.47</u>

Total Quarter Usage	\$ 17,769.40
Less Current Quarter Credits	32,338.47
Less Carry Forward Credit	<u>129,967.76</u>
Credit Carry Forward	<u>\$144,536.83</u>