

Minnesota State Zoological Board. Zoo-Related Organizations Files.

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Version 3
August 20, 2018

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

October 24, 1984

Bruce W. Flessner
Bentz, Whaley, Flessner & Associates, Inc.
6800 France Avenue South
Suite 559
Minneapolis, Minnesota 55435

Dear Bruce:

Attached is a draft job description for the Development Director position for the Minnesota Zoo.

I'd appreciate it if you could review the description and let me know your comments as to additions or other modifications you would recommend.

Thanks.

Sincerely,

Stephen A. Iserman
General Director

SAI:gdb
Attachment



D R A F T

POSITION DESCRIPTION: DEVELOPMENT DIRECTOR

POSITION PURPOSE: This position is responsible for all fundraising related activities for the Minnesota Zoo including public sector grants and financing, membership, annual giving, deferred giving, animal sponsorship, special gifts and development and implementation of a major capital fund drive.

REPORTS TO: MZG General Director

SUPERVISES: Membership Coordinator
Animal Sponsorship Coordinator
Additional paid and volunteer staff as needed

BUDGET:

CLIENTELE: Zoo Director
12-members Zoo Board
Zoo Division Directors and Activity Managers
Representatives of corporate, foundation, financial, civic and community organizatons
Representatives of state, federal and local governments
Media representatives
Zoo staff and volunteers
Zoo visitors

RESPONSIBILITIES:

1. To identify potential and available funding sources, including government, corporate, foundation and individual to provide financial support to the development programs of the Minnesota Zoo.

   Tasks

   a. Establish and maintain contacts with officials of corporations, foundation, and civic organizations to promote the Minnesota Zoo development programs
   b. Meet with legislators and legislative staff members to solicit financial support through legislation or legislative appropriations
   c. Attend and speak at business, civic and community meetings to promote an awareness of the Minnesota Zoo and its development programs
   d. Supervise programming and miantenance of computerized donor prospect lists with supporting giving histories
   e. Attend local and national development/fundraising meetings to become aware of current development plans, strategies, etc. for other organizations.

Responsibilities (continued)

2. To initiate, develop and manage all special funding programs such as annual fund drives, capital campaigns, deferred giving program, special gift appeals and animal sponsorship programs so that all goals are reached and broad public participation is assured.

   Tasks

   a. Initiate, plan and develop current and long range funding program plans including time and action schedules for review/approval by the Zoo Director and/or the Zoo Board
   b. Develop priority list of projects (operating and capital) for potential funding develop and implement fundraising strategies
   c. Determine staffing needs and train staff and volunteers for annual funding drives/capital campaigns
   d. Develop and plan special campaign and donor events
   e. Establish solicitation procedures and identify potential donors
   f. Initiate and supervise direct mail campaigns
   g. Prepare campaign/fundraising program brochures, personal letters, press releases, and feature stories to promote visibility of fundraising programs
   h. Ensure timely deposit and acknowledgment of all contributions received and supervise accounting of gifts in donor records for review by the Director and/or Zoo Board

3. To formulate, direct and manage a comprehensive grant development program so that programs, staff and facilities acquired through grant monies can be effectively integrated into existing operational units and internalized whenever possible upon termination of grant funds.

Responsibilities (continued)

3. Tasks

   a. Research, review and monitor all local, state and federal notices of calls for proposals, contracts and other types of financial assistance

   b. Cultivate working contacts with officers, program planners and administrators of governmental agencies providing assistance through grant monies

   c. Identify with Zoo management and supervisory staff a list of priority projects for possible grant funding

   d. Prepare and submit grant proposals with attached supporting documentation

4. To provide direction to the membership program so that a quality service program is provided and maximum membership growth is attained.

   Tasks

   a. Provide overall guidance and direction in the formulation of a systematic method of increasing memberships and awareness

   b. Review and approve the implementation of membership enrichment programs

   c. Assist in on/off-site membership promotions

   d. Provide guidance in promotional planning, advertising strategies and special members events.

5. To prepare and monitor development and related program budgets so that appropriate fiscal management is assured and needed resources are made available to accomplish program objectives in a cost-effective manner.

   Tasks

   a. Prepare and directly manage the development, membership and animal sponsorship budgets

   b. Review and approve all budgeted supervised activity expenditures

   c. Delegate budgetary responsibility to unit supervisors where appropriate

5. Tasks (cont.)

   d. Recommend and submit for Director action fiscal and biennial budget proposals for all activities within the Development office

   e. Recommend budget modifications to meet unexpected or unusual needs

6. To recruit, train and maintain a staff of qualified professional and technical employees within the development activity so that operating objectives of the area are met in a high quality and cost-effective manner

   Tasks

   a. To initiate and preliminarily approve hiring, promotion, disciplinary and salary increase actions for supervised personnel

   b. To prescribe, arrange for, or conduct necessary staff training for activity employees supervised

   c. To recommend appropriate staffing for the development activity

   d. Conduct annual performance evaluations of supervised staff

   e. Direct subordinates in the formulation of long and short range goals and objectives for program success

   f. Monitor and approve time sheets, schedule changes, etc.

RELATIONSHIPS:

The incumbent in this position relates closely to the Zoo Director in implementing a comprehensive development program at the Minnesota Zoo. In addition, the incumbent will work closely with the three division directors and the Zoo Board in determining potential projects for development campaign funding. The incumbent will also interact closely with officers and representatives of corporate, civic, community and governmental organizations on a regular basis as well as with individual donors. An ongoing relationship with representatives of state, local and governmental units will also be maintained.

KNOWLEDGES, SKILLS AND ABILITIES:

The incumbent in this position must possess a high degree of professional knowledge and skills in the formulation and management of a development program consisting of several diverse subprograms. In addition, the incumbent must possess excellent human relations and coordinative skills in working with a variety of people in both the public and private sector, as well as a paid and volunteer staff. Skills in fundraising strategies and procedures as well as financial planning and grantsmanship are also essential. The incumbent must also possess demonstrated skills in marketing and direct mail campaigns.

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

October 1, 1984

Mariam Noland, Vice President
The Saint Paul Foundation
1120 Norwest Center
St. Paul, Minnesota 55101

Dear Ms. Noland:

As a member of the Fundraising Study Advisory Committee and as Chairman of the Minnesota State Zoological Board, I am pleased to inform you that the Zoo Board formally acted on the Minnesota Zoological Garden Fundraising Study dated July 9, 1984 submitted by Bentz, Whaley, Flessner & Associates, Inc.

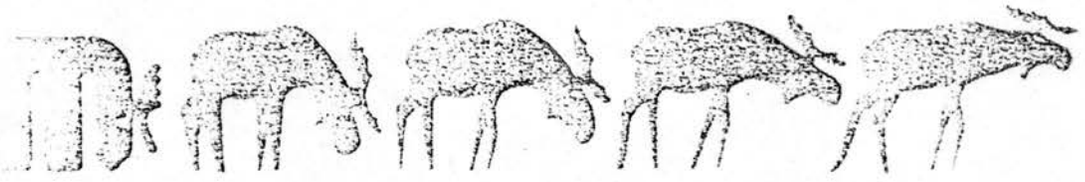
At its September 20, 1984 meeting, the Minnesota Zoological Garden Board unanimously and enthusiastically accepted the report and anxiously awaits implementation of the report's recommendations.

Sincerely,

Pat Davies, gdb

Pat Davies, Chairman
Minnesota Zoological Board

PD:gdb



Revised 7/16/84

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

July 16, 1984

Paul Verret, Secretary
F. R. Bigelow Foundation
1120 Norwest Center
St. Paul, Minnesota 55101

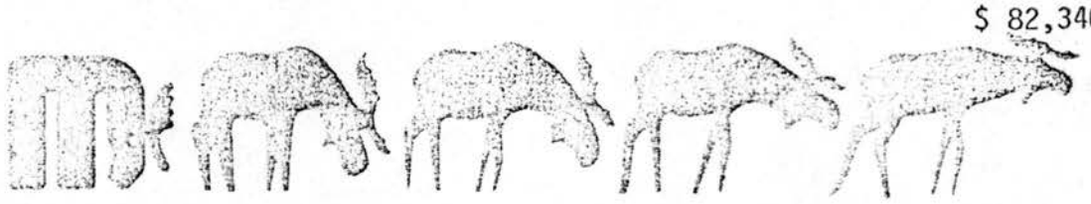
Dear Mr. Verret:

In June 1983, The Saint Paul Foundation, with the support of the MZG Foundation, requested and received a grant of $10,000 from the F. R. Bigelow Foundation to undertake a fundraising model study for the Minnesota Zoo. The consulting firm of Benz, Whaley, Flessner & Associates, Inc. was hired to perform the study which was completed and presented to the MZG Fund-raising Study Advisory Committee on June 26, 1984. A copy of that study is attached for your information.

The recommendations of that study included the development of a comprehensive strategic plan and creation of a blue-ribbon committee to assist the zoo in this effort. In addition, the 1984 State Legislature provided a $225,000 challenge grant for the construction of a caribou and wolf exhibit on the zoo's Northern Trail. This grant must be matched by June 30, 1985.

I have developed a preliminary estimate of the budget needed to match the challenge grant and implement the recommendations of the fundraising study. This budget, as outlined below, relies heavily on the continued involvement of Benz, Whaley, Flessner & Associates as the expertise required to perform these tasks is not currently available within the zoo's staff.

1.	Consultant Services for development of a comprehensive strategic plan, case statement and establish zoo development office (30 days @ $850/day)	$ 25,500
2.	Staff Associate (1/2 time for 8 mo. @ $15/hour)	$ 10,440
3.	Secretarial and other staff services to planners, advisory committee (donated)	$ 7,500
4.	Meeting expenses, communications, printing ($3,500 donated)	$ 5,500
5.	Local Corporate Planners (10 days @ $500/day, donated)	$ 5,000
6.	Zoo Director (1/2 time for 8 mo. @ $25/hour, donated)	$ 17,400
7.	Consultant Services to provide professional zoo masterplan technical resources to committee for decision making	$ 11,000
		$ 82,340



Of the total project of $82,340, $34,400 is currently funded through donated services. The balance of $48,940 is not available within the zoo's current resources and requires outside funding.

I am, therefore, requesting a grant from the F. R. Bigelow Foundation to the Minnesota Zoological Garden Foundation in the amount of $48,940.00 for the continuation of the fundraising process begun last summer. Securing this funding will allow the implementation of the initial study recommendations along with achieving the $225,000 match required in the legislature's challenge grant for the caribou and wolf exhibits.

In light of the relatively short timelines of June 30, 1985 for the challenge grant and March 1, 1985 for the establishment of the zoo's development office, I will appreciate consideration of this request at your earliest convenience. Thank you.

Sincerely,

Stephen A. Iserman
General Director

SAI:pn

Attachment

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

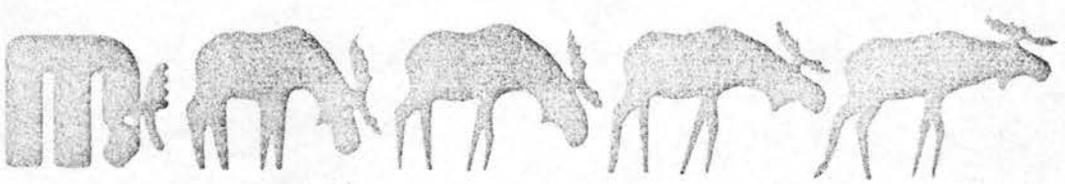
TO: Mariam C. Noland DATE: July 12, 1984

FROM: Steve Iserman

SUBJ: FUNDRAISING COMMITTEE MINUTES

I have reviewed the minutes of the June 26 meeting of the Fundraising Advisory Committee and have no additions or corrections.

Thank you.



THE SAINT PAUL FOUNDATION

MEMORANDUM July 9, 1984

TO: Larry Buegler
Pat Davies
Steve Iserman
Bruce Flessner

FROM: Mariam C. Noland

RE: Fundraising Committee Minutes

Please note the attached draft of minutes of the June 26 meeting. I would appreciate your comments and corrections before they are mailed to the full committee.

Thanks.

mcn.580

June 28, 1984

MINUTES

Of a meeting of the Minnesota Zoological Garden Fundraising Study Advisory Committee of The Saint Paul Foundation, Inc., held on Tuesday, June 26, 1984 at 3:00 p.m. in the board room of The Saint Paul Foundation, 1120 Norwest Center, Saint Paul, Minnesota.

Present were: Larry D. Buegler, Chair
Patricia Davies
Richard G. Gray, Sr.
Stephen A. Iserman
Mariam C. Noland
Medora Perlman
Paul A. Verret
James Weaver

Also present was: Bruce Flessner, Benz, Whaley, Flessner & Associates

Mr. Buegler presided and Ms. Noland acted as secretary.

DISCUSSION OF ADVISORY COMMITTEE PURPOSE AND WORKPLAN

Mr. Buegler, as Chair, reviewed the Committee's purpose which is to provide advice on fundraising organizational issues for the Minnesota Zoological Garden. In reviewing the findings of the study, it was noted that it is essential that the Committee reach a consensus on the report and agree to support it publicly.

REVIEW OF REPORT ON THE MINNESOTA ZOOLOGICAL GARDEN FUNDRAISING STUDY

A draft report, dated June 26, 1984, as prepared by Bruce Flessner, was reviewed with the Advisory Committee.

A copy of the final report, as amended at the meeting of June 26, 1984, is included in these minutes as EXHIBIT A. The committee concurred with the findings of the study as presented on Pages 5 - 17.

mcn.563

The conclusions reached on institutional issues, donor issues and development issues were reviewed in detail and accepted. The committee concurred that the three primary conclusions of the study are as follows:

1. There is a need for major strategic planning, including all major constituencies of the Zoo, to create a long-range agenda for capital expansion, finances and programatic thrusts.

2. There is a need for a Champion - - either an individual or a small corp of leaders - - whose interest in the Zoo is high and who is prepared to provide the leadership for the Zoo's external relations efforts.

3. There is a need for a vehicle to involve financial and business leaders in the external relations efforts of the Zoo.

There was agreement on the importance of involving the major constituencies in the planning process, yet these constituencies were not clearly defined in the study findings. Therefore, Mr. Flessner was directed to define the constituencies and include them in the final draft of the study report.

The following major recommendations were approved by the Advisory Committee:

1. A Blue Ribbon Committee be created to assist the Minnesota Zoological Garden in strategic planning.

2. The Minnesota Zoological Garden should establish a Development Office as a central part of its external relations and marketing efforts and the Minnesota Zoological Garden Foundation should be reorganized to better serve the fundraising efforts of the Minnesota Zoological Garden.

3. After the establishment of the planning effort and the decision to establish a new development effort based on the Minnesota Zoological Garden - Minnesota Zoological Garden Foundation partnership outlined in Recommendation 2, the following specific strategies are recommended:

   A. The Minnesota Zoological Garden should, in 1985 fiscal year, hire a senior level person to serve as the Director of Development. The search committee should be composed of representatives from the Minnesota Zoological Garden Board, Minnesota Zoological Garden Foundation Board, the Planning Committee and the Minnesota Zoological Garden staff.

The selected person would serve as Executive Director of the Minnesota Zoological Garden Foundation as well as Director of Development of the Minnesota Zoological Garden. The Zoo should consider hiring two additional staff members, a research secretary and a bookkeeper/secretary.

B. A budget of $45,000 would be needed in 1984-85 and a budget of $153,00 would be needed in 1985-86.

REPORTING AND IMPLEMENTATION OF THE MINNESOTA ZOOLOGICAL GARDEN FUNDRAISING STUDY

Mr. Buegler led a discussion of reporting and implementation steps. Those steps are as follows:

1. The final report will be transmitted to the Board of the Minnesota Zoological Garden and the Board of the Minnesota Zoological Garden Foundation for their consideration and action. The report will be accompanied with the personal support of the Advisory Committee members.

2. A potential list of membership for the Blue Ribbon Commission will be submitted by the Advisory Committee to the Minnesota Zoological Garden Board. Further, Governor Rudy Perpich will be asked to support the creation and activities of this Blue Ribbon Commission.

3. Resources will be secured to assure adequate staffing for the planning process, support of the Blue Ribbon Commission and success in short term fundraising activities of the Minnesota Zoological Garden.

The following assignments were accepted by Committee members:

Develop and secure appointment of the Blue Ribbon Committee - Larry D. Buegler, Richard G. Gray, Sr., James Weaver

Obtain acceptance and concurrance of Committee results by the Minnesota Zoological Garden Board and Minnesota Zoological Garden Foundation Board - Patricia Davies

Acquire necessary funds to support the planning and implementation of Study Recommendations through March 1985 - Paul A. Verret

A final committee meeting will be called to review accomplishments of the above tasks.

ADJOURNMENT

There being no further business, the meeting was adjourned.

A TRUE AND CORRECT RECORD
ATTEST:

_____

Mariam C. Noland
Vice President

mcn.563

Join
to
Land Advisory
Task Force
Comm.
Chairman

1955 Como Zoo Volunteer Committee set out to procure a zoo director and to raise money for the improvement of Como Zoo.

1961 The Minnesota Zoological Society was incorporated to establish a year-round modern zoo for St. Paul.

1966 A metropolitan area zoo was proposed after studies indicated that Como Zoo could not be expanded into a major zoo facility.

1967 Zoo bill failed in the Legislature. However, Metropolitan Council's Zoo Advisory Committee submitted a report and recommendations that were the basis for 1969 legislation.

1969 Legislation passed creating the Minnesota Zoological Board, appointed by the Governor and $500,000 was authorized to develop a master plan for the MZG. First Zoo Director, Phillip Ogilvie, hired.

1970 Site selection

1971 Funding for the zoo bill failed by one vote in the legislature. Director Ogilvie resigns; then assistant director Donald D. Bridgewater named Zoo Director.

1973 Revised master plan presented and the bill passed the legislature and was signed by Governor Anderson allowing for $23,025,000 in bonds with $2,350,000 additional matching funds for the construction of the MZG.

1973 First money from AAZPA voted to ISIS (International Species Inventory System), a computer program monitoring captive animal populations worldwide.

1974 Program implementation of ISIS began with hiring of a system manager.

1974 Bush Foundation gives the single largest gift to the zoo ($785,000)

1974 (May 26) Groundbreaking

1975 Minnesota Zoological Society changes its purpose as stated in its articles of incorporation to support of the Minnesota Zoological Garden.

1975 Minnesota Zoological Garden Foundation incorporated (fund-raising arm to meeting matching fund goal of $2.3 million)

1976 Completion of first buildings. Staff moves to site. Capital budget increased to $28,148,763.

1977 Move into main complex. Animal acquisition begins. Zooride construction begins. Budget increased to $29,250,000. Essential completion of Phase I construction.

1978 (May) Zoo opens with overcrowding, limited exhibit viewing, traffic problems, overpromotion with incomplete Northern Trail. DQ food costs were high; high attendance projections not warranted.

(June) Associate Director Mehrtens resigns in management dispute.

(July) Zoo Director Bridgewater resigns under pressure/health. Project director, Gerard Hegstrom named Acting Zoo Director.

1978 (cont.) (June 20) First free day draws largest crowd ever -- 31,517; zoo unable to accommodate

(August) Zoo attendance below projections

(November) Zoo revenue below forecast; legislature was asked for $1.3 million supplemental appropriation. Attendance is 65% of projections. Staff reductions due to budget.

1979 (January) New director hired -- Edward Kohn

(March) Zoo no longer expected to be self-supporting

(May) Legislative audit: financial management of the zoo attacked.

(September) Monorail opens to expected deficits

(November) Monorail bankruptcy

1980 (April) Monorail default to investors

(July) Legislative audit: admissions and parking procedures criticized

(August) Monorail investors sue State of Minnesota

(November) TRIBUNE exposé: two associate directors resign; expenses for Ojibway art and graphics consultant for new signage for the zoo; relocation expenses paid for IDQ

(December) Minnesota Zoo #1 attraction (Minnesota Poll)

1981 (January) Society notified of Board's intent to renegotiate reciprocity contract.

(February) 6 legislators (House of Representatives) propose selling the zoo to private corporation.

(July) Court rules state is not liable for monorail costs

(July) Legislative audit: zoo employees receive free Society membership against State personnel rules; inadequate property/inventory control

(August) First cooperative marketing ventures begin (to date, Red Lobster, National Car Rental, Dayton's, Powers, Pillsbury, Western & Republic Airlines, Naegele, Pepsi, WAYL, radio stations, Proex, Durning's,..)

(July 23-August 11) State employees strike closes zoo for 23 days at an estimated revenue loss of $300,000

(November) Society contract terminated; Board severes ties with Society

(December) Zoo trims budget -- to lay off 13 employees including public safety department

1982 (January) Zoo takes over direct administration of former Society programs including membership program, continuing education classes, volunteer recognition and recruitment, and Zoocare.

(March) Zoo security questioned; property stolen, PIONEER PRESS exposé including accusations of skimming at admissions; employee thefts.

1982 (April) Zoo management audit directed by Governor's Office

(July) Zoo management audit calls for resignation of Zoo Director Kohn; Iserman named acting zoo director

(October) All Tuesdays deemed free between October and March to increase attendance in winter months.

(November) Zoo Foundation closes office; administrative functions for remaining funds turned over to The Saint Paul Foundation

1983 (February) Stephen A. Iserman named Zoo Director

CAPITAL COMPLETION PLAN -- A HISTORY

1970 - Masterplan

1973 - Implementation Plan

April 29, 1977 - MZB approved a core capital plan, which incorporated four phases:

Phase I consisted of projects generally costing under $10,000 for materials and which would be completed by staff prior to opening in May 1978. A provision in this section recommended 5% of gross operating capital be reserved for maintenance of existing facilities.

Phase II consisted of items of construction to be completed before April 1978 and included incinerator, air conditioning for shops building and animal health areas, the main plaza information kiosk and sea bird cliff. All except the sea bird cliff have been completed as planned.

Phase III consisted of four categories:

(a) Details of completion of Northern Trek including reindeer, wolf, polar bear, seal and arctic fox exhibits, mid trek stop, pedestrian paths and interpretive graphics. The second step of NT development was saiga antelope, bighorn sheep, Rocky Mountain goat, grizzly bear exhibit, rest stop, pedestrian paths and graphics. (Northern Trail was to be completed by August 1981).

(b) Deferred exhibit elements of Step 1 construction consisted of modular extensions of current construction including exterior Minnesota Aviary and interpretive areas in the education wing.

(c) Elements not integrally tied to original construction including items reserved for special funding such as the zoo study center, snow leopard exhibit.

(d) Additional elements. (Of interest is the recommendation that if the zoo ride is successfully funded, the Bering Straits exhibit at mid-trek stop be considered for completion as part of the Northern Trek completion.)

Phase IV in the original capital improvement plans was Long Range Master Plan Development. The report recommended that major masterplanning for future exhibits be deferred until October 1979.

March 3, 1978 - Resolution #200 authorized ZooTeam "to proceed with design development and contract documents for the combined mechanical, electrical and structure for the Mid-Trek Stop and Polar Bear/Seal facilities."

September 15, 1978

Minnesota Zoological Board advised by G. Hegstrom that "There is a need for a short-range capital improvement plan to keep the momentum and would be prior to (1979) second summer season. It is suggested that within the operating budget itself, there be an amount set aside for capital improvement, not reserve and depreciation."

Foundation requested direction from the MZB to increase its Board from 26 to 35 members. The Foundation's consultant, Donald Maysack, had reported on the Foundation's readiness to being capital campaign. Foundation also requested a task force to resolve organizational relationships between the three organizations.

O & P recommendation to the Board that the director request $400,000 for short range projects was withdrawn pending a capital completion program including long range masterplanning.

November 18-19, 1978 - Board retreat (no written record of that session),

? Modification proposal for capital improvement program: Because the first phase of the 1977 plan was completed, the revisions included only 3 categories:

Short Range, consisting of changes, modifications, or improvements that could be completed within one year.

Mid Range Construction consisting of elements necessary to complete NT, particularly mid trek/polar bear/seal, modular extensions of current exhibits and additional elements or separate construction elements to be completed within five years.

Long Range Masterplan development.

November 30, 1978 - Joint Executive/Operations & Planning Committee recommending that the Foundation be asked for $600,000 for short range capital improvements with final priorities to set by staff.

January 9, 1979 - E. Kohn memo to Operations & Planning Committee offering two perspectives for major capital improvement -- the completion of Northern Trek and an Asian grassland/Savannah complex.

March 21, 1979 - Operations and Planning Committee recommended that the Board approve the capital improvement strategy as presented in terms of listed clusters of exhibits and in terms of the phasing sequence suggested:

Stage I: Northern Trek/Mid Trek Stop (polar bear/seal/arctic fox exhibits plus multi-media center, gift store and cafeteria facilities.
Stage II: Tundra/Boreal Forest/Alpine Exhibits: caribou/wolf, musk ox, yak.
Stage III: Bighorn sheep, Rocky Mountain goat; grizzly bear, giant Panda.
Stage IV: Tropical Savannah: Asian large mammals.

April 5, 1979 - Board approved four phase Capital Improvement Program for Phases I, II, and III, which three phases would complete the Northern Trek, and in general concept for Phase IV, a seasonal exhibition of Old World tropical large mammals. The approved Capital Improvement Program was to be proposed to the State for funding on the following basis:

(a) The program may be undertaken in total within a five-year span beginning in 1980.

(b) The four phases of the Program may be undertaken concurrently or consecutively depending on the availability of funds.

(c) Funding may be proposed on the basis of a one-to-one match of State and development drive financing.

(d) Such funding strategy would require an estimated $12,000,000 in 1980 including $6,000,000 financed by funding drive; or alternatively, $3,000,000 for Phase I in 1980 including $1,500,000 financed by drive; and equivalent amounts for Phases II, III, and IV escalated to the year of award for each.

October 11, 1979 - J. Hetland presented proposal to the Foundation for $10,000,000 drive to complete Northern Trail, with provision that the Board would identify priorities if funding was limited. R. Voigt advised that a major departure from Northern Trail program could cause problems with donors. Some Board members asked for reconsideration of the Northern Trail complex as the first priority.

SEE ATTACHED RESOLUTION #247.

November 8, 1979 - Revisions to Northern Trail completion plan to cut back costs to $5.6 million were presented by staff. Foundation President Connie DeLand advised that the Foundation desires a decision from the Zoo Board before beginning their capital drive.

December 13, 1979 - Major presentation of Tundra Community project by staff to Board including discussion of future development after Tundra of freshwater aquarium, Asian large mammals, and Alpine exhibits to complete Northern Trail. Tundra Community concept approved by the Board. R. Voigt reports Foundation may now plan for major capital campaign.

March 13, 1980 - Foundation Board advises that a hold will be placed on feasibility study by their consultant, Shaver Company, until resolution of monorail adverse situation.

April 10, 1980 - Authorization from Zoo Board that Executive Committee review 6-Year Capital Plan to be submitted to the Governor's Office. Plan to include Northern Trail Expansion, large Asian mammals exhibit, aquarium, gift store/restaurant.

May 8, 1980 - Zoo Board confirms submission of Governor's Capital Construction Plan with the condition that the plan is in no way binding on future Board decisions.

July 10, 1980 - Report from R. Voigt on Shaver Company findings and recommendations, basically stating that a capital campaign in the private sector was unfeasible without participation by the State and that a precise, well-documented case statement should be prepared for both the legislature and the private sector which should include all elements that could be considered as needed to complete the zoo.

September 22, 1980 - Resolution #251 authorizing preparation of preliminary concepts for Large Asian Mammals exhibit, Freshwater aquarium, endangered species holding facilities, and Alpine Life exhibits.

Resolution #252 authorized the director to seek funding from the Legislature up to the amount of $6,925,100 for funding of the Tundra Community project and Amphitheater construction.

October 9, 1980 - R. Voigt advised the Board of the desirability of identifying specific exhibits as the basis for securing major capital funds.

December 11, 1980 - E. Kohn advised Board of a request from Lt. Gov. Wangberg to identify phasing of $6,925,100 capital request and to estimate level of participation by the private sector to enhance chances for State participation.

January 8, 1981 - Zoo Board authorized expenditure of $20,000 for professional study of a freshwater aquarium, large Asiam mammals exhibit and a large amphitheater.

February 12, 1981 - Zoo Board advised that Foundation Board had delayed action on the six-year plan pending Legislative funding in the 1981 session and suggested reinstituting a capital improvements effort with selected smaller targets at a $500,000 annual level.

March 12, 1981 - Project list for proposed Foundation annual drive referred to Operations Committee for review and presentation to the Board for approval.

April 16, 1981 - Resolution #254 adopted, requesting that the Foundation undertake an annual capital fund drive to achieve in 1981 and thereafter the maximum possible level of participation by the private sector for capital needs of the Minnesota Zoo.

May 8, 1981 - Staff presents to an Operations Committee workshop session a completion plan for the zoo. Revisions as suggested by the committee and other Board members present will be incorporated for further workshop sessions.

May 21/June 3, 1981 - Further workshops on Capital Completion Plan deferred to allow participation in discussions by new Board members.

June 3, 1981 - Stan Nelson, MZGF President, advises that the MZGF Board voted to attempt to raise $1 million a year and would need a list of projects and programs which would require capital additions, modifications, or improvements.

June 25, 1981 - Operations Committee recommends that the Board approve the Capital Completion Plan.

July 16, 1981 - Zoo Board approves Capital Completion Plan as recommended by Operations Committee (See motion for timetable and phasing). Foundation reports that capital drive materials may be preliminarily presented to major corporations in October and November, 1981.

August 20, 1981 - R. Voigt reports tentative completion date for capital campaign package is end of October. Also that Shaver Co. now feels the Foundation may proceed since needs identified during their interviews previously have been met.

Zoo Board Chair announces $20,000 gift from Dayton's for construction of red panda exhibit and offers it as a kick-off to capital campaign.

September 10, 1981 - Timing of exhibits depends on cash flow from Foundation. Smaller exhibits possible in 1982 if money becomes available. Foundation schedules fund-raising seminar to practice presentations to potential donors.

November 19, 1981 - Foundation reports that it is hard to maintain enthusiasm for capital campaign among MZGF Board.

December 17, 1981 - Foundation Board requests (and Zoo Board concurs) that membership categories will be limited to $100 and larger donors will be referred to Foundation. R. Voigt reports that Foundation Board approved start of the capital campaign before the end of the first quarter of 1982. Weekly meetings to begin January 5, 1982.

January 21, 1982 - Foundation reports delay in capital campaign due to public opinion problems relating to the Society/Zoo Board relationship.

TOP MEDIA ACHIEVEMENT

1. Cover story Smithsonian magazine December 1981. Topic, a zoo in winter theme.

2. Los Angeles Times, cover story plus nationwide exposure through Knight-Ridder news service, November 1981. Topic, cross country skiing.

3. Time magazine, best designs of '81. January 1982. Topic, our moose logo.

4. Ski, Skiing, and Cross Country Skier magazines, November 1982, December 1983, and December 1982. Topic, cross country skiing.

5. National Geographic magazine, November 1980. Topic, the highlights of the Twin Cities including a ski at the Zoo.

6. Republic Scene magazine, February 1982, December 1983, and February 1983. Topics, cross country skiing, and top zoos in the country.

7. Audubon magazine, November 1982. Topic, Siberian tigers and MZG.

8. Der Spiegel magazine (a German Time-like publication), March 1982. Topic, a general MZG story.

9. National Geographic World magazine, September 1982. Topic, bird show and Steve Martin.

10. Ranger Rick magazine, September 1983. Topic, top zoos in the country.

11. Life magazine, April 1983. Topic, cross country skiing.

12. American Way magazine, November 1982. Topic, a zoo in winter.

13. Women's Day magazine, April 1984. Topic, best zoos in the country.

14. U.S. Air magazine, April 1984. Topic, best zoos in the country.

15. USA Today newspaper, September 1982, January 1983. Topic, red panda exhibit opening and best zoos in the country.

16. PM Magazine TV show (national), March 1980 and February 1981. Topics, beaver exhibit and how National Geographic puts together a story.

17. Today, TV show (national), November 1982 and 1983. Topic, Teddy Bear picnic.

18. Hour Magazine, TV show (national), August 1980 and March 1984. Topic, Percy Ross visits the Zoo and cross country skiing.

19. Newton's Apple, TV show (national), October 1983 - January 1984. Topic, ten shows using 10 different animals.

20. Smithsonian World, TV show (national), February 1984. Topic, Siberian tigers.

21. "Zoos Without Cages, book, 1981. Topic, top zoos in the country.

22. "Newton's Apple", book, 1983. Topic, follows the TV series.

23. "The New Zoo", book, not published yet but presently focusing on the Minnesota Zoo.

24. Picture magazine (local), June 1979, July 1981, April 1983, August 1983. Topics, zoo vets, zoo's aviculture, zoo food, and the whales.

MINNESOTA ZOOLOGICAL BOARD

Member/Mailing Address	Phone No.	Term	BOARD OFFICERS/ Committee Assignments
Jane Cooper 11745 Runnel Circle Eden Prairie, MN 55344	W: 292-4393 H: 944-0163	1983- 1987	Public Affairs Committee
Patricia Davies 3424 Edmund Boulevard Minneapolis, MN 55406	H: 721-2347	1979- 1987	BOARD CHAIRMAN Administrative Comm. Chair Ex-officio all committees
Stephen D. Doyle 302 Ridgeview Drive Wayzata, MN 55391	W: 330-2565 H: 476-1245	1981- 1986	Public Affairs Comm. Chair Administrative Committee
Toni Lin Hengesteg[1] Economics Laboratory Osborn Building-12 370 Wabasha No. St. Paul, MN 55102	W: 293-2288 H: 426-1204	1980- 1986	Audit & Finance Comm. Chair Administrative Committee
Peter A. Jordan 1506 Chelmsford St. Paul, MN 55108	W: 373-1723/... Sec'y: 373-1700 H: 644-1785	1983- 1986	Operations Comm. Chairman Administrative Committee
Jack Jorgensen, Jr. 13112 Oakland Drive Burnsville, MN 55337	W: 378-1650 H: 890-7270	1983- 1987	Audit & Finance Committee
Harveydale Maruska[2] P. O. Box 7 Warren, MN 56762	H:(218) 745-4919	1980- 1988	Operations Committee
Hazel Reinhardt[3] Cowles Media Corp. 425 Portland Avenue Minneapolis, MN 55488	W: 375-7050 H: 941-6640 Sec'y: 375-7052	1980- 1988	Operations Committee
James C. Stimson 13627 Elkwood Drive Apple Valley, MN 55124	W: 540-5010 H: 423-4769	1983- 1985	Public Affairs Committee
Stephanie Van D'Elden 506 Summit Avenue St. Paul, MN 55102	W: 373-5581 H: 224-5084	1984- 1988	Operations Committee
James L. Weaver[4] General Mills P. O. Box 1113 Minneapolis, MN 55440	W: 540-2221 H: 822-9185 Sec'y: 540-2523	1981- 1985	BOARD VICE CHAIRMAN Administrative Committee Audit & Finance Committee
James W. Kennedy 848 Allen Avenue West St. Paul, MN 55107	H: 227-1852	1977- 1985	Ex-Officio (Dakota Co. rep) Operations Committee

Liaisons

Doug Blomgren; Atty. Gen.'s Office; 515 Transportation Bldg; St. Paul 55155 (296-3206)
Dwight Pederson, Agency Controller; 408 Transportation Bldg; St. Paul 55155 (296-3004)

OVER FOR FOOTNOTES

2/13/84

Footnotes indicate home address for those members who use their business address for mailings.

[1]15 Fenlea Circle
Dellwood, MN 55110

[2]Winter address: 9302 East Broadway
Space 38
Mesa, AZ 85208

[3]5116 Abercrombie Drive
Edina, MN 55435

[4]4235 Dupont Avenue South
Minneapolis, MN 55407

MONORAIL FINANCIAL SUMMARY

Minnesota Statutes 85A.02, Subd. 16: "The board may acquire by lease-purchase or installment purchase contract, transportation systems, facilities and equipment that it determines will substantially enhance the public's opportunity to view, study or derive information concerning the animals to be located in the zoological garden, and will increase attendance at the garden. The contracts may provide for: (1) the payment of moneys over a twelve year period, or over a longer period not exceeding 25 years if approved by the commissioner of administration; (2) the payment of money from any funds of the board not pledged or appropriated for another purpose; (3) indemnification of the lessor or seller for damage to property or injury to persons due primarily to the actions of the board or its employees; (4) the transfer of title to the property to the board upon execution of the contract or upon payment of specified amounts; (5) the reservation to the lessor or seller of a security interest in the property; and (6) any other terms that the board determines to be commercially reasonable. Property so acquired by the board, and its purchase or use by the board, or by any non-profit corporation having a concession from the board requiring its purchase, shall not be subject to taxation by the state or its political subdivisions. Each contract shall be subject to the provisions of chpter 16, relating to competitive bidding, provided that the board is not required to readvertise for competitive proposals for any transportation system, facilities and equipment heretofore selected from competetive proposals taken pursuant to section 85A.03, subdivisions 4 and 4a."

(From Department of Finance Preliminary Official Statement on the State's General Obligation Bonds dated July 14, 1981:)

The Minnesota State Zoological Baord (MSZB) is not specifically authorized by law to borrow money of issue obligations in evidence thereof. However, in 1977 the Legislature authorized the MSZB to acquire an automated, monorail transportation system for the MZG by installed purchase contract, and the MSZB entered into such a contract for this purpose. Under the contract, and a companion concession agreement, a Minnesota non-profit corporation is authorized to construct and acquire the system, has agreed to sell it to the MSZB for a purchase price of approximately $8,413,000 payable over a 14 year period with interest, and is authorized to take over and operate the system under the concession agreement in the event of default by the MSZB. All monies and receipts of the MSZB are required to be deposited in the state General Fund, and none of such monies and receipts can be expended except pursuant to an appropriation by the Legislature.

On April 1, 1980, the MSZB was unable to make the installment purchase then due under the installment purchase contract. This event occurred because revenues realized from operation of the monorail system (which were appropriated by the Minnesota Legislature for the purpose of maintaining the system and making installment purchase payments) were not sufficient. Pursuant to the installment purchase contract, officials of the MSZB then sought additional funds from the Legislature. The Legislature, citing their firm belief that the installment purchase did not constitute a state obligation of any type and was never so intended, determined not to provide additional funding for this purpose. Thereafter, several certificate holders sought to declare the full installment purchase amount due and commenced a declaratory judgment action seeking a judicial determination that the state was liable for the sum (United States Fire Insurance Company, et al. vs. Minnesota State Zoological Board et. al; Minnesota District Court, Hennepin County). The District Court dismissed the certificate holder's complaint

and held that the state's only obligation under the installment purchase agreement is to make payments thereunder from funds specifically appropriated by the Legislature for that purpose, if available. The involved certificate holders appealed the District Court's decision to the Minnesota Supreme Court and on July 2, 1981, the Court issued its ruling. In its opinion, the Minnesota Supreme Court held that the State of Minnesota did not incur any financial obligation to certificate holders and would only incur such an obligation to the extent the Legislature appropriated funds therefor. The Court also indicated that the certificate holders could directly assume operational control of the monorail, dispose of the monorail system or declare the full installment due, but in no event could the certificate holders obtain a judgment against the State of Minnesota.

(Interest at 8% per annum on entire unpaid principal.)

United States Fire Ins. Co. vs. Smith, Barney, Harris, Upham & Co., et al. (United States District Court, District of Minnesota).

The Minnesota State Zoological Board was named as a third-party defendant in this action by monorail investors for damages against the construction underwriters and bond counsel. Trial is expected in early 1983. (A summary judgment motion was granted and the State was dismissed from the suit in January, 1983 with appeal expected by February 14.)

The installment payments due through the end of FY1983 totalled $1,800,000 (quarterly payments of $200,000); payments made under the agreement totalled $427,485 through FY 1982. (Payments are sent to the Fiscal Agent who has the responsibility to distribute the payments on a basis agreed upon by all investors.)

(After default in April 1980, the MZB, on advice of counsel, determined that a working capital reserve account was necessary. In May 1982, the Board increased the reserve from a two-month peak operating cost to a four-month peak cost reserve. Payments of all profit above that four-month reserve from ride operation is distributed to the Fiscal Agent to be applied to interest of the debt when distributed to the certificate holders.)

ZOO BOARD

ALEXANDER, FIRMIN L. (1969-1981)

BRADLEY, LYLE (1969-1971)

HARMON, REUEL (1969-1975)

SALET, RICHARD (1969-1975)

SEAL, U.S. (1969-1979)

SELL, WILLIAM (1969-1971)

SMITH, A. NICOL (1969-1971)

THELEN, GERO (1969-1972)

TILTON, JOHN E. (1969-1972)

WEIGELT, MARGARET (1969-1972)

ZOLLMAN, PAUL E. (1969-1973) and (1979-1983)

HOFSLAND, PERSHING (1971-1977)

TOBLER, ADOLF (1971-1977)

WAGNER, JEROME (1971-1980)

HANSON, NORMA (1972-1979)

BALACH, STEVEN (1973-1979)

SCROGGINS, MARY ANN (1973-1979)

ENGELS, ROBERT (1975-1981)

WEILER, JAMES (1975-1976)

FERGUSON, ROBERT (1976-1981)

DELAND, CONNIE (1977-1979)

KENNEDY, JAMES W. (1977-)

STOKESBARY, SANDRA (1977-1980)

ARNDT, RICHARD (1979-1983)

DAVIES, PATRICIA (1979-)

HETLAND, JAMES L. (1979-1983)

GOLDENBERG, HERBERT (1980-1984)

MARUSKA, HARVEYDALE (1980-)

REINHARDT, HAZEL (1980-)

DOYLE, STEPHEN (1981-)

GORT, RANDALL (1981-1982)

HENGESTEG, TONI (1981-)

WEAVER, JAMES L. (1981-)

STIMSON, JAMES (1982-)

COOPER, JANE (1983-)

JORDAN, PETER (1983-)

JORGENSEN, JACK (1983-)

VAN D'ELDEN, STEPHANIE (1984-)

SECTION I

RELATIONSHIPS AMONG ZOOLOGICAL ORGANIZATIONS

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

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

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

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

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

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

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

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

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

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

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

Minnesota Zoological Society (Society).

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

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

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

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

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

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

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

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

Minnesota Zoological Garden Foundation (Foundation).

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

RECOMMENDATIONS

1. The Zoo Board should develop a formal policy defining procedures for the acceptance of cash and in-kind gifts and grants. As a part of the policy, the Zoo Board should work with the Foundation and Society Boards to establish adequate control procedures over the expenditure of in-kind grant funds.

2. The Zoo Board should disallow the transmittal of invoices to the Foundation for payment where adequate procedures have not been established to assure proper accountability.

3. When preparing annual financial reports and biennial budget requests, the Zoo should include information on the type and amount of in-kind grants received.

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

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

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

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

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

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

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

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

RECOMMENDATIONS

4. The Zoo Board should develop formal written procedures for the operation of any fund raising or solicitation program conducted on behalf of the Zoo by a non-state agency such as the Society.

5. The guidelines should be incorporated in a formal agreement between the Zoo Board and the Society, or other agency, which would include a definition of:

   -- the purpose of the fund-raising program and how it is to be conducted;

   -- the relative roles of the organizations involved and whether the Zoo will have to provide staffing, supplies or other services;

   -- the estimated amount of administrative costs and whether they will be paid from proceeds of the fund-raising program or by existing resources of the Zoo or Society; and

   -- the allowable uses of the revenue accruing to the Zoo from the program and how these uses relate to the normal operating budget of the Zoo.

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

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

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

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

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

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

RECOMMENDATION

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

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

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

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

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

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

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

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

RECOMMENDATION

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

the Saint Paul Foundation

1120 Norwest Center Saint Paul, Minnesota 55101

(612) 224-5463

Distribution Committee

Richard A. Moore
Chairman
Sam Singer
Vice Chairman
Mrs. William West
Treasurer
Virginia D. Brooks
Dr. David M. Craig
Reuel D. Harmon
Ronald M. Hubbs
Reatha Clark King
Richard A. Klingen
Richard H. Kyle
Timothy P. Quinn
James W. Reagan
J. Thomas Simonet
Frederick T. Weyerhaeuser

President
Paul A. Verret

February 6, 1984

Stephen D. Iserman
General Director
Minnesota Zoological Garden
12101 Johnny Cake Ridge Road
Apple Valley, Minnesota 55124

Dear Steve:

On behalf of The Saint Paul Foundation let me please express our appreciation for your agreeing to participate on the Advisory Committee to the Minnesota Zoological Garden Fund-Raising Study. While the duration of this study is short lived, it is an important undertaking which we hope will be beneficial to you and the Zoo.

As you know the Advisory Committee is an ad hoc task force composed of community leaders whose input and knowledge is needed to help focus key issues regarding the future fund-raising programs for the Minnesota Zoological Garden and to help recommend appropriate short term and long term strategies. The Committee's mandate is confined to providing advice on fund-raising organizational issues and it will operate for approximately four months.

The Committee is chaired by Larry D. Buegler and a list of total Advisory Committee members is attached. The Committee should have three or four meetings. The first meeting has been set for February 24 at 10:00 a.m. in The Saint Paul Foundation offices.

We look forward to having your advice.

Sincerely,

Mariam C. Noland
Vice President

MCN:jm
cc: Larry D. Buegler
Attachment

mcn.348

Notice of Meeting

The Saint Paul Foundation
Minnesota Zoological Garden Fund-Raising
Study Advisory Committee

There will be a meeting of the Advisory Committee on Friday, February 24, 1984, at 10:00 a.m., in The Saint Paul Foundation office, 1120 Norwest Center, Saint Paul. The meeting will include a review of the study procedures. An agenda will be mailed prior to the meeting.

Mariam C. Noland, Vice President

Dated: February 3, 1984

mcn.351

MINNESOTA ZOOLOGICAL GARDEN FUND-RAISING STUDY
ADVISORY COMMITTEE

Larry D. Buegler — 291-2234
Chairman and Chief Executive Officer
Norwest Bank Saint Paul, N.A.
55 East Fifth Street
Saint Paul, Minnesota 55101

Patricia Davies — 721-2347
Chair, Minnesota Zoological Garden
3424 Edmund Boulevard
Minneapolis, Minnesota 55406

Richard G. Gray, Sr. — 471-8142
2500 Shadywood Road
Box 90
Navarre, Minnesota 55110

Peter C. Hutchinson — 370-6558
Chairman
Dayton Hudson Foundation
777 Nicollet Mall
Minneapolis, Minnesota 55402

Stephen A. Iserman — 432-9010
General Director
Minnesota Zoological Garden
12101 Johnny Cake Ridge Road
Apple Valley, Minnesota 55124

Malcoln W. McDonald — 222-7792
21 East Oaks Road
North Oaks, Minnesota 55110

Mariam C. Noland — 224-5463
Vice President
The Saint Paul Foundation
1120 Norwest Center
Saint Paul, Minnesota 55101

Medora Perlman — 372-8398
Vice President
Norwest Bank Minneapolis, N.A.
7th Street and Marquette Avenue
Minneapolis, Minnesota 55479

Hazel Reinhardt — 375-7050
Vice President of Research
Minneapolis Star and Tribune
6th Floor, IDS Tower
Minneapolis, Minnesota 55402

James Weaver — 540-2221
4235 Dupont Avenue South
Minneapolis, Minnesota 55409

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Appendix B

	Audubon	New England Aq.	Cincinnati	Denver	Houston	North Carolina	Philadelphia	Pittsburgh	San Antonio	San Diego
Unit of Government	Muni	Private	Muni	Muni	Muni	State	Society	Muni	Society	Society
External or Internal Development	Int.	Int.	Both	Int.	Both	Society	Int.	Wealth/prominent volunteers	Int.	Int.
Development Staffing	3	4	7	1 PT	1 Soc.Dir	4	2.5		1	15
Organizational Relation	Dev.	Dev.	Mktg.	N/A	Society	Society	Marketing	-	-	Marketing
Reportability	Ex. Dir.	Ex. Dir. & Board	Ex. Dir. & Board	N/A	Board	N/A	Pres./Dir.	-	Director	Ex. Dir. of Society
Advisory Board Use	Comm. Dev. Bd.	Active Bd. of Trustees	Bd. Dev. Comm.	Fdn. Bd.	N/A	Active Board	Board	Volunteer Friends of Zoo	Society	No
Donor Recognition	Brass Plaques	Plaques, list	Plaques, Certificates	Plaques Donor Board	Plaques	Name, Exhibit, Donor Pylons	Plaques, Annual Report, Magazines, name building	none currently	Plaques, Donor Boards	Name strips, Medallions for ponder ball (crystal ball)

Source: MZG Staff

Fundraising Study

February 29, 1984

MINUTES

Of a meeting of the Minnesota Zoological Garden Foundation Fund Raising Study Advisory Committee of The Saint Paul Foundation, Incorporated, held on Friday, February 24, 1984, at 10:00 a.m., in the Board Room of The Saint Paul Foundation, 1120 Norwest Center, Saint Paul, Minnesota.

Present were: Larry D. Buegler, Chair
Patricia Davies
Stephen A. Iserman
Malcolm W. McDonald
Mariam C. Noland

Mr. Buegler presided and Ms. Noland acted as Secretary.

DISCUSSION OF ADVISORY COMMITTEE PURPOSE AND WORK PLAN

The Committee reviewed and accepted the Committee's purpose as follows. The Advisory Committee is an ad hoc task force composed of community leaders whose input and knowledge is needed to help focus key issues regarding future fund raising programs for the Minnesota Zoological Garden and to help recommend appropriate short-term and long-term strategies.

The Committee's mandate is confined to providing advise on fund raising organizational issues and it will operate for approximately four months. The role of the Committee and work plan is presented in EXHIBIT A.

BRIEFING ON BACKGROUND FOR CURRENT STUDY

Ms. Noland, as Vice President of The Saint Paul Foundation, welcomed the Committee and expressed the appreciation of The Saint Paul Foundation to the Chair and Committee members for their service. In providing a background for this Study, it was indicated that the Minnesota Zoological Garden Foundation (MZG Foundation) was formed in 1975 as a supporting organization or the Minnesota Zoological Garden (MZG). The Foundation was staffed and since 1975 raised approximately $2 million. In recent years the Foundation showed a steady decline in fund raised and in November 1982 The Saint Paul Foundation, upon the request of the Board of the MZG Foundation, agreed to provide management services to the Foundation. During the past fifteen months the MZG Foundation offices have been closed, and all federal and state reporting brought current. During that period the Foundation has not undertaken any significant fund raising

activities. Annual requests to and grants from corporations have been maintained but gifts have been few in number.

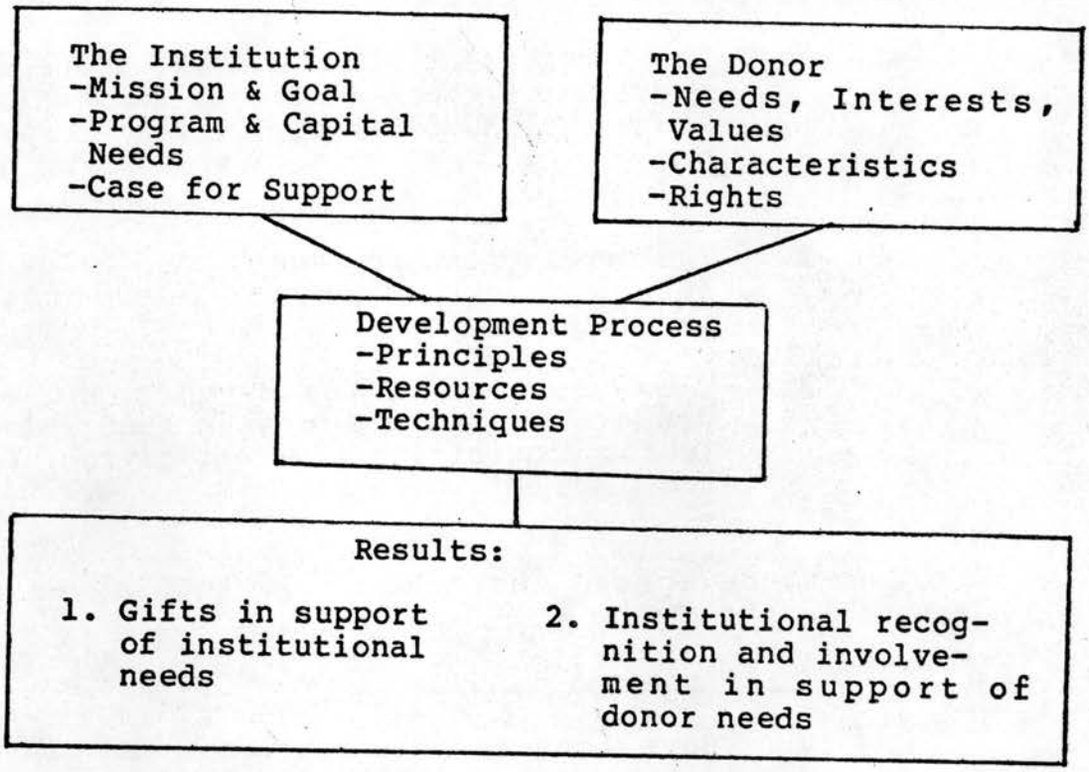
With the support of the MZG Foundation Board, The Saint Paul Foundation developed a process to look at future directions for fund raising for the MZG. This process was discussed with the Chair of the MZG Board and others and their concurrence was given to such a study. Therefore, The Saint Paul Foundation requested and received a grant of $10,000, in June 1983 from the F. R. Bigelow Foundation to undertake a fund raising model study. In the fall of 1983, possible consultants were considered and the firm of Benz, Whaley, Flessner & Associates, Inc., was hired to perform the study. Since this study is a public matter an Advisory Committee was seen as desirable. It is anticipated that the work of the consultants and the Committee on this task should be completed in May of 1984.

Mr. Iserman, as Executive Director of the Minnesota Zoological Garden, provided a summary of the fund raising activities of the MZG. Mr. Iserman indicated that the MZG has not actively sought capital funds. Historically the Zoo has directly raised between $300,000 and $400,000 independent of the MZG Foundation. In 1983 the MZG received approximately $70,0000 in gifts of various sizes. It is estimated that animal sponsorships are approximately $25,000 of that annual amount. Fund raising has primarily been cooperative ventures or promotional activities with several major corporations. A few family foundations have contributed directly to the MZG.

Mr. Iserman characterized the Minnesota Zoological Garden as having no active capital fund raising. It was indicated that a gift fund has been established for the Zoo within the State Treasury so that all gifts to the MZG are adequately restricted. It was further indicated that MZG has drawn approximately $1,800,000 from the MZG Foundation for a variety of activities.

REVIEW AND DISCUSSION OF STUDY DESIGN AND IMPLEMENTATION PLAN

John C. Whaley and Bruce W. Flessner of Benz. Whaley, Flessner, & Associates, Inc., presented a general development model which provides background for the fund raising study. In summary the model is as follows:



The Committee established the following specific criteria for the Minnesota Zoological Garden Fund Raising Study:

A. Institution

1. The development process should be consistent with the structure and governance of the Minnesota Zoological Garden.

2. The development process should be designed to produce maximum results for the projected costs.

3. The Minnesota Zoological Garden Foundation should be utilized if it is determined that a supporting organization is the best vehicle for fund raising.

B. Donors

1. The structure of the development program should respond to the motivation and characteristics of past donor and potential supporters.

2. The structure should be consistent with the perceptions of these donors and as to what organizational format best meets their rights to good stewardship.

C. Development Process

1. The development structure should be consistent with and foster the use of good fund raising principles (cultivation, ownership, the gift pyramid, giving before asking, peer solicitation, and acknowledgment).

2. The development process should allow for the focusing of resources on the most productive donor segments.

3. The structure of the development effort should promote the use of proven fund raising techniques (donor acquisition, current giving, capital giving and planned giving).

The Committee agreed that the following issues should be addressed in the Study:

1. Institutional Issues

a. Have long-range operational and capital plans been defined sufficiently for fund raising purposes?

b. Is there a well defined role for private gifts in such plans?

c. Does the MZG's or MZG Foundation's organization structure accomodate development's input in to long-range planning?

d. Is the MZG's or the MZG Foundation's financial operation capable of handling restricted gifts and endowments?

e. Are there legal advantages to using a roundation for certain types of gifts?

f. Can the MZG's or the MZG Foundation's organizational structure encourage the recruitment and support of influential volunteers?

2. Donor Issues

a. What has been the geographical distribution of past donors, and what will be the likely distribution of future donors?

b. What has been the type -- i.e., corporation, foundation, or individuals -- of past donors, and wnat will be the probable type of future donors?

c. What has been the motivation of past donors, and what will be the probable motivation of future donors?

d. Does MZG's policies accomodate appropriate donor recognition?

3. Development Issues

a. What cost effective method(s) can be used to acquire new donors?

b. What techniques and organizational structure can best be used to raise capital funds.

c. Does a market exist for planned giving, and, if so, what is the best structure to support it?

d. What type of volunteer structure is needed and in what organizational structure can it best be produced.

e. When and in what manner should volunteers be brought into the planning process to foster ownership?

In relation to these issues, the Committee advised that past problems should not be raised by the consultants, but that if comments are made about past organizational problems, note will be taken.

The Committee discussed proposed interviewees. As a result of this discussion the consultants will develop a new list which includes Twin Cities and outstate representation, solicited funders who have not given in the past, and consumer-oriented companies as well as the categories previously suggested by the consultants. Rather than looking at traditional givers it was suggested that attempts should be made to determine if there is a different constituency for support for the MZG and to survey that constituency.

Data collection will begin immediately with preliminary results ready for Committee review approximately April 15, 1984. Based on Committee input, a final draft should be ready for review May 15, 1984, with the report to be issued May 31, 1984.

DISEMINATION OF ACTIVITIES AND RESULTS

The Committee discussed the desirability of informing a broad range of constituencies about the Study activities. Questions were raised as to the appropriate contacts at the State, both in the Governor's office and with the Legislature. This topic will be fully discussed at the next Advisory Committee meeting.

FUTURE MEETINGS

The next Committee meeting will be held approximately mid-April. The Committee will be polled for a suitable date with considerable lead time to assure availability of Committee members.

ADJOURNMENT

There being no further business, the meeting was adjourned.

A TRUE AND CORRECT RECORD
ATTEST:

_____

Mariam C. Noland
Vice President

Minnesota Zoological Garden Fund Raising Study
Advisory Committee

Committee Purpose:

The Advisory Committee is an ad hoc task force composed of community leaders whose input and knowledge is needed to help focus key issues regarding the future fund-raising programs for the Minnesota Zoological Garden and to help recommend appropriate short-term and long-term strategies.

The Committee's mandate is confined to providing advice on fund raising organizational issues and it will operate for approximately four months.

Role of Committee Members:

1. Each Committee Member will be asked to attend three or four meetings.
2. The Committee shall review the procedures for the study.
3. Each Member will be asked to provide input, both at the meetings and in other interviews regarding the organization and structure for the Zoo's future fund-raising efforts.
4. The Committee Members will collectively review the preliminary findings and conclusions.
5. The Committee Members will review and discuss the final recommendations of the study and serve as spokespersons on behalf of the report.

Work Plan:

1. The initial meeting will be to organize the Committee, review its membership, explain its purpose and mandate, adopt a schedule for the study and future Committee meetings, approve the procedures for the study, determine who should be interviewed and review the information to be obtained in interviews.

Minnesota Zoological Garden Fund Raising Study
Advisory Committee

2. In the second meeting Members would review all of the relevant data and facts and the preliminary findings and conclusions of the study. An important part of this meeting would be a discussion of the above and the input of the Committee for rethinking the initial conclusions.

3. The final meeting will be for review and discussion of the findings and recommendations for the study as written in the final report. The final report will contain an implementation plan and budget. It is essential that the Committee reach a consensus on the report and agree to support it publicly.

MINNESOTA ZOOLOGICAL GARDEN FOUNDATION

MEMORANDUM October 10, 1983

TO: Paul A. Verret

FROM: Mariam C. Noland

RE: Action Plan for Study of Fundraising Options for the Minnesota Zoological Garden

On June 28, 1983 the F.R. Bigelow Foundation approved a grant of $10,000 to The Saint Paul Foundation to finance a study of fundraising options for the Minnesota Zoological Garden. That grant was contingent upon several conditions. The following is the grant resolution:

> RESOLVED that a grant of up to $10,000, to The Saint Paul Foundation, Inc., to help finance a study of the best identifiable fundraising models currently being used by organizations similar to the Minnesota Zoological Garden and Minnesota Zoological Garden Foundation, is approved, with the understanding that:
>
> 1. The payment of this grant be made upon receipt of a satisfactory plan of action and the selection of consultants to do the work envisioned.
>
> 2. If possible, this project is to be completed in time for review by the Trustees at their December, 1983 meeting.

Study Charge

The purpose of the Fundraising Options Study is to review possible fundraising models for the Minnesota Zoological Garden and to develop a recommended model or models including an implementation plan, budget, staffing requirements, timeline and specific action items. As a part of this review, the structure and relationship of the Minnesota Zoological Garden and the Minnesota Zoological Garden Foundation will be considered. Preliminary findings will be reviewed with appropriate external parties and the final report shared with the Board of the Minnesota Zoological Garden Foundation and the Executive Director of the Minnesota Zoological Garden.

mcn.158

Specific items to be considered include:

1. Organization and reporting responsibilities for the fundraising function.

2. Appropriate job descriptions.

3. Organizational setting.

4. Future role of the Minnesota Zoological Garden Foundation.

5. Strategic plan for a case statement and/or plan for growth of the Minnesota Zoological Garden in relation to fundraising objectives.

6. Role of advisory committees and/or boards including the Board of the Minnesota Zoological Garden.

7. Relationship to the State of Minnesota in conjunction with fundraising efforts.

Work Plan

A consultant will be secured to assist in this study and draft the report. The consultant will be hired by The Saint Paul Foundation and report to the Foundation. It is understood that full cooperation will be given by the Director of the Minnesota Zoological Garden and key staff. Zoo staff has done considerable work in securing information and visiting other zoos to move this study along. That information will be an integral part of the study. The spirit of this study is cooperation among all parties and findings of the study will be carefully developed and reviewed with the Director of the Zoo.

The Saint Paul Foundation will appoint an Advisory Committee to this study. That committee will number between five and nine members. The Director of the Minnesota Zoological Garden will be a member of the Advisory Committee.

The timeline for this study is as follows:

October 14, 1983 - Request proposals from appropriate consultants.

October 28, 1983 - Review consultants proposals.

November 3-4, 1983 - Interview possible consultants and finalize selection.

January 31, 1984 - First draft of study.

March 15, 1984 - Submission of final study to Director, Minnesota Zoological Garden, and Board of the Minnesota Zoological Garden Foundation.

MINNESOTA ZOOLOGICAL GARDEN FOUNDATION

MEMORANDUM August 1, 1983

TO: David Bender
Steve Iserman
Mariam Noland

FROM: Paul Verret

RE: Summary of July 13, 1983 Minnesota Zoological Garden Development Program Meeting

Enclosed are my notes of the July 13, 1983 meeting. These notes are in no way intended to be definitive, just a reminder of the kinds of things we discussed. Steps now need to be taken to meet again, in order to move toward the selection of a consultant and identification of Advisory Committee members and agencies to be reviewed.

It is my understanding that Mariam Noland will find a time for another meeting in the near future.

PAV:cv

Enclosure

JULY27.3

MINNESOTA ZOOLOGICAL GARDEN FOUNDATION

MEMORANDUM July 18, 1983

TO: File

FROM: Paul Verret

RE: Meeting on July 13, 1983 Regarding Minnesota Zoological Garden Development Program

A meeting was held in the offices of The Saint Paul Foundation to discuss the recent grant from the F. R. Bigelow Foundation to The Saint Paul Foundation to help finance a study to look for successful fundraising models for zoos and other like institutions throughout the United States with a view to developing a model that would be more helpful to the Minnesota Zoological Garden.

Present were Steve Iserman and David Bender of the Minnesota Zoological Garden. Also present were Mariam Noland and Paul Verret of The Saint Paul Foundation.

Mr. Bender reported on the work he had done to date in preparation for this study. He has conducted a survey of a number of zoological institutions and several other like programs and appears to be narrowing down the field to five to seven successful models.

Some Questions.

It was agreed that a consultant is indeed needed and that a number of questions need to be included in the patterned interview that the consultant would ask of the various sites visited. Included in these questions would be the following:

1. Who runs the zoo?

2. How are contributions actually made in support of the zoo? Are the contributions made to the zoo or to a support organization-foundation-fund?

3. How is the marketing/development program for the institution financed?

4. What are the salaries and benefits of development staff?

5. Who governs the zoo?

6. Who governs the development program?

7. How are citizens able to attract wealth involved in the marketing/development of the zoo?

8. What has been done that is successful?

At the same time, the consultant should be cognizant of what works in the Twin Cities including two successful instruments namely, the University of Minnesota Foundation and the Minnesota Orchestral Association.

The Role of the Advisory Committee.

It was the consensus of all present that an advisory committee is essential for this project. This needs to be explored further. Certainly, the Chairman of the Zoo Board and Malcolm McDonald should be on this committee. Also Richard Gray and Hazel Reinhardt were mentioned. The precise role of the advisory committee needs further exploration.

Selection of Consultant.

Mr. Bender agreed to inquire of successfully running development offices in zoos and other institutions about any recent studies they themselves have conducted, by which firms these studies were done and specifically by whom in these firms. It was the general consensus of those present that the person doing the study, not the firm, was the most important consideration for the Minnesota Zoological Garden.

Exactly what is needed of a consultant is unclear. It seems that the person should be a consultant to the Zoological Garden staff, working about 10 to 15 days. The consultant should be designing the questionnaire for advisory committee approval, assisting in the selection of locations to visit and taking members of the Zoological Garden and possibly the advisory committee, if appropriate, on this tour. As a matter of fact, $10,000 may not be enough but that is all that exists. In response to this comment, Mr. Iserman said that there might be some travel money in the Minnesota Zoological Garden budget somewhere.

Meeting Notes

THE SAINT PAUL FOUNDATION
December 22, 1983
9:30 A.M.

PRESENT: Paul Verret and Miriam Noland, The Saint Paul Foundation
Bruce Flesness and John Whaley, consultants
Steve Iserman, Minnesota Zoo

Paul Verret started the meeting by saying that the reason for the meeting was to discuss the role of the advisory committee. They wanted the advisory committee to be made up of competent, low-profile, thoughtful, and, to some extent, neutral people. The advisory committee would be without decision responsibilities.

The final outcome would be answering the question of how best the zoo can raise money; and it is important that the committee endorse the plan. For that reason, it is important to have the membership be made up of people who can compromise.

Paul then asked Whaley to indicate what he felt the tasks of the advisory committee would be. Whaley thought the committee would review the procedures of the study; help in the selection of interviewees; identify the critical issues; supply input and review of the questionnaire to be used for interviewing. They will also be interviewed and will discuss the findings and conclusions of the report as well as approve the final document.

As Whaley saw it, there would probably be four advisory committee meetings which would require 10-15 hours of each member over the course of the study. He will develop a job description, tentative meeting schedules, and rough agendas for those meetings prior to selecting and asking people to be on the advisory committee.

Lengthy discussion followed concerning potential members for this committee, keeping in mind the need for representation from Minneapolis and St. Paul, the private and public sectors, Northern and Southern Minnesota, the Foundation and Zoo Boards.

The following names were mentioned as possible committee members: Sandra Hale, Wally Dayton, Robin Nelson, Denny Evans, Bob Bullard, Paul Olson, Pat Halloran, Jim Weaver, Diana Murphy, Peter Hutchinson, Pete Ankeny, Medora Pearlman, Marlene Johnson, Humphrey Doermann, Hazel Reinhardt, Malcolm McDonald, Margee Kinney, and a member of The Saint Paul Foundation board.

It was tentatively set that the job description, meeting schedules and rough agendas would be available the week of January 3, at which time the advisory committee members would be determined.

John Whaley and Bruce Flesness then accompanied Miriam Noland to look at some of the Foundation's records. (S. Iserman did not accompany them.)

John Whaley and Bruce Flesness met with Dave Bender and Steve Iserman in the afternoon at the zoo, at which time various documents such as marketing plans, capital development interviewed, and brochures from other zoos were given to then and discussed.

SAI:gd
12/22/83

SF-00096-03

STATE OF MINNESOTA

DEPARTMENT MZG

Office Memorandum

TO: Steve Iserman

DATE: December 6, 1983

FROM: Dave Bender

PHONE: 298

SUBJECT: ST. PAUL FOUNDATION MEETING - DECEMBER 5, 1983

Present: Miriam Nolan, John C. Whaley, Bruce Flessner (Bentz, Whaley, Flessner & Assoc.)

The meeting began with my response to Miriam's question on whether there had been any change in our thinking since she had last spoken with you. She also asked me to clarify our current thinking with respect to the whole issue of capital development. I basically expressed the feeling that a good product from the study, namely, a fund raising model would be useful and germane to our needs now or twenty-four months from now. I also discussed our attitude and thinking behind getting our zoo "in order". Miriam then expressed the fact that the study was not intended to be a feasibility study.

Whaley asked about the relationship of our advisory committee. He expressed interest in sitting in on the initial meeting to discuss members, roles and jobs. Miriam said that would be fine.

Discussion then shifted to status of existing records, etc. to aid in the study. It was felt that the records of the Zoo Foundation are minimal -- not much information. The St. Paul Foundation and the Zoo are currently putting together a list of past contributors. It was felt that Whaley should approach Bob Voigt to get any information not down on paper.

Whaley would like lists of values and future characteristics from our last Board seminar. He asked if we had any type of revenue planning or projections.

Whaley felt that he would go back to some of the people he had initially contacted in the first study which he was involved in. He would see how perceptions have or have not changed. He does feel that the current Zoo public relations image has been turned around to one of strong positives.

In response to my question regarding the advisory committee, Whaley felt they would help formulate a short list of people in the community to talk with. Either he or his principal partner would do all interviews. They would look in time units of two years to go along with our biennial system.

Miriam suggested possible advisory committee member names which included: Steve Iserman, Hazel Reinhardt, James Weaver, Toni Hengesteg, Malcolm McDonald, Ron Hubbs (Bigelow), Humphrey Doermann, Peter Hutchinson, Sandra Hale, Wally Dayton.

Whaley asked about the firmness of the March 15 deadline. I said I didn't feel it was any longer attached to any timeline we had. He will try to meet the date but will know better after the first meeting in January.

Everyone felt that we'd have to wait until after the holidays for an advisory committee meeting, probably early January.

Discussion then shifted to me reviewing the other zoo models we have studied and zoos visited. We also discussed current level of fund raising through Zoocare, membership and cooperative efforts.

Final topic "What Now?".

Two steps:

1. Schedule a meeting for December 22 for the purpose of discussing the role of advisory committee.

2. Schedule a visit to the Zoo the same day.

DB:pn

Notes from meeting with David Ferner, Development Director, Minnesota Orchestra

Important ingredients in any development program include 1) the quality of long range planning (Note: In 1979, the long range committee for the Minnesota Orchestra was Chaired by Bud Grossman, Gelco Corporation). The organization must communicate that there are needs and coupled with this is the need for solid planning; and 2) a strong board is important in any capital development.

Care must be given to selecting leading families to be represented on the board. The organization should take boards through a self-study focusing on how they operate and a commitment to time. The Minnesota Orchestra Board is good in that they have strong commitment, there is a personal commitment to quality music, and a wide range of expertise is represented.

One of the Minnesota Orchestra Board's weaknesses is that it has too large a board with 75 term directors. In addition, there are 10 life directors and 8 ex-officio, honorary members. Terms are for 3 years.

The actual functioning of the Board is run by an Executive Committee made up of 20 people.

The current organization of the Development Office at the Minnesota Orchestra is divided into planned giving, capital fund area which includes directed grants. The second area is a guarantee fund which relies heavily on telemarketing.

For donor recognition, plaques are used in the lobby. Guarantee Fund donors are recognized in the Annual Report. There is an Annual Guarantors Concert held in the Civic Auditorium and it is free.

Question: How do you work with the promotion/marketing department?
Answer: They work closely with marketing and promotions.

They have used outside writers for grant proposals because of the time commitment. They have moved from all records being manual to being computerized.

Current membership is at 20,000 donors. They are now getting into full time prospect research. This is an important factor in successful fund raising. They develop a file on all prospects containing biographic information and gift history forms. These prospects are used for directed grants.

The two biggest weaknesses in all non-profit giving organizations nationally, in the opinion of David Ferner, were prospect research and planned giving. According to David Ferner, we must have intelligence of our market in order to influence it. Planned giving is an important part of the capital fund.

$1.1 million commitment of $17 million is deferred. To get sizeable pledges you must be flexible. Most people and/or corporations do not have liquid assets as much as they did in the past. Pledge periods are stretched out. Most corporations are asking for longer periods of payment.

Goals should be set for planned giving. They should include the number of goals to be made.

A new creative approach the Orchestra is looking at is to ask the Women's Association to sponsor an annual estate planning seminar for women in order to introduce

a planned giving program. To conduct these seminars they would develop a sponsoring committee which would identify leaders in law, estate, insurance and real estate sectors of the committee to help advise on the program of planned giving.

Miscellaneous Notes:

Membership in the Minnesota Orchestra Association is $50 and up. Their concert sponsorship program is $10,000 and up. For that, an organization gets one week of advertising, 4 page insert in the Orchestra's Show Case publication and the right to reserve the green room at their expense prior to a Wednesday concert. 90% of their contributions are under $150. 40% of the Guarantee Fund donors come from prospects or donors at the $10,000 or more level.

Telemarketing accounts for 26% of their dollars. According to Ferner, we must develop a case for private support, a better job of showing the State hasn't been taking care of all our needs.

A partnership can provide for better quality of service. We should develop a generic case statement for private support of a State facility.

Another basic ingredient in successful development is a comprehensive generic case statement which argues the value of the organization.

We must get all volunteers involved in development to speak the same voice. Volunteer leadership is extremely important -- more important than staff.

Currently in the Orchestra, marketing accounts for 60% of its income with development at 40%.

Currently, the Orchestra does not buy lists. David Ferner believes you must develop from a natural constituency.

DB:pn

8/3/83

To Board: f.y.i. SI: sent in separate mailing 9/26 per PD request.

August 23, 1983

INTERVIEW WITH CURT JOHNSON, EXECUTIVE DIRECTOR OF CITIZENS LEAGUE

Curt sees our problem as how to build a strategy to bring money in the door. Fund raising in this community is so different; while there is an interlocking network, it is not overlapping, not concentrated; hence, it is more difficult to find the right combination. He feels a local consultant knows the territory better than an out-of-state one. If the zoo is aggressive now, no one can say we are premature. We gained mileage from waiting our turn. The last few years have seen unprecedented fund-raising in this community, now tapering off. We have the advantage of good timing.

The Board has to decide what level of development should be to fulfill expectations, to give sense of completeness. Subject plans to severest criticisms -- what will skeptics say about plans. The tricky thing is to position the zoo on a need versus pride scale. The reason to raise funds is to do something to and with zoo that needs to be done, goals that people can relate to and identify with. The vulnerability lies in the pride part, the of-inconsequential-status factor.

Once this vision is captured in a case statement in a believable way, we will find a short way to express it; reduce our goal to 2 or 3 words. The real strategy for raising money is to know what you want to accomplish before you start talking.

State what will happen, affirm that we can do it, yet accept suggestions to shape and modify it because no long range plan should be rigid.

Curt alternated between broad suggestions as above and specific thoughts on fundraising. All his comments were unstructured and given in an informal setting in Steve's office with just Dave Bender, Steve and I there. Really not for publication but I thought you would be interested in someone active in the community of foundation world's ideas about MZG. He feels the McKnight Foundation, though presently not focusing on funding institutions such as ours, may be, especially if we could get the interest of Virginia Binger, McKnight's daughter, and/or Russ Ewald, the executive director. He reported that the McKnight Foundation is about to have an interesting problem; their assets will increase at the end of this fiscal year, from $300 to $1/2 billion, because of the dramatic jump in the stock market and they will have to find additional outlets for their donations.

He also recommended talking with Atherton Bean who has a good overview of the Twin City funding patterns. We need to know what pattern to go to people and foundations in, that who we approach first, second, etc. matters. Perhaps we can get a combination of foundations letting us leverage their grants. Which foundations decide first, when do their boards meet, what is the required lead time? The Bush is meticulous; but the questions Doermann, their executive director, asks will help us refine and develop our proposal. Plan on four months at least from first presentation to Bush.

We need to get annual reports from foundations, which give their gifts. Then figure out analogies; potential giving patterns will become clear. (Has the Foundation done this already??)

Curt suggested we think of ways to draw attention to the zoo, perhaps with a celebrity performer who would donate an evening's entertainment, plan tailgating in parking lot (for those who must be missing it), set up stands and have an event.

He asked if we'd done any serious market research, what causes people to come to the zoo, suggested getting Dave Nasby at General Mills to help us with that. He wondered if we could team up with other institutions to promote a full weekend of activities.

Getting back to the actual drive, he felt some parts of the strategic plan have to be complete -- where are we now, what is our vision, what are our major categories for attention: (1) remediating deficiencies, (2) incremental, long-term enrichment, (3) financial stability. He feels we need <u>good</u> writing in our case statement, suggested Mitch Perlstein of St. Paul as a possibility. Lastly, he recommended laying out a calendar of activity, made the point again that starting within a year will be excellent timing in terms of other questors in this market.

Pat

PD:gd

F. R. BIGELOW FOUNDATION

REPLY TO:
1120 NORWEST CENTER
ST. PAUL, MINNESOTA 55101
(612) 224-5463

October 1, 1984

Mr. Malcolm W. McDonald
Vice President
Minnesota Zoological Garden Foundation
c/o 21 East Oaks Road
North Oaks, MN 55110

Dear Mr. McDonald: Re: Grant No. 41-84

On August 8, 1984, the Trustees of the F. R. Bigelow Foundation authorized a discretionary grant of $10,000, to the Minnesota Zoological Garden Foundation, for support of implementation of the Fundraising Study and planning.

Enclosed please find a check in the amount of $5,000 which represents the first of two payments of the grant authorized.

The Trustees are looking forward to receiving a report from your organization regarding use of the funds granted and progress made on this project as stated in the Terms of Grant agreement previously sent to you.

In all future correspondence, please refer to the Grant Number shown above.

Sincerely yours,

Paul A. Verret
Secretary

PAV:nl
Encl.

cc: Steven Iserman
General Director

bg3c

Blanding Bldg Trustees Bldg.

Warren Anderson
215 - First Ave NW
Grand Rapids, MN 55744

Robert Bullard
Oppenheimer Law Firm
W1700 First National Bank Bldg.
St. Paul 55101

Mary Jo Jess
501 Kokegama Ave. So.
Grand Rapids, MN 55744

Margaret Matalamaki
5734 Sunnybeach Rd.
Grand Rapids, MN 55744

Henry Doerr
625 2nd Ave. So.
404 WCCO Radio Bldg.
Mpls. 55402

Robert Comstock
800 Willow Lane
Grand Rapids, 55744

Eugene Rothstein
Rothstein Realty
Grand Rapids, MN 55744

Steve Shaler
First Federal Savings & Loan
P. O. Box 600
Grand Rapids, MN 55744

Bruce Stender
Labovitz Enterprises
880 Missabe Bldg.
Duluth, MN 55802

Already have
James Oppenheimer W1700 1st Nat'l Bank Bldg St P 55101
Don Haugaard, Sr VP NW Bnk, 8th & Marquette Mpls 55479-0001

Five or more percent contributors

from June 1985 Giving Forum

The following companies gave at least 5 percent of their domestic pretax taxable income for charitable and community purposes:

* ADC Telecommunications, Inc.
* American Plumbing Co. of Winona, Inc.
Anderson's China Shop
Animal Fair, Inc.
Arthur Andersen & Co.
Arthur Young & Company
* Best, Inc.
* Bloomington Speedy Car Wash
Bolger Publications/Creative Printing
Bozell & Jacobs, Inc.
Brum & Anderson Public Relations, Inc.
Business Incentives, Inc.
Campbell-Mithun, Inc.
Carlson Companies Inc.
Carousel Snack Bars of Minnesota, Inc.
Century Mfg. Co.
* CENEX
* City Pages, Inc.
Cowles Media Company
Custom Business Forms
Dayton Hudson Corporation
Deloitte Haskins & Sells
dor & associates, inc.
Ernst & Whinney
First Bank Minneapolis
First Bank Saint Paul
First Bank System, Inc.
Grace-Lee Products, Inc.
Graco Inc.
H.B. Fuller Company
Har-Mar Incorporated
Harold Chevrolet, Inc.
Harold Corporation
The Hartfiel Company
Hartzell Corporation
Hoffman Electric Co.
Inter-Regional Financial Group Inc.
The Jefferson Company
* Lanier Industries, Inc.
Laventhol & Horwath
Leslie Paper Company
Liberty State Bank
* Lieberman Enterprises Incorporated
Lieberman Music Company
MSI Insurance
Mackay Envelope Company
Marco Business Products
Maxim's Beauty Salon, Inc.
Midway Ford Company - Road King, Inc.
Naegele Outdoor Advertising Company of the Twin Cities
Norwest Bank Minneapolis, N.A.
Nu Comp Systems, Inc.
* Ophthalmology, P.A.
Opus Corporation
Padilla and Speer, Inc.
Peat, Marwick, Mitchell & Co. - Minneapolis
* Peat, Marwick, Mitchell & Co. - Saint Paul
* Pella Products, Inc.
Piper, Jaffray & Hopwood Incorporated
* Poor Richard's Inc.
Price Waterhouse
Professional Fundraising Services, Inc.
Quality Wine & Spirits Co.
R.J. Steichen & Company
Sam Miller Bag Company
Sell Publishing Company
Sharpe Manufacturing Co., Inc.
* Total Financial Planning, Inc.
Touche Ross & Co. - Minneapolis
Touche Ross & Co. - Saint Paul
U.S. Communications Corporation
WTCN-TV
Ziegler Inc.

* New Member

Two to five percent contributors

The following companies gave between 2 and 5 percent of their domestic pretax taxable income for charitable and community purposes:

* Acrometal Companies, Inc.
Alexander & Alexander of Minnesota Inc.
Bemis Company, Inc.
Carmichael-Lynch, Inc.
Continental Press, Inc.
Conwed Corporation
Cray Research, Inc.
Custom Research, Inc.
The Farm-Oyl Company
* First American Bank - Brainerd
* First Bank Lake
First Security State Bank
Gabberts Furniture and Design Studio
* Gemini Inc.
General Mills, Inc.
General Office Products Company
* The Guide Corporation
Honeywell Inc.
Horton Manufacturing Co., Inc.
International Multifoods
Iten Chevrolet Co.
Juster's
* Korsunsky Krank Erickson Architects, Inc.
* Land O'Lakes, Inc.
Medtronic, Inc.
The Midwest Paint Manufacturing Co.
* Minnesota Mutual Life Insurance Company
Northwestern National Life Insurance Company
Norwest Bank St. Paul, N.A.
Owens Services Corporation
The Pillsbury Company
Robinson Rubber Products Co., Inc.
Scientific Computers, Inc.
* Sperry Corporation
The St. Paul Companies, Inc.
* Tanick & Heins
Tennant Company
* Towle Real Estate Company
Upper Midwest Industries, Inc.
WCCO AM/TV-WLTE FM
The Webb Company
Willows Convalescent Centers, Inc.

* New Member

Five or more percent contributors

The following companies gave at least 5 percent of their domestic pretax taxable income for charitable and community purposes:

* ADC Telecommunications, Inc.
* American Plumbing Co. of Winona, Inc.
Anderson's China Shop
Animal Fair, Inc.
Arthur Andersen & Co.
Arthur Young & Company
* Best, Inc.
* Bloomington Speedy Car Wash
Bolger Publications/Creative Printing
Bozell & Jacobs, Inc.
Brum & Anderson Public Relations, Inc.
Business Incentives, Inc.
Campbell-Mithun, Inc.
Carlson Companies Inc.
Carousel Snack Bars of Minnesota, Inc.
Century Mfg. Co.
* CENEX
* City Pages, Inc.
Cowles Media Company
Custom Business Forms
Dayton Hudson Corporation
Deloitte Haskins & Sells
dor & associates, inc.
Ernst & Whinney
First Bank Minneapolis
First Bank Saint Paul
First Bank System, Inc.
Grace-Lee Products, Inc.
Graco Inc.
H.B. Fuller Company
Har-Mar Incorporated
Harold Chevrolet, Inc.
Harold Corporation
The Hartfiel Company
Hartzell Corporation
Hoffman Electric Co.
Inter-Regional Financial Group Inc.
The Jefferson Company
* Lanier Industries, Inc.
Laventhol & Horwath
Leslie Paper Company
Liberty State Bank
* Lieberman Enterprises Incorporated
Lieberman Music Company
MSI Insurance
Mackay Envelope Company
Marco Business Products
Maxim's Beauty Salon, Inc.
Midway Ford Company - Road King, Inc.
Naegele Outdoor Advertising Company of the Twin Cities
Norwest Bank Minneapolis, N.A.
Nu Comp Systems, Inc.
* Ophthalmology, P.A.
Opus Corporation
Padilla and Speer, Inc.
Peat, Marwick, Mitchell & Co. - Minneapolis
* Peat, Marwick, Mitchell & Co. - Saint Paul
* Pella Products, Inc.
Piper, Jaffray & Hopwood Incorporated
* Poor Richard's Inc.
Price Waterhouse
Professional Fundraising Services, Inc.
Quality Wine & Spirits Co.
R.J. Steichen & Company
Sam Miller Bag Company
Sell Publishing Company
Sharpe Manufacturing Co., Inc.
* Total Financial Planning, Inc.
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Conwed Corporation
Cray Research, Inc.
Custom Research, Inc.
The Farm-Oyl Company
* First American Bank - Brainerd
* First Bank Lake
First Security State Bank
Gabberts Furniture and Design Studio
* Gemini Inc.
General Mills, Inc.
General Office Products Company
* The Guide Corporation
Honeywell Inc.
Horton Manufacturing Co., Inc.
International Multifoods
Iten Chevrolet Co.
Juster's
* Korsunsky Krank Erickson Architects, Inc.
* Land O'Lakes, Inc.
Medtronic, Inc.
The Midwest Paint Manufacturing Co.
* Minnesota Mutual Life Insurance Company
Northwestern National Life Insurance Company
Norwest Bank St. Paul, N.A.
Owens Services Corporation
The Pillsbury Company
Robinson Rubber Products Co., Inc.
Scientific Computers, Inc.
* Sperry Corporation
The St. Paul Companies, Inc.
* Tanick & Heins
Tennant Company
* Towle Real Estate Company
Upper Midwest Industries, Inc.
WCCO AM/TV-WLTE FM
The Webb Company
Willows Convalescent Centers, Inc.

* New Member

LESLIE PAPER COMPANY (info from 1984 Corporate Fact Book):

James H. Leslie, CEO; Darel B. Anderson, President.
Annual revenues $106 million. Paper distributor with operations in MN, WI, IL, SD, ND and IA. 9th District.

Member of Keystone (5%) Contributions Club; previous contributor to zoo.
Grant proposal requesting $5,000 submitted 11/29/84.

Sources:
NATIONAL FOUNDATION DIRECTORY - 9th Edition
(This 1983 publication lists 4,000 major foundations (with assets exceeding $1 million or annual giving of over $100,000). These foundations give over 80% of total foundation giving and own nearly 90% of all foundation assets.

GUIDE TO MINNESOTA FOUNDATIONS & CORPORATE GIVING PROGRAMS 1983

"The Corporate Report 100", Corporate Report , November 1984.

American Hoist & Derrick Foundation
63 South Robert St.
St. Paul, MN 55107

1981: 41 grants totalling $122,075 ($25,000/$539)
EID 416080179

Trustees: Robert P. Fox, Chairman; William B. Faulkner, President; Dennis L. Nordstrand, Secretary-Treasurer.

Note: "The Corporate Report 100" states that this company's net earnings were down $44 million in 1984; and lists it as the corporation with the largest decrease in revenue in 1984 (-32%).

Andersen Foundation c/o Andersen Corporation; Bayport, MN 55003

General giving
1981 Assets: $30,864,000. Grants totalling $1,023,367 ($315,000/$400)
Katherine B. Andersen, President
Contact Earl C. Swanson, Vice President
EID 416020920

Andersen (Elmer L. & Eleanor J.) Foundation
800 Rosedale Towers; Roseville MN. 55113

Lists conservation as an interest area.
Letter of inquiry preferred; guidelines available.
Trustees: Elmer L. & Eleanor J. Andersen, Samuel Morgan, Barbara B. Miller.

Andreas Foundation
Box 728; Mankato, MN 56001

1981: 58 grants totalling $988,681 ranging from $100,000 to low of $25.

Write Dwayne O. Andreas, President.

Initial approach by full proposal in one copy; first quarter of year (Jan-Mar)
EID 416017057

Athwin Foundation
901 Midwest Plaza E.; Mpls., MN 55402 (612) 340-3616

Broad purposes; primarily local educational, cultural program; conservation/environmental, civic and community.
Atherton Bean, Trustee.

Letter of inquiry requesting annual report, guidelines. Initial approach full proposal in 5 copies.
1981: 36 grants totalling $208,118 ($35,000/$100) including the following:
SMM - $35,000 (capital); KTCA Public TV - $10,000 (capital); Nature Conservancy - $12,500 (operating).

EID 416021773

Baker Foundation
4900 IDS Center, Minneapolis, MN 55402 (612) 332-7691

Lists conservation as interest. Capital support.
1981: 46 grants totalling $288,534 ($150,000/$100)
Initial approach by letter; submit one copy of proposal. Board meets as required.

Directors: William M. Baker, Roger L. Baker, David C. Sherman, Mary J. Bierman, James W. Peter.
EID 416022591

Bell (James F.) Foundation
10000 Highway 55 West, Suite 450; Minneapolis, MN 55441

Wildlife preservation/conservation, culture.
1981: 46 grants totalling $177,413 ($36,148/$250)
L.L. Arnevik, Executive Secretary (Trustees are Charles, Ford & Samuel Bell)
EID 416023099

Bemis Company Foundation
800 Northstar Center; Minneapolis, MN 55402 (612) 340-6018

Cultural, civic affairs; lists zoos. Does not list capital support.
1981: 180 grants totalling $549,442 ($25,000/$500).

Contact: Thomas E. Davies, Executive Director
Grant application guidelines available; initial approach by full proposal in one copy. Bd. meetings quarterly in March, June.
EID 416038616

Carolyn Foundation
1600 First National Bank Building; Minneapolis MN 55402 (612) 339-7101

Environment, education, culture, recreation; lists capital support.
1981: 30 grants totalling $565,864 ($100,000/$1,000)

Robert B. Diercks, Executive Director
Program policy statement and grant application guidelines available; initial approach by letter; submit one copy of proposal. April 1 deadline for under $10,000. Sept. 15 deadline for over $10,000 (with decision in December)

Trustees: Olive C. Brown, Guido Calabresi, C. John Kirsch, Beatrice Booth, Edwin L. Crosbys, Franklin Crosby, G. Christian Crosby, Sumner McK. Crosby, Thomas M. Crosby, Susan W. Crosby, Lucy Mitchell.

EID 416044416

Cenex Foundation
500 Cenex Drive, Inver Grove Heights, MN 55075

1981: Assets $2,565,000. 161 grants totalling $251,100 ($25,000/$25)
Write DeVon W. Bangerter, Manager (Joseph Larson, President)
Initial approach by letter; application form required; sumit one copy of proposal, Bd. meetings quarterly.
EID 416025858

Chadwick Foundation

Conservation
48 grants totalling $146,080 ($48,000/$100)
(Gives $2,500 ea. yr. for past four years)

Davis (Edwin W. & Catherine M.) Foundation
2100 First National Bank Building; St. Paul, MN 55101 (612) 228-0935

Contact Frederick W. Davis, Pres; Bette Moorman, Mary E. Davis, Albert Moorman.

Education, environmental programs.
1981: 70 grants totalling $559,070 ($75,000/$500)
Initial approach by letter; one copy of proposal; board meets in May or June and as required. Request guidelines and annual report.

EID 416012064

Deluxe Check Printers Foundation
P. O. Box 43399; St. Paul 55164 (612) 483-7233
1080 W. Co. Rd. F; St. Paul, MN 55112

Capital support, matching support (lists zoos and recreation)

1981: 293 grants totalling $1,305,554 ($25,000/$500)
Donald W. Steinkraus, Secretary and Administrator. (Michael Welch?)

Grant application guidelines available; initial approach by letter or phone; submit one copy of proposal; Board meets in February.
Grants Committee: R. L. Jensen, L. J. Sawicki, F. H.Cloutier, D. N. Peters, M. F. Reeves, J. A. Black, L. B. Boyum,R. S. Hall, C. N. Herman, E. R. Olson, H.V. Havertz, J.R. Cross.
EID 416034786

Deluxe Check Printers Inc. (corporate contributions program)
18% increase in earnings in 1984. Lists recreation, conservation groups; capital

support, etc.
1981: $362,556 ($35,000/$50)
Letter of inquiry or telephone inquiry to Donald Steinkraus of John Cross.
Proposal guidelines and ap procedures available.

Donaldson Foundation
P. O. Box 1299; Minneapolis, MN 55440 (612) 887-3007

Arts and cultural organizations, environmental protection, community development.
1982: 80 grants totalling $300,000 ($40,000/$400)
Write Raymond Vodovnik, Secretary or Robert Schweitzer, President.
Trustees: Erland Anderson, Frank Donaldson, Betsy Lund; W. L. Johnson; Arlene Louton; DEAN MCNEAL, Kenneth Riesberg; William West.

Contact preferred by telephone.
Grant application guidelines available; initial contact by letter; sumbit one copy.
Board meets quarterly in November; February; May, August.
EID 416052950

Driscoll Foundation
2100 First National Bank Bldg.; St. Paul, MN 55101 228-0935

Conservation.
Ask for annual report and proposal guidelines. Initial approach by letter; submit one copy of proposal.

1982: 23 grants totalling $104,425 ($22,000/$800)
Write to W. John Driscoll, President. Bd. meets in May or June or as needed.
EID 416012065

First Bank System Foundation
1300 First Bank Place East; Minneapolis, MN 55480

Arts, cultural programs; 5.4% of grants to preservation and environment projects.
1981: 222 grants totalling $1,937,793 ($89,000 high)

Contact by letter of inquiry for proposal guidelines, application procedures; annual report. Quarterly meetings in Feb., May, Sept., Dec.

Officer: Lloyd Brandt, President
EID 411359579

First National Bank Minneapolis
First Bank Place, Minneapolis, MN 55480

1981: 183 grants totalling $1,138,153 ($277,000/$100)
Contact: James L. Hetland, Jr., Senior Vice President

Letter of inquiry or complete proposal (ap procedures, annual report available)
Deadline one month before board meeting (March, June, Sept. Dec.)
EID 416093462

Graco Inc. Foundation
60 - 11th Ave. NE; Minneapolis 55413 (612) 623-6222

Contact Charles F. Murphy, exec. director.
Lists zoos; capital support.
1981: 145 grants totalling $437,667 ($120,000/$50).

Directors: David A. Koch; Russell J. Gray; Maynard Hasselquist.
Note: Graco have given in the past. Graco, Inc. is 5% club; had 566% increase in earnings in 1984.

Griggs (Mary Livingston) & Mary Griggs Burke Foundation
1400 NWNB Building; 55 E. 5th St.; St. Paul 55101 227-7683

General giving in arts, museums, zoos, conservation.
1982: 65 grants totalling $563,882 ($132,500 high)
Contact by complete proposals. Bd. meetings quarterly.
Write Marvin J. Pertzik, Secretary.
EID 416052355

Honeywell Foundation
P. O. Box 524, Minneapolis, MN 55440 (SEND applications to nearest company manufacturing facility) 870-6821)

Broad purposes: cultural programs
1981: 514 grants totalling $3,940,000 ($500,000/$200)
Write: Patricia Howen, Director

Initial approach by full proposal in one copy; application deadlines the 15th of month preceeding board meetings: March, June, Sept., Dec.)
EID 416023933

Hubbard Foundation
3415 University Ave. SE; Minneapolis 55414

Recreation
1981: 197 grants totalling $446,647 ($35,000/$100)
Stanley Hubbard, KSTP
EID 416022291

Marbrook Foundation
510 Baker Building, Minneapolis, MN 55402 332-2454

Primarily to on going organizations in Mpls./St. Paul with emphasis on education...and recreation and conservation.

1982: 63 grants totalling $240,050 ($33,000/$250)
Write Conley Brooks, Executive Director.
Get annual report; initial approach by letter; submit one copy proposal in March or September. Application deadlines May 15 and November 15 when board meets.
EID 416019899

Mardag Foundation

Conservation
Initial approach by telephone; letter of full proposal in two copies. Board meets

quarterly.
EID 237022429

McKnight (The Sumner T.) Foundation
c/o NWNB of Mpls., Trust Dept; 7th & Marquette; Minneapolis 55477

Local giving emphasis on conservation and recreation.
Write Malcolm G. Pfunder, Sec.
1981: $167,000 total grants
EID 416022360

Neilson (George W.) Foundation
c/o NWNB of Mpls., 7th & Marquette; Mpls., Mn 55479 327-6717

Minnesota. Empahsis on matching funds for community needs, including recreational and education facilities and support for conservation.
1982: 12 grants totalling $55,750 ($20,000/$250)
Write Henry Doerr, Treasurer.
Initial approach by letter. Application deadlines July 1. Board meets annually in July or August).
EID 416022186

Northwestern National Life Insurance Co.
20 Washington Ave. So.; Minneapolis 55440 (612) 372-5440

Contact David K. Cummings, 2nd VP, Corporate Relations.
Capital support; education.
Request guidelines, ap procedures, annual report.

2% club. 167% increase in earnings ($14.7 million) in 1984.

Red Wing Shoe Co. Foundation
419 Bush St., Red Wing, MN 55066 388-8211

Local giving. Youth agencies, environmental education, community funds.
1980: 43 grants totalling $236,000 ($125,000/$45)
EID 416020177

Margaret Rivers Fund
First National Bank Bldg., Stillwater 55082

Conservation
Write c/o William D. Klapp
EID 416017102

Tennant Co. Foundation
1982: 128 grants totalling $160,090 ($16,500/$100)
EID 237297045

Thorpe (James R.) Foundation

Weyerhaeuser (F.K. & Vivian O'Gara) Foundation
2100 First National Bank Bldg., St. Paul, MN 55101 228-0935

Culture programs, conservation
1982: 23 grants totalling $135,125 ($20,000/$500)
Initial approach by letter.
Write Vivian W. Piasecki, President.
EID 416054303

MINNESOTA ZOOLOGICAL GARDEN
FUND RAISING STUDY
ADVISORY COMMITTEE

February 24, 1984
10:00 a.m.

zoo.cover

AGENDA

For a meeting of the Advisory Committee to the Minnesota Zoological Garden Fund Raising Study, to be held on Friday, February 24, 1984, at 10:00 a.m. in The Saint Paul Foundation office, 1120 Norwest Center, Saint Paul, Minnesota.

DISCUSSION OF ADVISORY COMMITTEE PURPOSE AND WORK PLAN — EXHIBIT A

BRIEFING ON BACKGROUND FOR CURRENT STUDY

Minnesota Zoological Garden Foundation
and The Saint Paul Foundation
Mariam C. Noland

Minnesota Zoological Garden
Steven A. Iserman

REVIEW AND DISCUSSION OF STUDY DESIGN AND IMPLEMENTATION PLAN — EXHIBIT B

SCHEDULE OF COMMITTEE MEETINGS

mcn.352

Minnesota Zoological Garden Fund Raising Study
Advisory Committee

Committee Purpose:

The Advisory Committee is an ad hoc task force composed of community leaders whose input and knowledge is needed to help focus key issues regarding the future fund-raising programs for the Minnesota Zoological Garden and to help recommend appropriate short-term and long-term strategies.

The Committee's mandate is confined to providing advice on fund raising organizational issues and it will operate for approximately four months.

Role of Committee Members:

1. Each Committee Member will be asked to attend three or four meetings.
2. The Committee shall review the procedures for the study.
3. Each Member will be asked to provide input, both at the meetings and in other interviews regarding the organization and structure for the Zoo's future fund-raising efforts.
4. The Committee Members will collectively review the preliminary findings and conclusions.
5. The Committee Members will review and discuss the final recommendations of the study and serve as spokespersons on behalf of the report.

Work Plan:

1. The initial meeting will be to organize the Committee, review its membership, explain its purpose and mandate, adopt a schedule for the study and future Committee meetings, approve the procedures for the study, determine who should be interviewed and review the information to be obtained in interviews.

Minnesota Zoological Garden Fund Raising Study
Advisory Committee

2. In the second meeting Members would review all of the relevant data and facts and the preliminary findings and conclusions of the study. An important part of this meeting would be a discussion of the above and the input of the Committee for rethinking the initial conclusions.

3. The final meeting will be for review and discussion of the findings and recommendations for the study as written in the final report. The final report will contain an implementation plan and budget. It is essential that the Committee reach a consensus on the report and agree to support it publicly.

MINNESOTA ZOOLOGICAL GARDEN
FUND RAISING STUDY

I. Outline of the study and procedures.

A. The objectives of the study are:

1. To develop a fund raising model appropriate for the Minnesota Zoological Garden.

2. To recommend an implementation plan including budgets, staffing requirements, and timelines.

B. To accomplish this task we propose to proceed through five steps.

1. Establish the criteria. The initial task will be to establish a criteria which a successful fund raising program must meet. The criteria will be established by:

   - preparing a comprehensive fund raising model;
   - examining the model relative to the scope of this study;
   - creating specific criteria for this study.

2. Define the issues. Based on the above criteria, the issues to be examined will be identified and focused. The issues can be grouped into three categories:

   a. Institutional issues;

   b. Donor issues;

   c. Development process issues.

   It is the purpose of the initial meeting of the advisory committee to review the Bentz, Whaley, Flessner draft of the criteria for a successful program, the initial definition of the issues, and the proposed data gathering methods.

3. Gather appropriate data. The next step is to gather the information needed to address the identified issues. A specific listing of the data necessary and how to obtain the data are in section IV. At its second meeting the committee will review the initial findings from which the draft conclusions will be prepared.

4. Conclusions. The next step is to draw conclusions based upon the information gathered. Bentz, Whaley, Flessner will prepare initial conclusions for discussion by the committee.

5. Make recommendations. The final step is to recommend an appropriate fund-raising model for the Zoo and a plan to implement it. The implementation plan will include budgeting, staffing, and timelines. Finally the recommendations, endorsed by the committee, should be presented to the Board of the Minnesota Zoological Garden (MZG) and the MZG Foundation.

C. Roles in the study.

1. Bentz, Whaley, Flessner and Associates' Role. Bentz, Whaley, Flessner and Associates was selected by the Saint Paul Foundation to conduct the study. A copy of the study proposal is available to the study Advisory Committee members upon request.

   A brief description of the firm is found in Appendix C.

   The role of the consulting firm is to outline the study, prepare materials for the committee, gather data, provide professional input on all development issues, propose initial recommendations, and assist the Committee in reaching final recommendations.

2. The Advisory Committee. The role of the Advisory Committee is to review the procedures of the study at its initial meeting, to review the findings of the study and the preliminary draft of the conclusions at the second meeting, and to review the draft recommendations and help prepare a final report at the third meeting.

D. Timelines.

1. By February 22, 1984.

   a. Bentz, Whaley and Flessner will present an outline of the study, proposed procedures and criteria, and begin assembling preliminary materials and information.

   b. Initial meeting of the Committee will be held to review the procedures for the study.

Outline continued:

2. By April 15, 1984.

   a. Bentz, Whaley and Flessner will gather all relevant materials, conduct interviews, analyze and summarize the relevant information, and make the findings available to the Committee.

   b. A preliminary draft of conclusions will be presented to and reviewed by the Advisory Committee.

   c. The second meeting of the Committee will be held to review the findings of the study and the preliminary conclusions.

3. By May 15, 1984.

   a. Bentz, Whaley, Flessner will prepare final conclusions, initial recommendations, and implementation plan.

   b. The third committee meeting will be conducted to review the preliminary draft of the recommendations for the Zoo's fund raising structure and the implementation plan.

   c. The Committee will adopt the report.

4. By May 31, 1984.

   a. The report will be issued and the study concluded.

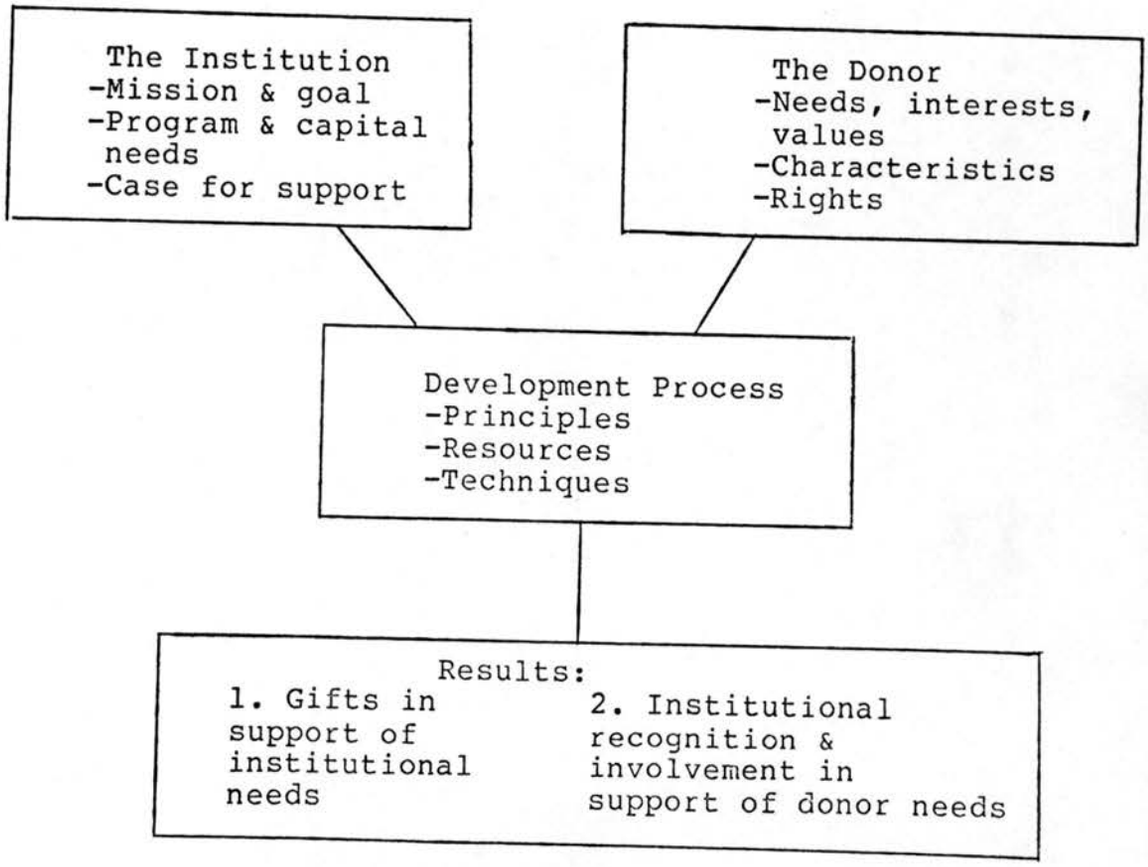
II. Criteria for a successful program.

A. Overview.

1. Definition: Development is the process of bringing together an institution, which has needs, with a potential donor, who has needs, in such a way that each is able to meet the other's needs.

2. Since this requires the application of resources--e.g., volunteers' time, staff time--an effective program is one which produces maximum results for the resources expended.

B. Development Model.



C. Specific Elements.

1. The Institution.

a. Mission and goals. While there are many factors that motivate a donor to give, a successful development program is usually one that is in support of an institution whose mission is clear, perceived as important to the community, and translated into goals that are achievable.

Experience indicates that if a separate organization, such as a foundation, is used to raise funds for an institution, it must be clear that the fund-raising organization exists solely:

1) to support the mission and goals of the primary institution; and

2) because it is the most effective vehicle for accomplishing the goal.

b. Needs for private support. In seeking private support, an institution must clearly demonstrate:

1) why additional funds are needed; and

2) why other sources of funding--e.g., earned income, tax-based funds, etc.--are not available to meet this need.

c. A strong case must be made that the needs are valid and urgent. Otherwise, because of the intense competition for gifts and grants, available funds will go to support other causes.

2. The Donor.

a. Needs, values, and interests. Donors bring to the fund-raising equation their own needs, values, and interests. While other factors--primarily peer pressure--can often be used to influence prospects to give outside of their areas of interest, the most successful programs are those that make genuine efforts to match donor interests to institutional needs and opportunities.

 Criteria continued:

This calls for:

1) more sophisticated research efforts to discover interests;

2) more innovative work in defining and describing institutional needs; and

3) more careful and time-consuming solicitations.

b. Characteristics. Donors should be segmented by characteristics in order to most effectively apply limited resources for maximum return. This market segmentation would be based upon:

1) capacity to give;

2) interest in the MZG and/or MZG Foundation;

3) geographical location;

4) relationship to the MZG and/or MZG Foundation;

5) other.

A development plan should examine each donor segment, determine the cost-effectiveness of a development effort to reach that segment, design strategies for targeted groups, and lay out an action plan to implement the strategies.

c. Rights. Donors have the right to expect:

1) gifts will be used for the intended purpose;

2) gifts will be professionally managed;

3) gifts will be properly receipted, acknowledged and recorded; and

4) agreements made with the donor will be kept.

Therefore, a development program must go beyond the cultivation/solicitation process. In receiving a gift, the institution takes on an obligation to the donor that must be faithfully discharged.

4. Development process.

Criteria continued:

a. Principles. Good development programs operate on principles that have been known and tested for many years. They are:

1) Cultivation. Prospective volunteers and donors must be brought close to the institution before they are asked to work or give.

2) Ownership. People work harder for and give more to causes for which they feel a sense of ownership of the plan and goal.

3) The gift pyramid. Over 90% of the dollars usually come from less than 10% of the gifts, and therefore time and energy must be focused accordingly.

4) Give before asking. Volunteers are most effective if they have already committed their own gifts.

5) Peer solicitation. People give more when asked for a targeted amount by a respected peer.

6) Acknowledgement and recognition. Donors who are made to feel good about their last gift are the best prospects for new gifts.

b. Resources. The development process needs the following resources to achieve success:

1) Staff time. A successful development program requires time from the executive director and top administrators, from program specialists, from public relations, and from development professionals and support staff.

2) Volunteer time. Perhaps the most crucial element in fund-raising is an institution's volunteer force. The number, level, and dedication of the volunteers is all important in achieving success.

3) Involvement opportunities. Institutions by their nature are able to offer potential donor opportunities to be associated with and involved in their operations in such a manner that the prospect derives real personal benefits.

 Criteria continued:

4) Recognition devices. Institutions can assist in bringing community recognition to individuals through a variety of means--e.g., public plaques, news releases, named rooms or exhibits, etc.

5) Other. Research and systems for gift handling are also crucial to successful fund-raising.

c. Techniques. Several techniques are used in successful programs:

1) Donor acquisition. Using direct mail, telephone calls, or other methods to acquire new donors.

2) Current giving. Soliciting large numbers of people on a cost-effective basis to support operating costs.

3) Capital giving. Using volunteers and written proposals to solicit large gifts from corporations, individuals, and foundations to fund capital projects.

4) Planned giving. Using estate and tax planning techniques to assist donors to give very large current and/or deferred gifts.

D. Specific Criteria for this Study.

1. General Comments.

This study is limited to examining the structure and necessary resources required to implement a successful fund-raising program. This study does not evaluate a particular case for support, the current plans for the zoo, or the MZG's mission statement.

2. Specific Criteria.

a. Institution.

1) The development process should be consistent with the structure and governance of the Minnesota Zoological Garden.

2) The development process should be designed to produce maximum results for the projected costs.

3) The MZG Foundation should be utilized if it is determined that a supporting organization is the best vehicle for fund raising.

b. The Donors.

1) The structure of the development program should respond to the motivation and characteristics of past donors and potential supporters.

2) The structure should be consistent with the perceptions of these donors as to what organizational format best meets their rights to good stewardship.

c. Development Process.

1) The development structure should be consistent with and foster the use of good fund-raising principles (cultivation, ownership, the gift pyramid, giving before asking, peer solicitation, and acknowledgement).

2) The development process should allow for the focusing of resources on the most productive donor segments.

3) The structure of the development effort should promote the use of proven fund-raising techniques (donor acquisition, current giving, capital giving, and planned giving).

III. Defining the Issues.

1. Institutional Issues.

   a. Have long range operational and capital plans been defined sufficiently for fund raising purposes?

   b. Is there a well defined role for private gifts in such plans?

   c. Does the MZG's or the MZG Foundation's organization structure accommodate development's input into long range planning?

   d. Is the MZG's or the MZG Foundation's financial operation capable of handling restricted gifts and endowments?

   e. Are there legal advantages to using a foundation for certain types of gifts?

   f. Can the MZG's or the MZG Foundation's organizational structure encourage the recruitment and support of influential volunteers?

2. Donor Issues.

   a. What has been the geographical distribution of past donors, and what will be the likely distribution of future donors?

   b. What has been the type -- i.e., corporation, foundations, or individuals -- of past donors, and what will be the probable type of future donors?

   c. What has been the motivation of past donors, and what will be the probable motivation of future donors?

   d. In what way will perceptions of past organization problems effect potential donors and their giving preferences?

   e. Does the MZG's policies accommodation appropriate donor recognition?

3. Development Issues.

   a. What cost effective method(s) can be used to acquire new donors?

Issues continued:

omit

b. Can private gifts be generated for on-going operating support? If so, using what methods and organizational structure?

c. What techniques and organizational structure can best be used to raise capital funds?

d. Does a market exist for planned giving, and, if so, what is the best structure to support it?

e. What type of volunteer structure is needed and in what organizational structure can it best be produced?

f. When and in what manner should volunteers be brought into the planning process to foster ownership?

IV. Fact Finding.
Data & Methods

Area	Data Needed	Methods to Obtain: MZG & Other Sources	Methods to Obtain: MZG Foundation Sources
Zoological Garden/ Zoo Foundations	1. Programs & Planning Information.	-MZG documents & interviews with administrators.	-MZG documents & interviews.
	2. Mission Statements.	-MZG documents & interviews with administrators.	-MZG documents & interviews.
	3. Organizational Structure & Staff List.	-MZG documents & interviews with administration.	-MZG documents & interviews.
	4. Past Fund Raising Efforts & Results.	-MZG documents.	-MZG Foundation documents.
	5. Audited Financial Statements.	-MZG documents.	-MZG Foundation documents.
	6. Board of Directors for Zoo.	-MZG documents.	
	7. Board of Directors for Zoo Foundation.		-MZG Foundation documents.
	8. Past Feasibility Reports on Fund Raising.	-MZG documents.	-MZG Foundation documents.
	9. Policies Relating to Gifts.	-MZG documents & interviews with administrators.	-MZG Foundation documents & interviews.
	10. Past Donor Lists.	-MZG documents.	-MZG Foundation documents.
	11. Interpretations of Laws Relating to Private Gift Receipt & Usage.	-MZG attorney.	-MZG Foundation attorney.
	12. Political Enviroment for Zoo Fund Raising.	-Interviews with key governmental officials.	
	13. Articles of Incoporation & Bylaws for MZG Foundation.		-MZG Foundation documents.
	14. Charitable Organizations Annual Reports, Dept. of Commerce, State of Minnesota.	-MZG documents.	-MZG Foundation documents.

Data & Methods

Area	Data Needed	Method to Obtain: MZG & Other Sources	Method to Obtain: MZG Foundation Sources
Donors and Philanthropic Community	1. Donor Perceptions of MZG Management & Needs.	-Existing documents, interviews and survey.	
	2. Donor Interests: Areas of Interest, Levels of Interest, Reasons for Giving.	-MZG giving records, leadership interviews, and survey.	-MZG Foundation donor records.
	3. Environmental Factors.		
	- Economics.	-Norwest Bank Economic information.	
	- Demographics.	-Census Bureau data.	
	- Competition (including Como Zoo).	-Minnesota Council on Foundations survey & interviews.	
	4. Donor's Perception of Stewardship.		
	- Giving to State Agency.	-Leadership interviews and survey.	
	- Zoo Management of Gifts.	-Leadership interviews and survey.	
	- Giving to a Supporting Agency.		-Interviews with MZG Foundation sources.
	- MZG Foundation Management of Gifts.		-Interviews with MZG Foundation sources.

Data & Methods

Area	Data Needed	Method to Obtain: MZG & Other Sources	Method to Obtain: MZG Foundation Sources
Development Process	1. Data on Other Zoos' Development Process.	-Information from MZG staff visits & BWF interviews.	-Interview with former MZG Foundation staff.
	2. Data on Other Public Agencies' Development Process.	-BWF interviews	
	3. Data on private institutions' development process.	-BWF files and interviews.	

13.3

Fact Finding Steps: Interviews
Categories and Purpose

Division	Category	Purpose
I. MZG/MZG Foundation (6 interviews maximum)	(A) MZG Staff.	To evaluate MZG's plans, roles for private support & general questions about the Zoo.
	(B) MZG Board.	To evaluate Board's reaction to & interest in private support & various development models.
	(C) MZG Foundation Board.	To evaluate Foundation's reaction to MZG's program plans, history of fund-raising, and its future.

Interviews:
Categories and Purpose

Division	Category	Purpose
II. Donor Attitudes & The Philanthropic Community (15 interviews maximum, recommend 3 from each category)	(A) State Government	To determine current attitudes about the MZG and the MZG Foundation, the state's view of the role of private support, and feelings about fund-raising models.
	(B) Past Corporate Donors	To determine the motivation, interest concerns of past donors, and receive recommendations for improving Donor support.
	(C) Potential Corporate Donors.	To determine concerns of potential corporate donors & receive recommend-ations for improving potential for future support.
	(D) Past Foundation Donors.	To determine the motivation, interest, & concerns of past foundation donors, and receive recommendations for improving potential future support.
	(E) Potential Foundation Donors.	To determine the concerns of potential foundation donors & receive recommend-ations for improving potential future supports.
	(F) Past Individual Donors.	To determine the motivation, interest, & concerns of past individual donors & to receive recommendations for improving future support.
	(G) Other Governmental Agencies.	To determine if support exists from other governmental units and the possible effect such support would have on fund-raising.

Interviews:
Category & Purpose

Division	Category	Purpose
III. Development Issues (maximum of 10 interviews)	(A) Other Zoos and/or museums.	To determine how other like organizations seek private funds, evaluate their success, and evaluate the appropriateness of their fund-raising model.
	(B) Local Public Agencies with fund-raising programs.	To determine the mechanism by what other agencies seek private support, assess the strengths & weaknesses of their efforts, & evaluate the appropriateness for the MZG.
	(C) Local Private Agencies.	Determine similarities & differences in private support mechanisms for public & private agencies.
	(D) Philanthropic Leaders.	Seek the advice of individuals with a long history of volunteer leadership in fund-raising campaigns.

Proposed Interviewees:

Suggested Number	Category	Suggested Candidates
2	MZG Staff:	Steve Iserman, Director of the MZG David Bender
2	MZG Board:	To be determined by Advisory Committee.
2	MZG Foundation:	Current Board members to be determined. Cy Morrison Reuel Harmon Robert S. Voigt, former Executive Director, MZG Foundation
3	State of Minnesota:	Marlene Johnson, Lt. Governor Legislators, to be determined.
2	CEO's of Past Corporate Donors:	First Bank System Norwest Bank System General Mills Honeywell St. Paul Companies Northwestern National Life Insurance Co.
2	CEO's of Potential Corporate Supporters:	3M Super Valu Pillsbury Land O'Lakes Control Data Hormel Company
2	Past Foundation Supporters:	Delwood Foundation Blandin Foundation St. Paul Foundation Bush Foundation Onan Foundation Mardag Foundation Bigelow Foundation James Ford Bell Foundation

Proposed Interviewees, continued:

Suggested Number	Category	Suggested Candidates
2	Potential Foundation Supporters:	McKnight Foundation Northwest Area Foundation Dayton-Hudson Foundation (Peter Hutchinson)
2	Past Individual Donors:	William Gruenwald (ISIS) M/M Kenneth M. Knopf (Gen. Foundation Operations & other restricted support) Manuel A. Villafura
2	Other Governmental Agencies:	To be determined.
2	Other Zoos & Museums:	North Carolina Zoo, Greensboro (reinterview by phone) Brookfield Zoo, Chicago Como Zoo, St. Paul
2	Local Public Agencies:	Minnesota Historical Society University of Minnesota Minnesota State University
1	Private Agency:	Minnesota Orchestral Association
5	Volunteer Leaders & Philanthropists:	All members of Advisory Committee. Ron Hubbs John Musser

13.2

V. Next Steps in the Study.

A. The study's procedures, criteria, and plan for gathering information will be revised, based on the Committee's input.

B. Fact finding Agenda.

1. Assemble all relevant documents and data from the MZG, MZG Foundation, Saint Paul Foundation and other relevant groups.

2. Review MZG staff interview records on the structure of other zoo's fund-raising.

3. Conduct interviews.

C. Before next meeting:

-Distribute highlights of fact finding.

-Distribute preliminary conclusions.

D. Next meeting agenda: Review data and discuss conclusions of the study.

Funds Raised by Minnesota Zoological Garden Foundation
July 3, 1975 (Inception) to December 31, 1983

	Direct Public Support			Special Events				Total Contributions	Interest & Misc. Revenue	Total Revenue	Managment and Fundraising	Grants to MZG
	Unrestricted	Restricted	Total	Receipts	Shared Proceeds	Direct Costs	Net Proceeds					
July 3, 1975 – June 30, 1976		$ 97,113	$ 97,113					$ 97,113	$ 764	$ 97,877	$ 20,504	
July 1, 1976 – June 30, 1977		$185,520	$185,520	$109,293	$ 5,130	$ 20,410	$ 83,753	$269,273	$ 6,895	$276,168	$ 52,333	
July 1, 1977 – June 30, 1978		633,372	633,372	146,382	21,868	62,646	61,898	695,240	30,473	725,713	73,330	
July 1, 1978 – June 30, 1979		346,859	346,859	143,952	24,098	79,892	39,962	386,821	124,673	511,494	67,773	$158,374
July 1, 1979 – June 30, 1980	$ 6,200	246,479	252,679	40,544	17,255	20,556	2,733	255,412	153,594	409,006	102,356	1,441,832
July 1, 1980 – June 30, 1981	12,150	161,386	173,536					173,536	84,361	257,897	103,562	20,342
July 1, 1981 – June 30, 1982	17,000	73,783	90,783					90,783	48,083	138,866	101,286	24,402
July 1, 1982 – June 30. 1983	14,621	46,245	60,865					60,866	24,985	85,851	51,127	58,927
July 1, 1983 – Dec. 31, 1983		1,600	1,600					1,600	8,497	10,097	4,163	11,464
Total	$ 49,971	$1,792,357	$1,842,328	$440,171	$ 68,351	$183,504	$188,316	$2,030,644	$482,325	$2,512,969	$567,434	$1,715,341

MZ.0018

APPENDIX A

EXHIBIT B
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Bentz, Whaley, Flessner & Associates, Inc.

APPENDIX B: MAJOR DONORS TO ZOOLOGICAL GARDEN FOUNDATION

FOUNDATIONS:

Bayport Foundation
James Ford Bell Foundation
F. R. Bigelow Foundation
Charles K. Blandin
Bush Foundation
Edwin W. and Catherine Davis Foundation
Delwood Foundation
Donaldson Foundation
Mardag Foundation
Onan Foundation
The Saint Paul Foundation
Skogmo Foundation
Thorpe Foundation

CORPORATIONS/CORPORATE FOUNDATIONS:

Cenex Foundation
Dayton Hudson Foundation
Deluxe Check Printers, Inc.
Farmers & Mechanics Savings Bank
First Bank System
Ford Motor Company
H. B. Fuller Company
General Mills Foundation
Graco Foundation
Hoerner-Waldorf
Honeywell Fund
International Multifoods Charitable Foundation
Investors Diversified Services, Inc.
Josten's Foundation, Inc.
Minnegasco
Minnesota Mutual Life Insurance Company
Minnesota Rubber Company
Northern Gas Products Company
Northern Natural Gas Company
Northwest Bancorporation
Northwestern Bell Telephone Company
Northwestern National Life Insurance Company
Rahr Malting Company
The St. Paul Companies, Inc.
Twin City Federal Savings & Loan Association

INDIVIDUALS:

William Gruenerwald
Mr. & Mrs. Kenneth M. Knopf
Manuel A. Villafana

OTHER:

Minnesota Zoological Society

Bentz, Whaley, Flessner & Associates, Inc.

Bentz, Whaley, Flessner and Associates is a full-service firm providing a complete range of fund raising, management and public relations counsel to colleges and universities, art organizations and health care institutions. The three founding partners, Frank H. Bentz, John C. Whaley, and Bruce W. Flessner, bring 40 collective years of experience in institutional advancement and management to serve professionals in a manner which is tailored to the needs of their particular staffs and institutions.

Several important features distinguish our services. First and foremost, our service is based on commitment. Our own experiences have led us to know and understand the necessity of working with total commitment to an institution, to its missions and goals. There is no other way. This is the essence of professionalism as we see it.

Hand in hand with our commitment, clients receive comprehensive service. We address a new generation of needs. Institutions face difficult and complex challenges, rarely confined to just fund raising or public relations problems. While we offer specific expertise in development, public relations, management, finance and marketing efforts such as admissions programs and audience development, we do not present clients a "magic formula" that claims to solve all their problems. Our approach is to address broad issues and needs with a client, to develop integrated solutions, and to provide the services needed to assist an institution's staff to implement these solutions. We think this is the most professional and productive way to work.

Frank H. Bentz brings nearly 20 years of institutional experience to this consulting practice. Most recently he served as Vice President for Development and Public Affairs at Franklin College, Franklin, Indiana. He also held development positions at the University of Minnesota and Western Michigan University. Mr. Bentz has special skills in board relations, major gift cultivation and solicitation, and total institutional planning.

John C. Whaley comes to this firm from the consulting field where since 1980 he was with C.W. Shaver & Co. as a Regional Vice President and served such prestigious clients as the San Francisco Symphony and Carleton College. Prior to this, Mr. Whaley was the Director of Development at the University of Minnesota, has held other development positions, and has consulted on planned giving. His particular areas of expertise are endowment campaign planning, planned giving, and fund raising management.

Bruce W. Flessner has spent his entire working life in development. As Associate Director of Development of the University of Minnesota he managed a large professional staff and supervised the collegiate development effort. Prior to Minnesota, Mr. Flessner served as Annual Fund Director at Kalamazoo College. His experience highly qualifies him in the areas of program analysis, planning and management, staff recruitment and development, and annual giving.

CURRENT CLIENTS

Atlantic Christian College
Wilson
North Carolina

Augsburg College
Minneapolis
Minnesota

Baptist Homes of Indiana
Indianapolis
Indiana

The Children's Museum
Indianapolis
Indiana

Columbus Symphony Orchestra, Inc.
Columbus
Ohio

Cranbrook Educational Community
Bloomfield Hills
Michigan

Cranbrook Institute of Science
Bloomfield Hills
Michigan

University of Detroit
Detroit
Michigan

Franklin College
Franklin
Indiana

Greater Detroit Chamber of Commerce
Detroit
Michigan

Harper-Grace Hospitals
Detroit
Michigan

Michigan Opera Theatre
Detroit
Michigan

Michigan Thanksgiving Parade Foundation
Detroit
Michigan

Minnesota Zoological Garden Foundation
St. Paul
Minnesota

University of Minnesota
Minneapolis
Minnesota

University of Minnesota Hospitals & Clinics
Minneapolis
Minnesota

Wilberforce University
Wilberforce
Ohio

A STUDY OF THE FUND RAISING POTENTIAL OF THE MINNESOTA ZOOLOGICAL GARDEN FOUNDATION

Presented by:

Donald R. Maysack, President
MAYSACK and MARSHALL/Organizational Counsel

September 14, 1978

I N D E X

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PREFACE

This study was commissioned by the Board of Directors of the Minnesota Zoological Garden Foundation at its August 10, 1978 meeting. Although its purpose was to determine the feasibility of a major fund raising program for the Foundation, it was Counsel's belief that such a program cannot and should not be considered in a vacuum.

The nature of fund raising is such that all facets of an institution must be considered. Even if it were possible to consider the image, effectiveness, leadership, and potential of the Foundation alone, the study results would have told only a partial story. It thus became quickly apparent that the study should be comprehensive in nature, addressing all the aspects of the Minnesota Zoological Garden's interface with the public and fund raising constituency.

As a consequence, some elements of the study have gone beyond the purview of the Foundation Board. It is Counsel's hope that recommendations emanating from these elements will not be lost to the organization, and that individuals with responsibilities involving other boards and committees within the Zoo organization will carry the study's findings to other appropriate bodies.

It is clear that all persons interviewed, representing all the various boards and committees, felt strongly that their one purpose in serving was to provide for the needs of the Zoo. This unanimity of purpose has served to bring the Zoo from concept to reality, and should now serve to quickly cut through the thicket of minor organizational problems that must be confronted. It is in that spirit that this report is presented.

THE PURPOSE AND METHOD OF STUDY

This study was conducted to evaluate the readiness of the Minnesota Zoological Garden Foundation to conduct a campaign to raise $6,500,000 for certain capital improvement projects at the Minnesota Zoological Garden. Interviews were conducted with 48 persons from August 15, 1978 to September 7, 1978, to discover opinions concerning the proposed campaign from members of the Boards of Directors of the Foundation, the Zoological Garden, the Zoological Society, and the Minnesota Zoo Ride, Inc.

The list of interviewees was restricted to members of the various boards in accordance with recommendations of Counsel and the feelings expressed by the Foundation Board at its August 10, 1978 meeting. Due to the complex organizational structure and interrelationships of the various zoo organizations, this first phase of a comprehensive study was considered advisable before any general community interviews were held. Utilizing this method, any internal problems of leadership and cooperation that might be uncovered could be addressed before "going public" with campaign plans.

As background for each interview, the planned study was explained by Foundation Staff in establishing interview appointments with board members. The Study Director reviewed the plan again as each interview commenced, and clarified any areas of misconception or concern. It was emphasized that all interviews were strictly confidential, and that the identity of each respondent would be withheld with respect to specific comments and any information or opinions offered. For this reason, the actual interview

reports are not included in this presentation, and no one is quoted by name. An alphabetical list of the persons interviewed is attached as Appendix I.

The opinions of those interviewed were measured against certain basic elements which experience has demonstrated must be present to provide a reasonable probability for success in a capital fund raising program. These are:

1. The institution, by virtue of its contribution to the community, its record of service, and its image and reputation, must be deemed worthy of support by its potential constituency.

2. There must be a high degree of understanding of the need for the proposed project.

3. The project must have reasonably high priority in terms of total community needs, and the constituency must be receptive to a capital campaign on behalf of the institution.

4. The funds sought through public subscription must be available and attainable.

5. Standards of giving developed from actual campaign experience must be approximated.

6. There must be a campaign organization comprised of informed, well-trained, interested, and influential leadership. The responsible inner group must form a dedicated unit behind

the program exemplifying a willingness to work, lead, and give in order to bring the program to a successful conclusion.

7. The timing of the proposed campaign must be acceptable to the fund raising constituency.

THE FINDINGS

A. Opinions about the public image of the Minnesota Zoological Garden

The Minnesota Zoological Garden appears to enjoy a very good public image in the opinions of board members. The overwhelming majority of those questioned felt that the Zoo is extremely successful, and that the concept behind it and the actual facilities are superb. When asked to evaluate the Zoo as each member viewed it personally, the responses were as follows:

Excellent	20
Very Good	20
Good	6
Average	1
Unaware	1

However, respondents reacted with more reserve when asked to evaluate how others (non-board members) viewed the Zoo. Since many of those interviewed volunteer their time for public contact jobs at the Zoo in addition to serving as board members, a wide body of opinion is represented by the responses:

Excellent	1
Very Good	21
Good	21
Average	4
Poor	1

There were several reasons offered for the Zoo's presumed lower public image in the community at large. Largely they fell into three broad categories: 1) The need for more public education about the Zoo concept. 2) The need to make exhibits more visible and accessible, and 3) The need to "de-politicize" the management and organizational structure of the Zoo.

The comments listed here typify those made by board members in responding to questions about public image.

"I think the Zoo has had a high degree of success in the eyes of the general public."

"I think the relationship to the state will be a negative."

"I feel let down — many animals aren't even visible."

"The Zoo appeals to family units more than most other organizations."

"I wish there was some way to establish the Zoo as a quasi-private entity."

"I think it will be difficult to raise major funds until donors have some input."

"The money raising horsepower for this job is just not there."

"The people who have the most clout are not on the boards."

"The Zoo hasn't stabilized as an organization yet."

"The Zoo was designed with idealistic concepts. We should not give them up, but we should make them more marketable."

"The Zoo is o.k., but there's not enough there. What is there is good quality, though."

"We must resolve the question of a new director very quickly."

"The Zoo has as big an appeal as any organization I know of."

"Operating decisions should be made solely on a business basis — not political."

"No campaign will be successful till they clean up their act."

"Among my peers the reputation is excellent."

B. Understanding of the need for completion of the Northern Trek

The completion of Northern Trek exhibits was recognized as a very high priority for the success of the Zoo. It was seen as a necessity for the continued growth, attractiveness, and educational value of the Zoo, as well as to achieve "a completed look." The completion of the monorail adds even more emphasis to the need for continuing development of the Northern Trek.

Caution was encouraged by some who also felt the need to continue the development of exhibits that were closer to the main Zoo complex and required little walking, as well as those exhibits which could more comfortably be visited during the months of inclement weather. Nearly all the interviewees felt the need to respond to areas of criticism expressed under section A.

C. Receptiveness of the Board Members to a campaign, and opinions about its priority with respect to other community needs.

While interviewees were in general agreement about the need for a campaign to support the completion of the Northern Trek, mixed feelings were expressed about the priority it would be given by community leaders when compared to the other capital funding needs in the Twin Cities area. There was consensus, though, that the Zoo could compete favorably with other institutions seeking funds, and that in general, it would be given a high priority. Actual responses were:

Highest Priority	2
Among Top Few	24
One of Many	9
Low	6
No Response	7

The quotations listed exemplify the feelings of most respondents.

"The Zoo is the best attraction to this area — it has a good, clean image."

"The Zoo has attracted attention akin to other big institutions like the arboretum, orchestra, and sports teams."

"$55 million for a domed stadium will be a lot easier than $6.5 million for the Zoo."

"The Zoo is a center of pride in our area."

D. Reactions to standards of giving and opinions about the attainability of a $6,500,000 goal.

Many factors enter into any evaluation of the availability of funds for a philanthropic campaign. Some of these are the condition of the general economy, the profitability of business and industrial interests, the traditional patterns of giving to voluntary causes, and the existence of individuals and foundations of affluence who indicate a willingness to support a campaign in accordance with the standards of giving necessary for success. The probable standards of giving required for a successful campaign for the Zoo were shared with the interviewees for their reactions. The table is appended to this report as Appendix II.

Most respondents were very positive about the present economic climate in Minnesota, and saw a continuing stable and healthy economic outlook. Questions about the business climate and economy were answered as follows:

Excellent	2
Very Good	24
Stable	13
Weak	3
No Response	6

Some statements typical of these responses were:

"I think we're in for a period of belt tightening."

"Business climate in Minnesota is excellent — the economy couldn't be better."

"I see a period of continued good times ahead."

"Despite Proposition 13 and a poor tax climate in Minnesota — the economy is in good shape."

About half the interviewees felt that there were sufficient prospective donors in the area who could and probably would contribute gifts of the magnitude required to achieve the required standards. Some reservation was expressed because it was felt that major donors of the past eighteen months were approached for a "one-time gift", and that to re-solict them at this time — even before pledges were paid — would be inappropriate. This fact, it was felt, would limit the corporate and foundation participation at the upper giving levels.

The vast majority of those interviewed felt that the Twin Cities community is known for its generosity in support of voluntary institutions, and that if the need were clearly demonstrated, the Zoo would have the ability to attract the $6.5 million sought. Specific reactions were:

Attainable	31
Unattainable	6
Perhaps	10
No Response	1

In addition, and in further support of the attainability of the objective, nearly 76% of those interviewed indicated that they would be willing to make a personal gift to a campaign. Of those affiliated with business interests, most felt their company would favorably consider a gift. None, however, indicated that their giving might fall into the "top ten" category. This very positive response would indicate that a high probability for success exists if a campaign is carefully planned and presented.

E. Availability of leadership and willingness of Board Members to actively work and lead in a campaign for the Zoo

An essential ingredient to a successful project is high calibre, well-informed leadership around whom volunteer forces can rally to do the work of a campaign. The four boards are perceived differently in regard to their leadership ability and their influence in the community at large. The Board of the Zoological Garden is seen as being influential politically and in legislative circles, but not having the strength to mount a major campaign directed toward the corporate, foundation, and much of the individual constituencies. The Minnesota Zoo Ride Board was formed for a very specific purpose, and their involvement in the management and operation of the Zoo is seen as minimal. While they are perceived as diligent and effective in their task, it is estimated that the individual commitment is not sufficient to undertake a major campaign with success. The Zoological Society Board and membership

is universally commended for their highly successful efforts in communications, public involvement, and fund raising, but it is felt by many that the interest of that group is more in the area of zoological endeavors and education than it is in major fund raising. The Foundation Board is recognized as having the greatest potential as a fund raising body, but it felt that the group of community leaders already serving would need to be augmented with others in the community who have not necessarily been active in the Zoo.

It is clearly seen that all four boards would have to become active in a campaign organization to assure its success. The willingness of members to do so is summarized below:

Willingness to work:

Yes	40
No	5
Perhaps	3

Willingness to lead:

Yes	20
No	16
Perhaps	12

The willingness of many of the more influential members of the various boards was, however, seriously qualified. Furthermore, many felt similar doubts about the willingness of other community leaders to join in a campaign for the Zoo. Some of the reservations and qualifications are represented

by the following quotations:

"I don't think the present board has the capability to raise major money."

"I don't think we can attract leadership until our problems are resolved."

"There is terrible confusion with three different boards."

"I think there's a reluctance on the part of many of my friends to get involved with a political organization."

"The Society and the Foundation seem to have problems working together."

"The political nature of the organization makes progress difficult and keeps the best people away."

"The strong political flavor is a negative factor in trying to attract the movers and the shakers."

"If the Zoo becomes any more political, I won't remain involved."

F. Reactions to the suggested timing for a capital campaign

Most interviewees felt that a campaign should be undertaken at the earliest possible time. They believe that the momentum created by the newness of the Zoo, and the publicity surrounding its opening and first season make the time ideal for fund raising.

In general, it was felt that some time following the United Way campaign would be best, and most suggested a late winter and early spring effort. Specific reactions to planned timing were:

Good	11
Bad	6
Good As Any	19
No Response	12

In addition, many felt strongly that there is an urgent need for the Zoo to show some progress toward completing the Northern Trek before next summer season, and that fact demands an immediate campaign.

CONCLUSIONS AND SUMMARY

1. The Minnesota Zoological Garden enjoys an exceptionally good public image among its constituent boards, and apparently in the community at large. Although some disappointment is expressed about the concept behind the Zoo, and around the design of some of the exhibits, most criticisms can be adequately addressed with increased intensity in educational and public relations programs.

2. The continued development and eventual completion of the Northern Trek exhibits is seen by a large majority as very necessary for the Zoo. Additional urgency is felt due to the nearing completion of the monorail ride and the corresponding increase in the number of visitors to the Northern Trek area.

3. The Minnesota economy is considered very strong, and the prospects for continued health and prosperity are perceived to be excellent.

4. The positive image, the positive economic climate, and the high level of priority seen by the board constituency would seem to indicate that sufficient philanthropic dollars are available to support a $6,500,000 campaign for the Zoo. This premise, however, should be further tested among prospective major contributors.

5. While there are some individuals on the present boards of the several Zoo organizations with major community influence, it will be necessary to augment this leadership group with others from the community at large in order to stage a successful campaign. Some serious

reservations are felt about the ability of the Zoo to attract this additional leadership.

It is felt rather strongly that the political nature of the Zoo organization, and the unwieldy interrelationships of the four Zoo corporations will cause a significant reluctance on the part of many to become involved. In addition, recent unfavorable publicity surrounding management changes and staff dismissals has presented a rather unstable picture of Zoo operations.

Those serving on the present boards expressed feelings of urgency to show some progress, saying that movement has been very slow, and more visible action is needed. A significant number of board members have feelings of frustration over these organizational problems, and indicated a low interest level because of them. Several members indicate a desire to resign their positions.

These issues must be resolved, or the ability of the Zoo to enlist sufficient leadership to conduct a major campaign is in serious doubt.

RECOMMENDATIONS

1. The Minnesota Zoological Garden should initiate a comprehensive sampling of the attitudes of the general public about the Zoo. Such a market study would yield valuable data upon which to base educational and public relations efforts in the coming year, as well as serve as a guide to the planning process.

2. Short and long range plans for the future development of the Zoo must be completed and thoroughly documented. Such plans should include an implementation schedule and a detailed cost projection.

3. All management changes and especially the appointment of a permanent Executive Director, should be accomplished prior to launching any major public effort.

4. A joint task force, representing the Zoological Garden, the Zoological Foundation, and the Zoological Society, should be appointed immediately to resolve the organizational relationships between the three organizations. There must be unquestioned unity of purpose and action among these organizations before any attempt is made to reach external audiences in a fund raising program.

5. A capital funds campaign for $6,500,000 appears feasible. It is recommended that the preliminary steps toward implementing a campaign be taken at the earliest possible time. The development of a well-documented case for support, the early cultivation of

influential persons, and the further sampling of public opinion about the feasibility of such an effort are very important first steps. A lead time of as much as three to four months may be needed before solicitation begins, so moving ahead quickly is important if the campaign is to have an impact on the 1979 Zoo season.

6. Several interviewees were quite critical of the location of the Foundation office. The travel time required to attend meetings in West St. Paul, and the relative inaccessibility of the Foundation staff was offered as one significant reason for a low level of involvement.

It is recommended that the Foundation offices be relocated to a more suitable downtown location. If this is not possible, at the very least, meetings should be held in facilities more convenient to the offices of Board and committee members.

ACKNOWLEDGEMENTS

We wish to express our thanks to the members of the several Boards of the Zoo organizations for their assistance and cooperation in this study. We are especially indebted to the staff of the Foundation for their exceptional effort in scheduling interviews. Their work allowed for much more efficient use of staff time in conducting this study.

We thank each of the 48 respondents in the study who cooperated thoughtfully in the interviews and gave so willingly of their time. Their advice and counsel evidenced a concern and interest in the Minnesota Zoological Garden that will ultimately be the basis for the continued success and prosperity of the institution.

It has been a pleasure to serve the Minnesota Zoological Garden Foundation, and we look forward to assisting you in the implementation of your campaign when and where we may be needed.

Respectfully submitted,

Donald R. Maysack, President
MAYSACK and MARSHALL/Organizational Counsel

LIST OF INTERVIEWEES

Dennis P. Albrecht
1451 Flag Avenue South
St. Louis Park

Firmin L. Alexander
1355 Lincoln Avenue
St. Paul

Anthony L. Andersen
2400 Kasota
St. Paul

Sandra Blomquist
1658 Highway 110
Inver Grove Heights

Robert L. Bonawitz
2300 Berkshire Lane North
Minneapolis

Lloyd L. Brandt
31 East Oaks Road
North Oaks

Dale A. Chelberg
118 W. Teresa Drive
West St. Paul

Ronald A. Cottone
214 West 15th Street #105
Minneapolis

Connie DeLand
112 West 52nd Street
Minneapolis

Bruce E. Douglass, M.D.
Mayo Clinic
Rochester

Robert H. Engels
19899 Quinnell Avenue North
Scandia

Karen Ferguson
855 Cliff Road
Eagan

Robert E. Ferguson
855 Cliff Road
Eagan

Larry S. Freeman
2581 Quebec Avenue
St. Louis Park

Paul I. Freeman
201 American National Bank
St. Paul

Louis I. Gelfand
3751 W. 22nd Street
Minneapolis

Norma Hanson
Goodridge

Reuel D. Harmon
14 High Road
Inver Grove Heights

Jan Humphrey
4100 Lotus Drive
Excelsior

Vincent J. Kennedy
1415 Lone Oak Road
Eagan

Margee Kinney
1520 Xanthus Lane
Wayzata

Kenneth M. Knopf
5712 Woodland Lane
Minneapolis

John C. McKay
2106 Caroline Lane
South St. Paul

Dean C. McNeal
5990 Loring Drive
Mound

L. David Mech, Ph.D.
1315 - 66th Avenue N.E.
Minneapolis

Liza Nagle
217 N. Cedar Lake Road
Minneapolis

Terry Nelson
132 Strese Lane
Apple Valley

Joseph H. Nordlund
113 Belmont Road
Apple Valley

Ben Oehler
1715 Irving Avenue South
Minneapolis

Glenn G. C. Olson
21690 Fairview Street
Excelsior

David W. Onan II
235 Gleason Lake Road
Wayzata

Gail R. Onan
481 Desnoyer Avenue
St. Paul

Joseph T. O'Neill
1381 Summit Avenue
St. Paul

James G. Peterson
5745 Christmas Lake Point
Excelsior

Mary Ann Scroggins
3222 St. Croix Trail
Afton

Marialice Seal
9801 Pillsbury Avenue South
Bloomington

U. S. Seal, Ph.D.
9801 Pillsbury Avenue South
Bloomington

David A. Spong
27800 Woodside Road
Shorewood

Sandra Stokesbary
4203 Wentworth Avenue South
Minneapolis

John E. Tilton
One Webster Place
Hopkins

Adolf T. Tobler
915 Edmund
St. Paul

Eugene Trumble
520 Baker Building
Minneapolis

Jerome Wagner
715 Park
Anoka

DeWayne H. Walker, D.V.M.
1500 Northdale Boulevard
Coon Rapids

Edward W. White
4606 Arden Avenue
Edina

Jim Williams
Box V
Excelsior

Karla A. Williams
26 - 19th Avenue S.W.
New Brighton

Paul E. Zollman, D.V.M.
819 Memorial Parkway
Rochester

PROBABLE LEVELS OF GIVING REQUIRED TO RAISE $6,500,000 FOR THE MINNESOTA ZOOLOGICAL GARDEN CAPITAL CAMPAIGN

Number of Investments:	Approximate Amounts:	To Produce a Minimum of:	For a Cum. Total of:
1	1,000,000 - 1,500,000	1,000,000	1,000,000
1	750,000 - 900,000	750,000	1,750,000
1	500,000 - 700,000	500,000	2,250,000
2	300,000 - 400,000	600,000	2,850,000
2	150,000 - 250,000	300,000	3,150,000
3	75,000 - 100,000	225,000	3,375,000
	TOP 10 GIFTS TO PRODUCE APPROXIMATELY 52% GOAL.		
10 - 20	50,000 - 60,000	500,000	3,875,000
30 - 50	25,000 - 40,000	750,000	4,625,000
75 - 100	10,000 - 20,000	750,000	5,375,000
	NEXT 115 GIFTS TO PRODUCE APPROXIMATELY 31% GOAL		
100 - 150	5,000 - 9,000	500,000	5,875,000
125 - 200	2,500 - 4,000	312,500	6,187,500
200 - 400	1,000 - 1,500	200,000	6,387,500

Numerous below $1,000 produce balance: 6,500,000

MINNESOTA ZOOLOGICAL GARDEN
FUND RAISING STUDY
ADVISORY COMMITTEE

June 26, 1984
3:00 p.m.

zoo.cover

AGENDA

For a meeting of the Advisory Committee to the Minnesota Zoological Garden Fund-Raising Study, to be held on Tuesday, June 26, 1984, at 3:00 p.m. in The Saint Paul Foundation office, 1120 Norwest Center, Saint Paul, Minnesota.

MINUTES OF FEBRUARY 24, 1984
ADVISORY COMMITTEE MEETING — EXHIBIT A

REVIEW AND DISCUSSION OF
PRELIMINARY STUDY REPORT — EXHIBIT B

OTHER BUSINESS

mcn.352

MINUTES

Of a meeting of the Minnesota Zoological Garden Fund Raising Study Advisory Committee of The Saint Paul Foundation, Incorporated, held on Friday, February 24, 1984, at 10:00 a.m., in the Board Room of The Saint Paul Foundation, 1120 Norwest Center, Saint Paul, Minnesota.

Present were: Larry D. Buegler, Chair
Patricia Davies
Stephen A. Iserman
Malcolm W. McDonald
Mariam C. Noland

Mr. Buegler presided and Ms. Noland acted as Secretary.

DISCUSSION OF ADVISORY COMMITTEE PURPOSE AND WORK PLAN

The Committee reviewed and accepted the Committee's purpose as follows. The Advisory Committee is an ad hoc task force composed of community leaders whose input and knowledge is needed to help focus key issues regarding future fund raising programs for the Minnesota Zoological Garden and to help recommend appropriate short-term and long-term strategies.

The Committee's mandate is confined to providing advise on fund raising organizational issues and it will operate for approximately four months. The role of the Committee and work plan is presented in EXHIBIT A.

BRIEFING ON BACKGROUND FOR CURRENT STUDY

Ms. Noland, as Vice President of The Saint Paul Foundation, welcomed the Committee and expressed the appreciation of The Saint Paul Foundation to the Chair and Committee members for their service. In providing a background for this Study, it was indicated that the Minnesota Zoological Garden Foundation (MZG Foundation) was formed in 1975 as a supporting organization of the Minnesota Zoological Garden (MZG). The Foundation was staffed and since 1975 raised approximately $2 million. In recent years the Foundation showed a steady decline in fund raised and in November 1982 The Saint Paul Foundation, upon the request of the Board of the MZG Foundation, agreed to provide management services to the Foundation. During the past fifteen months the MZG Foundation offices have been closed, and all federal and state reporting brought current. During that period the Foundation has not undertaken any significant fund raising

activities. Annual requests to and grants from corporations have been maintained but gifts have been few in number.

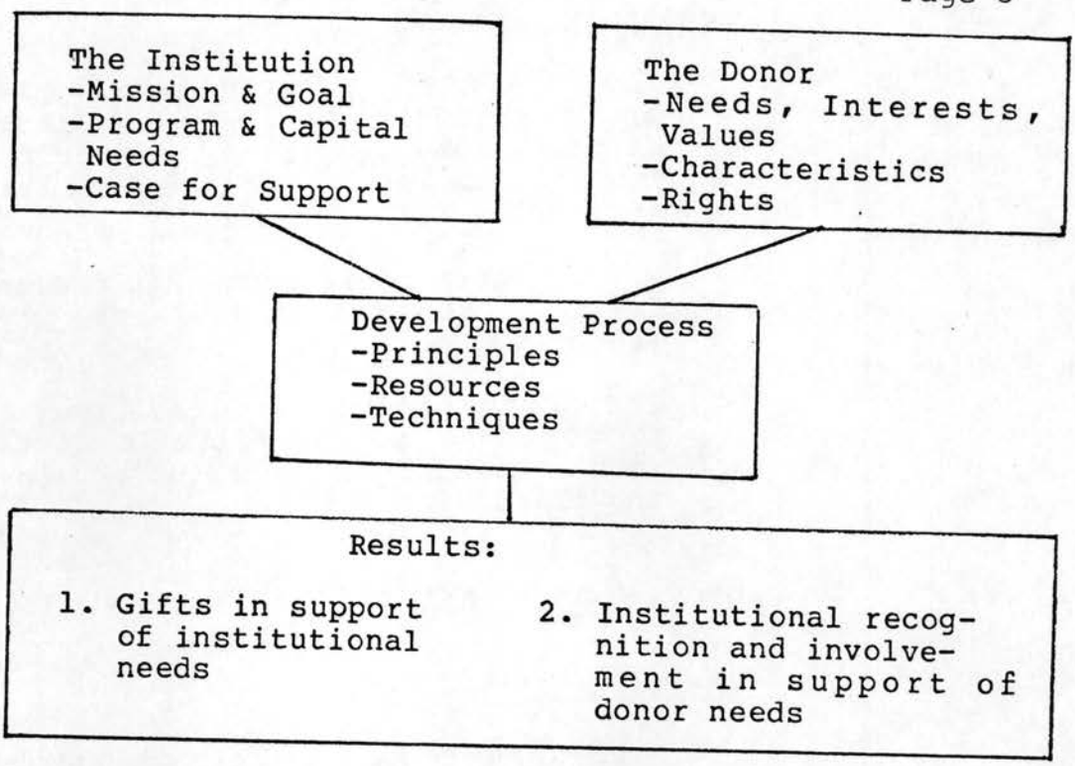
With the support of the MZG Foundation Board, The Saint Paul Foundation developed a process to look at future directions for fund raising for the MZG. This process was discussed with the Chair of the MZG Board and others and their concurrence was given to such a study. Therefore, The Saint Paul Foundation requested and received a grant of $10,000, in June 1983 from the F. R. Bigelow Foundation to undertake a fund raising model study. In the fall of 1983, possible consultants were considered and the firm of Benz, Whaley, Flessner & Associates, Inc., was hired to perform the study. Since this study is a public matter an Advisory Committee was seen as desirable. It is anticipated that the work of the consultants and the Committee on this task should be completed in May of 1984.

Mr. Iserman, as Executive Director of the Minnesota Zoological Garden, provided a summary of the fund raising activities of the MZG. Mr. Iserman indicated that the MZG has not actively sought capital funds. Historically the Zoo has directly raised between $300,000 and $400,000 independent of the MZG Foundation. In 1983 the MZG received approximately $70,000 in gifts of various sizes. It is estimated that animal sponsorships are approximately $25,000 of that annual amount. Fund raising has primarily been cooperative ventures or promotional activities with several major corporations. A few family foundations have contributed directly to the MZG.

Mr. Iserman characterized the Minnesota Zoological Garden as having no active capital fund raising. It was indicated that a gift fund has been established for the Zoo within the State Treasury so that all gifts to the MZG are adequately restricted. It was further indicated that MZG has drawn approximately $1,800,000 from the MZG Foundation for a variety of activities.

REVIEW AND DISCUSSION OF STUDY DESIGN AND IMPLEMENTATION PLAN

John C. Whaley and Bruce W. Flessner of Benz. Whaley, Flessner, & Associates, Inc., presented a general development model which provides background for the fund raising study. In summary the model is as follows:



The Committee established the following specific criteria for the Minnesota Zoological Garden Fund Raising Study:

A. Institution

1. The development process should be consistent with the structure and governance of the Minnesota Zoological Garden.

2. The development process should be designed to produce maximum results for the projected costs.

3. The Minnesota Zoological Garden Foundation should be utilized if it is determined that a supporting organization is the best vehicle for fund raising.

B. Donors

1. The structure of the development program should respond to the motivation and characteristics of past donor and potential supporters.

2. The structure should be consistent with the perceptions of these donors and as to what organizational format best meets their rights to good stewardship.

C. Development Process

1. The development structure should be consistent with and foster the use of good fund raising principles (cultivation, ownership, the gift pyramid, giving before asking, peer solicitation, and acknowledgment).

2. The development process should allow for the focusing of resources on the most productive donor segments.

3. The structure of the development effort should promote the use of proven fund raising techniques (donor acquisition, current giving, capital giving and planned giving).

The Committee agreed that the following issues should be addressed in the Study:

1. Institutional Issues

a. Have long-range operational and capital plans been defined sufficiently for fund raising purposes?

b. Is there a well defined role for private gifts in such plans?

c. Does the MZG's or MZG Foundation's organization structure accomodate development's input in to long-range planning?

d. Is the MZG's or the MZG Foundation's financial operation capable of handling restricted gifts and endowments?

e. Are there legal advantages to using a foundation for certain types of gifts?

f. Can the MZG's or the MZG Foundation's organizational structure encourage the recruitment and support of influential volunteers?

2. Donor Issues

a. What has been the geographical distribution of past donors, and what will be the likely distribution of future donors?

b. What has been the type -- i.e., corporation, foundation, or individuals -- of past donors, and what will be the probable type of future donors?

c. What has been the motivation of past donors, and what will be the probable motivation of future donors?

d. Does MZG's policies accomodate appropriate donor recognition?

3. Development Issues

a. What cost effective method(s) can be used to acquire new donors?

b. What techniques and organizational structure can best be used to raise capital funds.

c. Does a market exist for planned giving, and, if so, what is the best structure to support it?

d. What type of volunteer structure is needed and in what organizational structure can it best be produced.

e. When and in what manner should volunteers be brought into the planning process to foster ownership?

In relation to these issues, the Committee advised that past problems should not be raised by the consultants, but that if comments are made about past organizational problems, note will be taken.

The Committee discussed proposed interviewees. As a result of this discussion the consultants will develop a new list which includes Twin Cities and outstate representation, solicited funders who have not given in the past, and consumer-oriented companies as well as the categories previously suggested by the consultants. Rather than looking at traditional givers it was suggested that attempts should be made to determine if there is a different constituency for support for the MZG and to survey that constituency.

Data collection will begin immediately with preliminary results ready for Committee review approximately April 15, 1984. Based on Committee input, a final draft should be ready for review May 15, 1984, with the report to be issued May 31, 1984.

DISEMINATION OF ACTIVITIES AND RESULTS

The Committee discussed the desirability of informing a broad range of constituencies about the Study activities. Questions were raised as to the appropriate contacts at the State, both in the Governor's office and with the Legislature. This topic will be fully discussed at the next Advisory Committee meeting.

FUTURE MEETINGS

The next Committee meeting will be held approximately mid-April. The Committee will be polled for a suitable date with considerable lead time to assure availability of Committee members.

ADJOURNMENT

There being no further business, the meeting was adjourned.

A TRUE AND CORRECT RECORD
ATTEST:

_____
Mariam C. Noland
Vice President

Minnesota Zoological Garden Fund Raising Study
Advisory Committee

Committee Purpose:

The Advisory Committee is an ad hoc task force composed of community leaders whose input and knowledge is needed to help focus key issues regarding the future fund-raising programs for the Minnesota Zoological Garden and to help recommend appropriate short-term and long-term strategies.

The Committee's mandate is confined to providing advice on fund raising organizational issues and it will operate for approximately four months.

Role of Committee Members:

1. Each Committee Member will be asked to attend three or four meetings.
2. The Committee shall review the procedures for the study.
3. Each Member will be asked to provide input, both at the meetings and in other interviews regarding the organization and structure for the Zoo's future fund-raising efforts.
4. The Committee Members will collectively review the preliminary findings and conclusions.
5. The Committee Members will review and discuss the final recommendations of the study and serve as spokespersons on behalf of the report.

Work Plan:

1. The initial meeting will be to organize the Committee, review its membership, explain its purpose and mandate, adopt a schedule for the study and future Committee meetings, approve the procedures for the study, determine who should be interviewed and review the information to be obtained in interviews.

Minnesota Zoological Garden Fund Raising Study
Advisory Committee

2. In the second meeting Members would review all of the relevant data and facts and the preliminary findings and conclusions of the study. An important part of this meeting would be a discussion of the above and the input of the Committee for rethinking the initial conclusions.

3. The final meeting will be for review and discussion of the findings and recommendations for the study as written in the final report. The final report will contain an implementation plan and budget. It is essential that the Committee reach a consensus on the report and agree to support it publicly.

INTERIM REPORT TO THE
MINNESOTA ZOOLOGICAL GARDEN
FUNDRAISING STUDY
ADVISORY COMMITTEE

Draft for review by Advisory Committee

June 26, 1984

EXHIBIT B
Page 1

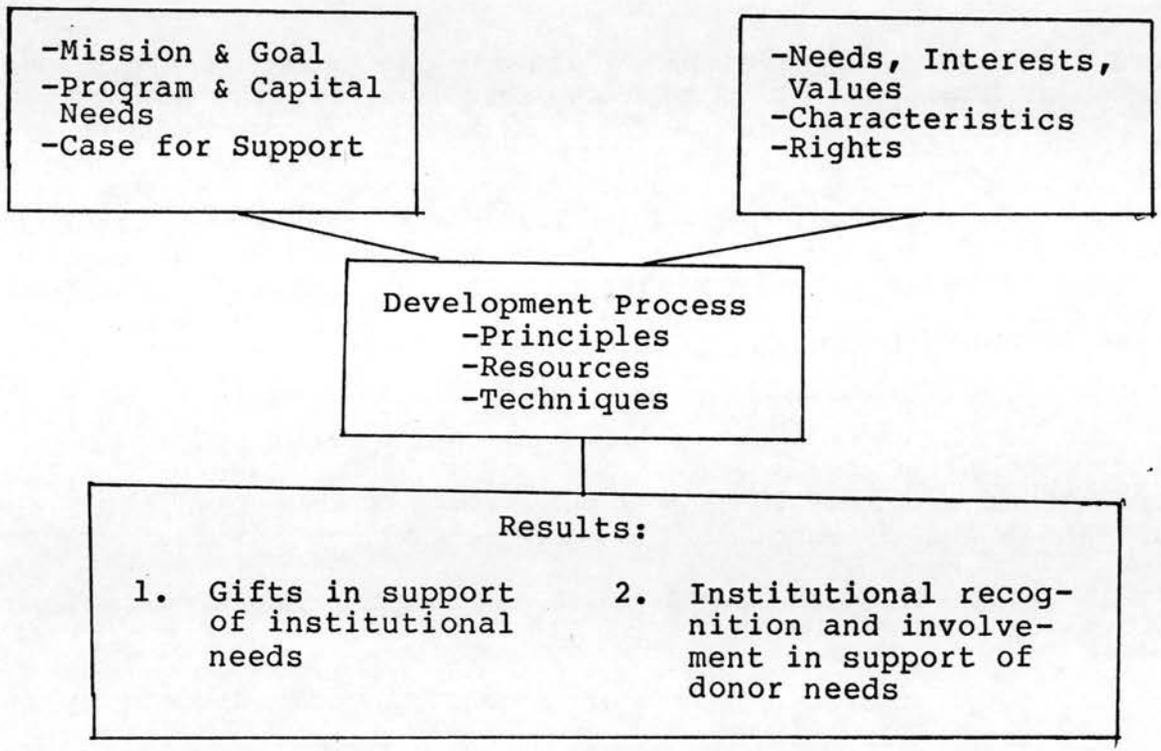
Mandate of the Committee

The Advisory Committee is an ad hoc task force composed of the community leaders whose input and knowledge is needed to help focus key issues regarding the future fund raising programs for the Minnesota Zoological Garden and to help recommend appropriate short-term and long-term strategies.

The Committee's mandate is confined to provide advice on fund raising organizational issues and it will operate for approximately four months.

The Model

At the first meeting of the Advisory Committee, a general model for development programs was previewed and provides an important basis for the study:



The Process

The study is designed to move through four steps:

(1) Review of development principles and definition of the issues.

At the first meeting of the Committee the mandate of the group, and the development models were reviewed and a list of internal issues was developed.

(2) Fact Finding.

The next step was to gather together the relevant background data and information. Bentz, Whaley, & Flessner conducted interviews with those connected to the zoo, local constituents and other organizations conducting fund-raising drives. Furthermore, a review of many of the background documents was conducted. A summary of the findings follows.

(3) Conclusions.

The preliminary conclusions, based on the findings of the study, were reviewed by the Chairman and are presented in this outline for review and discussion.

(4) Recommendations

Based on the findings and conclusions, preliminary recommendations for the future of the zoo's development programs were written and are presented for review and discussion at the second meeting of the Advisory Committee. After a thorough discussion, the final report of the Committee will be presented.

FINDINGS OF THE STUDY: Institutional Issues

1.0 Institutional Issues

1.1 Have long-range operational and capital plans been defined sufficiently for fund raising purposes?

- The MZG has developed many long-range plans, including a significant plan for raising capital funds in 1979.
- The original consensus over the plans for the zoo and the role of the private sector appears to have suffered in the first year of operation since the original financial projections proved faulty.
- The MZG has made some efforts in recent years to begin developing and refining its long-term plans.
- The MZG has made only minor capital requests to the Legislature for support. The Legislature wishes to see a fuller agenda and a much more comprehensive fund raising program.
- The legislature would welcome an integrated request outlining public and private goals.
- The MZG Board sees a need to improve its long-range plans.
- Other organizations in the community successfully raising dollars have developed comprehensive plans for the future.

FINDINGS OF THE STUDY: Institutional Issues

1.2 Is there a well defined role for private gifts in such plans?

- The zoo, lacking a comprehensive and current long-range plan, has not defined the role of private gifts.

- The MZG and the Legislature believe that any rapid development of the zoo will only be accomplished with at least partial private funding.

- Other organizations, especially public agencies which seek private support have worked hard to clearly define the role of legislative support, earned income and private gifts.

- The role of private gifts at the zoo is not well understood by potential donors. Confusion exists over why private support is needed and how gifts would be used.

- Other zoos actively incorporate private support in their plans. It appears as if every major zoo has required private support to grow and develop.

1.3 Do the organizational structures of the MZG or the MZG Foundation accommodate Development's input into long-range planning?

- The issue of input into management and planning for the zoo has been a widely debated issue and the source of much controversy.
- Most successful organizations seeking private support allow input from development. Common methods include:
  - -- Seeking input and advice from potential donors in creating plans,
  - -- Involving the development staff in the planning process,
  - -- Field testing plans to evaluate their potential.
- The MZG Foundation has not been a major force in the development of MZG direction and priorities.
- Some individiuals viewed the failure of the MZG Foundation to raise dollars as a result of poor MZG-MZG Foundation linkage and believed the MZG Board must become more directly involved with, and accountable for fund-raising efforts.
- Many zoos have suffered from conflicts over planning decisions, as different constituencies develop different priorities.

FINDINGS: Institutional Issues, continued

1.4 Are the financial operations of the MZG or the MZG Foundation capable of handling restricted gifts and endowments?

- The MZG Foundation has received restricted gifts and appears to have honored the donors' wishes.
- The MZG has received gifts and appears to have honored the donors' wishes.
- Policies on the acceptance of restricted gifts have not been fully developed.
- The existence of an institutionally related foundation does not seem to influence donors. The donors and potential donors interviewed, viewed the MZG Foundation as merely a vehicle for gifts to the MZG and the roles of stewardship or avoiding direct support of a governmental agency were not viewed as valid.
- There does not appear to be any evidence that increases in private support lead to decreases in public support of the zoo or other agencies.

1.5 Are there legal advantages to using a foundation for certain types of gifts?

- Both the MZG and MZG Foundation are 501.c.3 organizations capable of receiving gifts.
- Since certain planned gifts--such as gift annuities--require the full backing of all of the organization's assets, a foundation may have more flexibility in promoting planned gifts.
- A foundation has more independence in making investment decisions and, therefore, decisions by the Legislature regarding state investment policies could be ignored.
- A foundation could provide more flexibility in expenditures than a state agency.
- An institutionally-related foundation involves certain costs and must meet certain regulations.

1.6 Can the MZG or the MZG Foundation's organizational structure encourage the recruitment and support of influential volunteers?

- Nearly every major fundraising success begins with strong volunteer leadership.

- The MZG Board is not viewed by most individuals interviewed as possessing much fundraising clout.
- Traditionally, governors of both parties have appointed less elite board members to state agencies than would be recruited by major private non-profit organizations.

- Many state agencies, and some private agencies, have developed foundations or friend groups to help enlist strong volunteers for fundraising. Conflicts between those volunteers and the Board are not uncommon.

- The MZG Foundation is seen as having some fundraising clout, but is not as powerful a group as other organizations and foundations have recruited.

- Most zoos have developed some type of support groups to help enlist volunteers. New Orleans, with perhaps the most successful development effort among zoos, has enlisted most of the city's power brokers.

2.0 Donor Issues

2.1 What has been the geographic distribution of past donors, and what will be the likely distribution of future donors?

- The donors have been primarily from the Twin Cities. There have been few out-of-state donors.
- Those interviewed felt the zoo was perceived primarily as a Twin Cities zoo. The zoo would need to take more steps to involve outstate communities before seeking support outstate.
- Most zoos receive the bulk of their support from the immediate region.
- Those interviewed felt the zoo would attract primary support in the future from the Twin Cities and secondarily from the region.

2.2 What has been the type -- i.e. corporation, foundations or individuals -- of past donors, and what will be the probable type of future donors?

- The largest amount of past support has come from major foundations in the state.
- The largest number of past major donors ($5,000) has come from corporations in the Twin Cities.
- The largest support group has been the two Friends groups consisting almost exclusively of individuals.
- Information developed in this study was inconclusive in predicting the tupe of future donors.

2.3 What has been the motivation of past donors, and what will be the probable motivation of future donors?

- There is no single feature that motivates all of the donors. To develop fuller insights into donor motivation would require a larger number of leadership interviews and the establishment of focus group meetings.

- The interviews with past and potential donors revealed many motivating factors.

  -- A sense of civic responsibility to a major new facility led by community leaders.

  -- Responding to an interest in the educational and/or research mission of the MZG.

  -- Responding to an interest in the environment, wildlife and related causes.

  -- Supporting a facility used by employees and customers of a company.

- Past and prospective donors expressed significant concern about the fact that the zoo is a public agency and many viewed fundraising as the Legislature retreating from its responsibility.

- Other concerns raised by those interviewed included infrequent communication with the zoo, the pressing needs in human service agencies is a higher priority, and the managerial problems in the zoo's first year of operation.

2.4 Do the policies of the MZG accommodate appropriate donor recognition?

- The MZG originally was opposed to most donor recognition efforts.

- The MZG today is supportive of developing donor recognition opportunities.

- Policies for donor recognition have not yet been developed.

- Other zoos routinely use donor recognition programs - plaques, naming exhibits, naming sponsors of programs, creating Giving Clubs, etc.

3.0 Development Issues

3.1 What cost effective method(s) can be used to acquire new donors?

- Other organizations in the community are finding Telemarketing is the fastest and cheapest way to expand their donor base.

- Other organizations in the community have developed "Friends" organizations to provide a vehicle for building links with a wide base of potential supporters. The Friends organizations are controlled by the parent organization.

- Almost every zoo has developed a major Friends organization ranging from a small membership effort to a major high-powered fundraising effort.

- The potential and past donors interviewed believed that a broad base of supporters was needed for the MZG.

3.2 Can private gifts be generated for ongoing operating support? If so, using what methods and organizational structure?

- Most individuals interviewed did not believe the private sector would pick up the current operating expenses of a Legislatively supported agency.

- The MZG does not believe there is a need for private gifts for current operations, with the exception of possibly supporting special projects.

3.3 What techniques and organizational structure can best be used to raise capital funds?

- Other zoos have used Friends as support groups to raise significant funds. The relationship between the zoos and the support group varies widely.
- Other agencies in the community use active Trustees leadership--either from the Board of the organization and/or Board of the support group--to raise capital funds.
- Suggestions from those interviewed included:
  - -- The present MZG Board retaining professional fund raisers to conduct a drive.
  - -- The Governor appointing financial heavyweights to the MZG Board so it will operate more like a private not-for-profit organization.
  - -- Thanking the Legislature for past support and turning the zoo into a private independent organization with a phase out of public support.
  - -- Wait until a person or group decides to pick up the zoo as a special project and lead the MZG, MZG Foundation and the community towards a wider vision for the future.
- The fundraising programs cannot be divorced from the other programs at the MZG. A more integrated approach was suggested by many of the individuals interviewed and by other organizations. Currently the MZG has no staff or organized programs to cultivate donors and solicit gifts.

3.4 Does a market exist for planned giving, and, if so, what is the best structure to support it?

- Nearly everyone interviewed believed there is little or no market for planned giving.

- Other zoos around the country have received generous bequests, but none have a full Planned Giving Program.

- To receive bequests or the proceeds from unitrusts, either the MZG or MZG Foundation would be satisfactory. However, to actively promote gift annuities or establish a Pooled Income Fund, a foundation would have several advantages.

3.5 What type of volunteer structure is needed and in what organizational structure can it best be produced?

- Past volunteer structures related to the MZG were relatively independent and conflicts between the groups was frequent.

- Every successful zoo fundraising program has a strong volunteer base.

- Other organizations in town seek to involve their volunteers in the life of the institution and seek their input to build a sense of ownership.

- The MZG Foundations is currently the only vehicle designed to bring high-level volunteers into the MZG and the Foundation Board members do not feel a sense of ownership in the zoo's programs.

PRELIMINARY CONCLUSIONS

Institutional Issues

1. The MZG does not have a well-defined long-range plan. To develop such a plan will require:

   -- a definition of the role of the public and private sectors in the MZG's finances.

   -- creation of a format to bring the Zoo's major constituencies into the planning process.

   -- a balance of community constituencies seeking to fulfill their ideas and professionals capable of providing specific expertise to insure the viability of any plans.

2. There is a need for a vehicle to involve high level volunteers in the planning and fundraising programs of the MZG.

3. The MZG Foundation may provide a vehicle for involving volunteers, but its role as a private steward of funds is not perceived as valuable by the donor community. The primary rationale for continuing the MZG Foundation would be to involve volunteers.

PRELIMINARY CONCLUSIONS, continued

Donor Issues

1. The major non-public supporters of the zoo are likely to be Twin Cities businesses, foundations, organizations and prominent individuals.

2. The potential donors are very concerned about giving to a public agency. A clear definition of public and private sector roles is needed. Specifically, a new consensus about the zoo, its mission and its finances will be needed.

3. After building a plan, the MZG will need to begin a major donor cultivation program before it could successfully solicit major gifts. Such efforts would include:

   - Communicating regularly with potential donors.

   - Using volunteers to tell the story of the MZG to community opinion makers.

   - Creating a donor recognition program.

   - Expanding the Zoo Friends Program and exploring other base building programs.

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Development Issues

1. The MZG development program should be supportive of the zoo's programs and management system.

2. The MZG plan for private support should be coordinated with its requests for public support.

3. The MZG's development program should be consistent with proven fund-raising principles with particular emphasis given to:

   - prospect education and information,

   - prospect cultivation,

   - prospect involvement and donor recognition.

4. The MZG will need to build a broad base of supporters while at the same time focusing special attention on major gifts prospects.

5. The development program should emphasize donor acquisition programs and building capital gifts efforts. Current gifts and planned gifts are not a priority.

6. The MZG should not attempt a major fund-raising campaign without a solid plan based upon community input.

ownership by donors.

Summary of Conclusions

We believe that there are three overriding conclusions which can be drawn from the findings of the study:

1. There is a need for major strategic planning, including all major constituencies of the Zoo, to create a long-range agenda for capital expansion, finances and programmatic thrusts.

2. There is a need for a Champion--either an individual or a small core of leaders--whose interest in the Zoo is high and who is prepared to provide the leadership for the Zoo's external relations efforts.

3. There is a need for a vehicle to involve financial and business leaders in the external relations efforts of the Zoo.

Recommendation #1

A blue-ribbon committee be created to assist the Minnesota Zoological Garden in strategic planning. Specifically, we recommend that the Committee:

A. Be composed of major Minnesota leaders in business, foundations, government, and the MZG Board, and consist of seven to nine members. It is important that such a group represent the highest levels of leadership.

B. Be appointed by the MZG Board, with the assistance of this community Advisory Committee, and be asked to make a public report to the MZG Board by March 1, 1985.

C. Should seek to draw on the planning expertise available by:

- -local corporations loaning planning executives to assist in the project,
- -involving professional firms, as needed, in technical Zoo planning issues,
- -using resources of the State of Minnesota.

D. Understand that the task force's mandate would be:

- -to review past plans and explore new possibilities,
- -to involve key constituencies in the process,
- -to use professional input so that the final plan reflects market and financial realities, as well as the needs of the Zoo and its systems.

E. Charged with the responsibility of enlisting a high level person to serve as the lead advocate or champion for the Zoo's development programs.

RECOMMENDATIONS, continued

Rationale

1. The Minnesota Zoological Garden does not have a comprehensive strategic plan.

2. There is concern by the MZG's major constituencies over the lack of such a plan.

3. The MZG staff does not have the expertise or time to provide the planning group with adequate support. Outside expertise is needed.

4. A high level planning group is the fastest way to build a concensus about the Zoo's future and its financial needs.

5. There is a need to recruit an advocate or a leader. The high level group assembled for planning would be an excellent search committee for a champion.

Recommendation #2

The Minnesota Zoological Garden should establish a Development Office as a central part of its external relations and marketing efforts and the Minnesota Zoological Garden Foundation should be reorganized to better serve the fund raising efforts of the MZG. Specifically we recommend:

A. The MZG create a development office as part of its external relations programs with a staff, budget, office and other support. The MZG Development Office should be organized to work closely with the other external relations offices; and considerations should be given to allowing the Development Office to supervise the membership programs.

B. The MZG Foundation should work closely with the MZG and its development programs. We recommend that the MZG Foundation offices use the development office of the MZG, and the Executive Director of the MZG Foundation be the Director of Development of the MZG.

C. The MZG Foundation needs to restructure its committees and its internal organization:

- The Foundation's nominating committee should consist of the past-Chair of the MZG Foundation, the Chair of the MZG Foundation, the Chair of the MZG Board, staff support should be given by the Director of the MZG.

- The Foundation should consist of no more than 15 members. We recommend that a majority of the members be new members to the MZG Foundation and that past members be given the opportunity to resign. In the future, if additional members are needed, the by-laws could be amended.

RECOMMENDATIONS, Continued

Rationale

1. There is a need for the Zoo to have a fund raising program and such a program requires a vehicle to recruit and involve volunteers.
2. The Foundation represents a viable vehicle for recruiting high-level volunteers.
3. The MZG Foundation must be integrated into the MZG structure and processes. Many of the past problems probably evolved out of the separateness of the organizations.
4. Other Minnesota organizations have successfully integrated their development offices and institutionally-related foundations into a successful partnership.
5. The Zoo should coordinate its external relations programs so that each marketing effort supports other efforts.
6. The current Foundation structure limits its effectiveness by placing emphasis on fund management instead of fund raising.
7. Since the MZG Foundation has gone through a dormant period, it would be best if new members were brought into the process and past members were given the opportunity to move onto other endeavors.

Recommendation #3

After the establishment of the planning effort and the decision to establish a new development effort based on the MZG - MZG Foundation partnership outlined in Recommendation #2, we would recommend consideration of the following specific strategies which will ultimately need to be refined as a result of the planning process:

A. STAFFING. The MZG should, in the 1986 fiscal year, hire a senior level person to serve as the Director of Development. The search committee should be composed of representatives from the MZG Board, MZG Foundation Board, the Planning Committee and the MZG Staff. The person selected would serve as Executive Director of the MZG Foundation as well as Director of Development of the MZG.

In addition to the Executive Director/Director of Development position, the Zoo will need to consider hiring two additional staff members:

-a researcher/secretary who would be responsible for general office support, donor researching, and prospect management systems,

-a bookkeeper/secretary who would be responsible for general office support and maintaining the MZG and MZG Foundation gift records.

RECOMMENDATIONS, Continued

B. BUDGETING. A budget of $45,000 would be needed in 1984-85, and a budget of $160,000 would be needed in 1985-86.

Item	1984-85 (3 months)	1985-86
Staffing:		
Director	11,250	47,250
Researcher	3,500	14,700
Bookkeeper	3,500	14,700
Fringe Benefits (20%)	4,015	16,863
Program:		
Donor Cultivation	1,300	5,200
Challenge Grant Solicitation	5,000	-0-
Donor Recognition Program	1,000	5,000
Annual Giving	3,600	23,600
Administration:		
Office Costs	2,600	7,600
MZG Foundation Legal & Acctg.	9,000	18,000
TOTAL	$44,765	$152,913

C. TIMELINES AND BASIC STRATEGIES

Item	Timeframe
1. Reposition the MZG Foundation	
-Reorganize structure	Sept. 1984
-Recruit new members	Sept. 1984
-Integrate MZG Foundation with MZG Development Office	Jan. 1985
-Utilize influential volunteers in direction setting and with priority cultivation.	March 1985
2. Organize Development Office	
-Hire staff members	Feb. 1985
-Set up office and create gift-receipting acknowledgement system	March 1985
-Establish budgeting and management procedures	March 1985
3. Work out external relations agenda	
-Assist in defining external relations issues based on the strategic plan	March 1985
-Create initial fund raising goals by quarter for 3 year period	May 1985
4. Donor cultivation acquisition	
-Locate priority prospect listing	June 1985
-Develop basic annual giving strategy	June 1985
-Begin active cultivation of prospects	July 1985
-Create grassroots fund raising vehicles	September 1985
-Prepare for major gifts campaign	January 1986