



Minnesota State Zoological Board.
Zoo-Related Organizations Files.

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MINNESOTA ZOOLOGICAL GARDEN FOUNDATION

Board of Directors Meeting

November 16, 1982

Minutes

A meeting of the Board of Directors of the Minnesota Zoological Garden Foundation was held on Tuesday, November 16, 1982, at 2:00 p.m. in Committee Room B, Northwestern National Bank of Minneapolis, Seventh and Marquette in Minneapolis.

Members present: Malcolm McDonald, Vice President; Connie DeLand; Richard Gray; James Hetland; John Tilton.

Staff present: Robert Voigt, Executive Director; Beth McGuire, Administrative and Development Assistant.

Others present: Steve Iserman, Acting General Director of the Minnesota Zoological Garden.

The Board met informally as a committee beginning at 2:10 p.m. and discussed the general situations confronting the Foundation. The new questions facing Foundation Board action are centered around the resignation of Robert Voigt as Executive Director of the Zoo Foundation and the future operating program of the Foundation as it relates to its original purpose and the current discussions in process by the merger task force. Current events centered on Zoo Board activities, the search for a new Zoo Director and the near term appointments to the Zoo Board were also reviewed.

The meeting was officially called to order at 3:00 p.m. by Malcolm McDonald, Vice President, presiding.

The financial report was reviewed by Malcolm McDonald. The financial information presented by Bob Voigt shows a four month cumulative actual operating report in contrast to the budget for the first months - July through October, 1982. These are the first four months of FY 1983. Also, an estimate was prepared for the month of November, 1982. At the moment, the Foundation basically has unrestricted operating funds of approximately \$ 5,611 for future operating programs. A summary financial report is attached to the minutes. A motion was made by Richard Gray and seconded by John Tilton to accept the treasurer's report as presented.

Malcolm McDonald then moved on the agenda to a discussion of the Foundation's issues as identified on the additional agenda items attached to this report.

After lengthy discussion, a motion was made by Malcolm McDonald and seconded by Richard Gray to ask the St. Paul Foundation to act as a temporary interim financial administrative agent for the Minnesota Zoo Foundation. This would involve maintaining the financial reports and records as well as providing the corporate services requested by the Foundation Board. Motion passed. Bob

Voigt was directed to contact Paul Verret with the information and to work with staff of the St. Paul Foundation on the initial stages of transfer of records and responsibilities. Malcolm McDonald will continue to be the principal contact officer with the St. Paul Foundation.

After additional discussion on the Foundation's assets including furniture, typewriters, Xerox, Norelco equipment and other office fixtures, it was recommended that the Foundation loan these items to the Zoo for their use. Jim Hetland commented that if the furniture, etc., was given outright, insurance would be fully provided by the state's self-insurance program. Steve Iserman stated that the Zoo would gladly accept this list of materials and store them and use them without charge. A motion was made by John Tilton and seconded by Dick Gray to approve this process. The motion passed.

Discussion then was directed to the three pieces of original art which the Foundation purchased from John Keely and are the basis of art work in the Capital Completion Plan brochure. A motion was made by Malcolm McDonald and seconded by Dick Gray that the art work be presented to the Zoo at the Zoo Board meeting on Thursday, November 18, by Jim Hetland. Motion passed.

Malcolm McDonald stated that Bob Voigt had reported that at the time of furniture being acquired by the Zoo Foundation, that he had purchased four leather arm-chairs that were part of a total set now being used by the Foundation. A motion was made by John Tilton and seconded by Connie DeLand to repurchase these from Bob Voigt for his cost of \$ 200.00. Motion passed.

Discussion was directed to the meeting proposed for Thursday, November 18, at which time the representatives of the alliance task force will be meeting to review their next merger steps. Harold Webster will be one of the two Foundation representatives; Dick Gray will be out of town and unable to attend - so, John Tilton said he would represent Dick Gray at that meeting. After the meeting, Malcolm McDonald and John Tilton will write an information statement for distribution to the Foundation Directors. Conne DeLand stated that she would be glad to be an alternate representative to the task force meeting should other representatives be unable to attend.

Bob Voigt's resignation was accepted effective November 22, 1982. The Foundation Board was unanimous in their statement of appreciation for Bob's enthusiastic, positive and talented leadership of the Zoo Foundation.

A point was again emphasized that the Zoo Foundation Board needs to continually endorse the Foundation's viability as a private sector support organization that can receive gifts, hold funds and disburse monies on behalf of the Minnesota Zoo. The Zoo Foundation Board is also looking forward to developing a stronger future and welcomes the opportunity to discuss new ideas, accept new responsibilities and develop new programs.

The meeting was adjourned at 3:50 p.m.

MINNESOTA ZOOLOGICAL GARDEN FOUNDATION

Nominating Committee

October 12, 1982

Minutes

The Nominating Committee of the Minnesota Zoological Garden Foundation met on October 12, 1982 at 2:00 p.m. in President Nelson's office, 1930 Midwest Plaza Building, Minneapolis.

Members present: Stanley Nelson, President; Harold Webster, Treasurer; Connie DeLand, past President; and James Hetland, appointed Board member representative.

Members absent: Margee Kinney, Malcolm McDonald, Wayne Petersen.

Staff present: Robert Voigt, Executive Director.

The meeting was called to order at 2:15 p.m. by President Nelson.

President Nelson announced that he was resigning from the Foundation's Board of Directors effective November 1st, 1982. In addition to not being available as President, Stan has decided not to continue as a member of the Foundation's Board of Directors also.

Discussion followed as to current Board members being candidates for the office of President and the office of Secretary. Discussion also occurred as to the necessity of asking current officers to continue in their capacity "for the time being" and most especially during the current discussions on merger with the Society.

It was the collective recommendation of the Nominating Committee to recommend the four following actions:

1. The nominating committee recommended that Malcolm McDonald be elected President.
2. That the Foundation postpone the annual meeting scheduled for November until the Foundation and the Society and the Zoo have worked out an acceptable merger.
3. The acceptable merger program will subsequently call for formal action of the Foundation Board and that can be accomplished at the annual meeting date, hopefully prior to December 31, 1982.

4. When a plan of operation has been successfully accomplished and accepted by the Zoo Board, then further action can be taken on the procuring of new Board members and nomination for future officers.

It was also the consensus of the Nominating Committee that in the long run, the Minnesota Zoo will need a private sector support organization for individuals in our community and throughout the state to participate and be involved in part of the ongoing programs.

The meeting was adjourned at 2:55 p.m.



Minnesota Zoological Garden Foundation

1422 West Lake Street, Suite 303 • Minneapolis, Minnesota 55408 • Phone (612) 827-3661

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EXECUTIVE DIRECTOR:

ROBERT S. VOIGT

TO: Members, Board of Directors
FROM: Bob Voigt
DATE: September 8, 1982

Enclosed are two papers -- one prepared on August 24th "An Alternative to the Alliance Proposal" and the second paper dated September 3, 1982, a "A Proposal for Implementation of the Alliance". Both of these papers were an attempt to assemble some ideas from most board members as to their reactions to the proposed Alliance and then some operating concepts that seemed appropriate and acceptable.

These proposals were reviewed with Stan Nelson prior to our Board meeting yesterday -- but he thought it best to resolve the merger concept prior to discussion of any operating procedures.

Yesterday, September 7, 1982, the Foundation Board unanimously endorsed the concept of merger -- but did not confront the variety of ideas that exist on leadership, structure, staff, control, relationships, goals, programs, etc, etc. These issues were postponed until after the September 13th and September 16th meeting of the Zoo Board -- and request that the Zoo Board "tell us" what they want and what they will accept.

It is my belief that open discussions between members of both boards will greatly assist and accelerate the resolution of this dilemma. Even though the Foundation Board extended the present operating budget one more month, through October 30th, it does not provide much reassurance to me that a commitment exists for some form of the Foundations future or mine.

After you have studied the enclosed papers and read my monthly Executive Director's Report, please phone me with your suggestions as to the next steps.

Thanks.

RSV/las

"AN ALTERNATIVE TO THE ALLIANCE PROPOSAL"

This paper has been prepared as an alternative to the report from the Task Force regarding the establishment of an Alliance organization. Also, some of these ideas have been considered during the past several years and this report is an attempt to bring some of them into focus with modifications based upon current circumstances.

In consideration of the Minnesota Zoo's support programs that have been previously provided by the Society and the Foundation, we are at a point in time today where we are almost starting over. While there is momentum with some programs that are still in existence or are new versions of old efforts, we should be considering new applications that are being implemented for the first time. We have to consider now how we are going to build our base for future fund-raising and support services. We also need to hope that some of the goodwill and support from the past is still there and can be tapped for future gifts. The Zoo has been, is, and will continue, to be a superior community institution; however, it needs to be concerned with and work towards building its image at all times. Support is available to do this too.

Several years ago, ideas were presented that appeared to be feasible approaches towards developing workable programs and establishing meaningful solutions. These suggestions may no longer be the way to proceed. Experience and time do show that we have an entirely different environment today. We have a different Board of Directors. Most importantly, experience shows that certain approaches which were presumed workable in the past will not work today. This same experience points in a new direction towards setting up a program that will have a good chance of succeeding and reaching the goals that we want to achieve.

Admittedly, we will have to make changes as we go along. And, the format we've set up today may not be the same one in operation ten years from now. But, we do not have an active and on-going private sector support program today. We do have a good opportunity to start fresh with a high degree of potential success.

First we need to start with some basic agreeable conditions:

- (1) agreement on who has the responsibility to provide the leadership in setting the program,
- (2) understanding the basic premise of what these support organizations are designed to be or designated to do,
- (3) securing and sustaining support for active participation in the programs as well as the processes.

Please see Exhibit #1 attached for a proposed organizational chart that provides a way for the support services to be delivered on behalf

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of the Minnesota Zoological Garden. The proposal is not for a merger of the Foundation and the Society nor is it for an acquisition by the Foundation of the Society. It is, rather, a proposal to incorporate the membership and people related activities in a new department within the Zoo and to strengthen the Foundation to do the job it was established to do. This membership department at the Zoo will have the same level of participation with an Associate Director; working the same as the Zoo's current chart of Associate Directors including those in administration, biological programs, physical facilities, and marketing/public relations. This new addition to an already proven operating structure will assure the close coordination of the Zoo-Goer Program, Zoo-Sponsorship, volunteers, etc. The specific and particular duties and functions of the membership services division are to be more detailed in job descriptions and departmental activities as determined by more in-depth considerations. In addition, the Foundation will continue as a separate entity for all the reasons it is intended to fulfill, and it will be given closer working relationships with the Zoo staff. This chart (Exhibit #1) also recommends that the development program be based on applicable variations and up-dating of prior Foundation papers and recommendations including a structure which was first proposed in 1977 and has been revised, rewritten, and modified on several occasions, (See other attachments). These variations have been done in order to meet the objectives of Zoo Board requests and ideas emanating from the inter-organizational Board and Committee activities. As have many such reports, these recommendations have not found support beyond the Foundations Board.

Let's start fresh now for some of these old ideas that are based upon proven processes and sound experiences from other organizations. Next, refer to the attached pyramid (Exhibit #2) which has proven to be a very appropriate diagram of fund-raising when considered with other programs implemented by colleges, organizations and community groups. The concept has been proven and we need to implement it for our own benefit.

We can and should do a number of things simultaneously, using all resources available to us for our total benefit. So often in the past ideas have fallen on deaf ears or have crossed other peoples "territory" and have been rejected and died for lack of support and coordination. One example is the use of names available from current membership lists, prior membership lists, donors, sponsors, walk people, volunteers, etc. These individuals are the base on which we can all build current gifts and future financial support for the Zoo. These can be made available for multiple uses.

Some of the approaches that can be implemented invite and require individuals to be directly associated and participating in Zoo activities. Examples of programs include: (See Exhibit 3) direct-mail, annual fund drives, membership solicitations, sponsorship events, volunteer activities, special programs, service projects, organizational support and involvement situations, group activities, etc. These ideas can tie in in very closely with the Zoo's marketing program. In fact, fund-raising, marketing, and public relations are so closely interrelated that they should be closely coordinated. The actual cost of establishing some of

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these fund-raising activities will depend on the extent or decisions made to go after these new relationships or expand present relationships, the funds available through operating budgets or built into operating cost of these activities, and grants or other outside sources of funds to underwrite such projects.

Second, fund-raising program should also be directed towards Corporate and Foundation sources. (See Exhibit 3) This is often considered less personal and more automatic but their decisions are based on the community service and public benefit realizations. Much of the Zoo Foundations approach to date has been limited to this approach. Unfortunately, there has been less than adequate joint venture efforts from associated groups to support this process. They claimed a corner on individual solicitations through their membership approach and at times extended and expanded over and into corporate and organizational solicitation as well. This has resulted in much confusion among the community and especially among the donors who recognize the different delivery of funds as well as the subsequent application of funds received. Also, there have been occasions which the Foundation has been discouraged and impaired by Zoo staff both in the securing of information as well as gaining acceptance of processes and delivery of presentation materials to prospective donors. These hurdles can be overcome very easily at this time by the establishment of the clearly defined and clearly assigned processes that make this fund-raising program possible.

A third major approach to financial support for the Minnesota Zoo is the long-term support activity that builds up commitments through deferred and planned giving approaches. These ideas are again easily identified, but require time, talent, and treasures to bring them into realities. This potential source of financial giving can be worked on by all of us simultaneously. And when there are inquiries or opportunities, there are ways to bring in individuals with specific talents to help plan gifts, advise on tax benefits, draw up necessary documents, and secure commitments for the Zoo. At this time, I am not suggesting the establishment of a full-time staff position or a major on-going program. Advisory committees and friends are available for this effort.

Essential to all of this is a plan, a support structure, and people willing and responsible to follow through with some of these activities. Let's try to build on the resources which we have.

Here is a proposal regarding the Foundation/Society/Alliance Report:

- (1) The report does not appear to be directed towards accomplishing the Zoo goals as now identified and directed by the Minnesota Zoological Board. The report appears to be more "band-aids and baling-wire".
- (2) The Zoo Board should continue to work on and strengthen the programs presently under its authority and responsibility and should secure appropriations and staff to do the job.

- (3) The Foundation has already been designated as the primary fund-raising organization for the Minnesota Zoo. Do not burden it with new programs that are unrelated but presumed because they are private sector efforts that they should be attached. This dilution of program will lower the effectiveness of the Foundation in its area of program expertise. The Foundation Board has a clear sense of purpose and is qualified to do that task, but not a multitude of new conceptions. The Zoo Board should continue to support and cooperate with the Foundation, its Board and staff, and provide available resources as requested.

Basic to all of this , the Zoo Board will be better able to accomplish its mission when a unified, coordinated, cooperative spirit exists within its own Board, membership, and staff, as well as the existence of a strong belief and expression that a unified course and program does exist. Some of the general tones that exist throughout this entire program are as follows:

- (1) Everyone should put the Zoo first. It is not a good position to represent a special interest, personal bias, nor special representation that has personal or individual objectives that run contrary to what is best for the Zoo. Many of the Zoo's past decisions have been made on this basis.
- (2) Start deciding issues and setting policies on a professional and businesslike basis of what is best for the Zoo. If this is done, then one does not have to worry about political or legislative preferences that may change depending on the political whims or state leadership that exists.
- (3) Become a unified Board in direction and program. While admittedly the Zoo is new and there are many options or at least expressed alternatives, the results should be a clear statement of an agreed upon effort and direction.
- (4) Clearly define Zoo goals and stay with them. The Zoo Board should also seek out Board members and Advisory Committee participants from our community, civic, and business leaders who will fill these leadership positions and gain additional respect for the Zoo. We should not continue to trust to luck or chance to maybe get the people that the Zoo needs for these positions. The Zoo deserves to have the best leadership available and we need to identify these individuals and get them involved.
- (5) We should all work with the media to communicate the Zoo policies, processes, and programs. We can all build a bridge which will help the building of images, beliefs, perceptions, and facts about the Minnesota Zoo.
- (6) Develop the community awareness of values and support for the Zoo - peoples dedications and expressions through attendance and beliefs at all levels of support will further

substantiate the upward spiral of potential support by the legislature and our community in general.

- (7) Recognize that this is a continuing process — not a program for just one year or five — but for many years indefinitely in the future. The process is not magic nor does one person have all the answers. People will come and go — the Zoo will be around for a long time — we must build the total institution for our community and for the benefit of other similar institutions in the Zoo world — we must work on all of these needs and goals simultaneously.
- (8) We need a lot of positive spokes-persons — one individual cannot do it all. Most importantly, we need only one story, one cause, one course that we all agree upon and stick to it and with it. Obviously, at times there will be need for compromise and friendly resolution of differences. But, this must be met.

If someone asked me what does our "team" look like, it would be hard to describe as it is now dressed. Some have on track shoes; some ski boots; some boxing gloves; some blinders; some are dressed for cold weather survival; some are prepared for the heat of the kitchen. Admittedly, many diverse skills are required, but we need to both look more like and act more like a unified team. If and when we believe it, the community will also believe it.

Here are a few quick general suggestions:

- (1) Get the Zoo Board together with the Foundation Board on a regular basis for the benefit of communication and understanding and working together. At the moment, the Foundation Board appears to be hung up on the resolution of the Alliance proposal. Also, community awareness of Zoo's situations and relationships during the past year have worked against the Foundations programs. There should be more interaction and communication between the two Boards.
- (2) Everyone who wants to raise private sector gifts for the Zoo must have a clear understanding of the process, the patience needed, and the perseverance required. It's a constant effort to build bridges of understanding and commitments to make gifts to something that provides a return of some meaningful value to the donor. (A tax advantage is not a motivating factor — it's a result of a gift given for some other reason!)
- (3) Nothing breeds success better than success. We all need measures of progress and feelings of personal accomplishment. We are now caught in a spiral that has been taking us the wrong direction, it can lead upward as well!

Here are a few specific recommendations:

- (1) Somehow, through conversation, invitation, agreement, etc., the Society may find it advantageous to donate funds presently held and obtained on behalf of the Zoo through the Society membership program to the Foundation for continued development programs on the Zoo's behalf. Or, a portion could be donated to the Foundation for these programs and a portion could be donated directly to the Minnesota Zoo for specific purposes.
- (2) If that results, it seems interesting to propose that the Foundation, or the Zoo, offer all past members of the Society (who haven't become members of the Zoo-Goer program) one year free membership in the Zoo-Goer program at the Zoo. The Foundation would then, out of the funds received from the Society, reimburse the Zoo to the extent of approximately one-third of the Zoo-Goer program which is the amount reflected in lost admission given to the membership activity. This exact application would need more discussion and specific work-outs before implementation.
- (3) The Foundation would be encouraged to establish an annual fund drive (direct-mail, and promote the gifts program at the Zoo site). This annual fund drive would contact all past and present members of the Society, current members of the Zoo-Goer program, all past donors, as well as, those on the prospective donor lists, perhaps even consider the purchase of lists or the exchange of lists with other community organizations and build this fund-raising effort into the on-going marketing program of the Minnesota Zoo. As I mentioned previously, fund-raising needs to be closely coordinated with the Zoo's Public Relations program and Marketing efforts and all out-reach activities that are currently, in one form or another, operating within the Zoo program.
- (4) Most importantly, the Foundation would be encouraged to undertake immediately the First Phase of the proposed Capital Completion Plan for \$6 million dollars. The Zoo Board would participate jointly in the leadership development process, calling and contact program, and would both be heavily involved in the fund-raising effort. Past experience by other major drives show that a large group of dedicated community leaders are needed to secure major commitments of this type.
- (5) All members of the Zoo Board will have to take an active role in the development program. The Zoo Board members are the front running spoke-persons for the Zoo. It will also be imperative to develop ways in which the Foundation Board

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members can be brought into a more participatory process and joint responsibility for discussion of direction and decisions that are being made affecting the Zoo's future. The process of first getting people involved so that they have a basis for their dedication and commitment of time and effort is essential in this process.

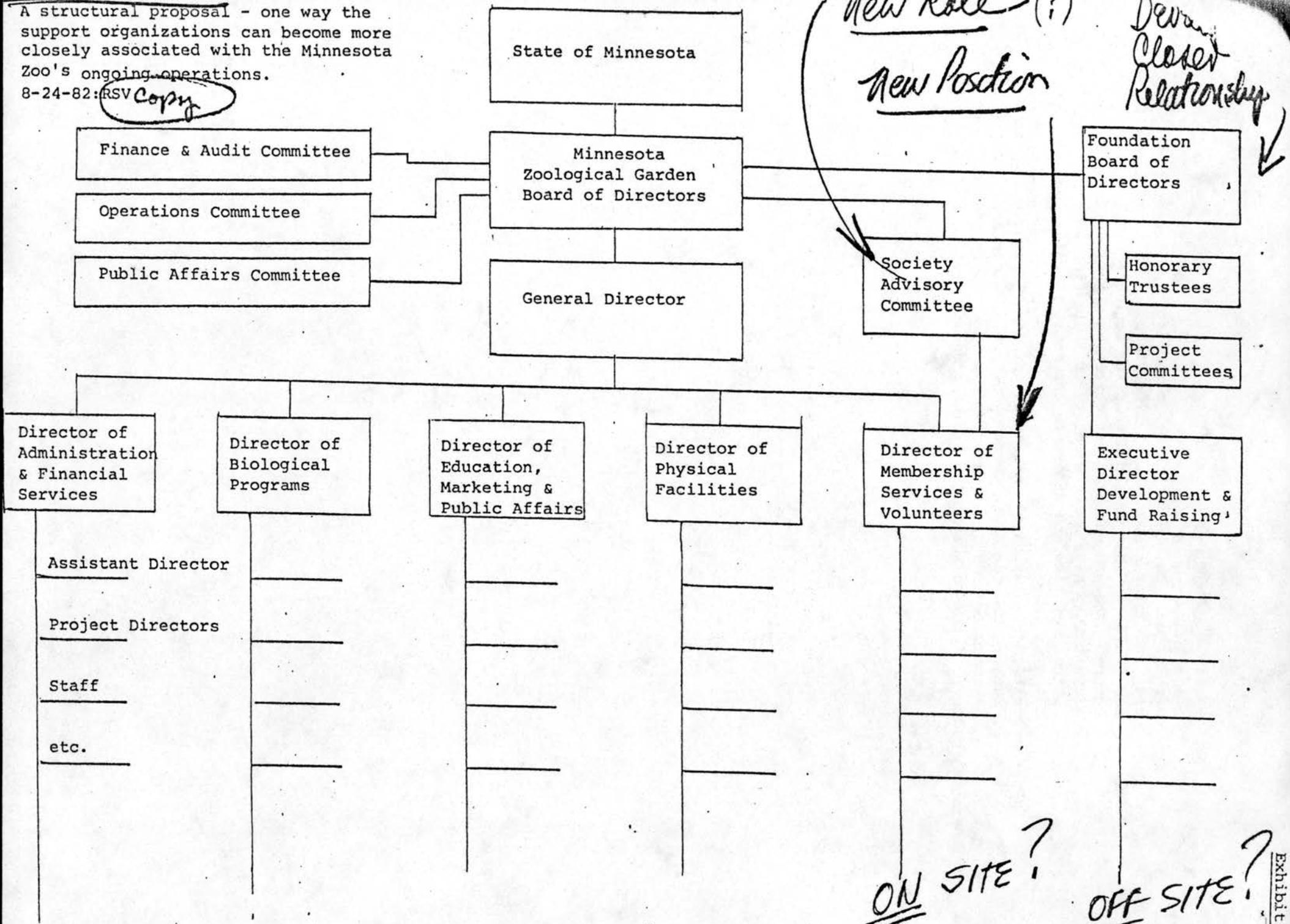
With a positive resolution of this latest proposal (along the lines of this paper rather than the alliance proposal), then we can once again get back on the track towards securing funds for both the Foundations operating budget and the Zoo Capital Building program that are needed.

RSV:las

Discussion Draft

A structural proposal - one way the support organizations can become more closely associated with the Minnesota Zoo's ongoing operations.

8-24-82:RSV Copy



New Role (?)
New Position

Desiring Closer Relationship

ON SITE?

OFF SITE?

A PROPOSAL FOR IMPLEMENTATION OF THE "ALLIANCE"

- * Some programs can continue from their stage - with little modification, some new involvement, greater participation, and produce tremendous results.
- * Some programs will need to be rewritten with new direction, schedules, staff, and budgets - the results will be beneficial but may not be as quickly measureable.
- * Some programs cannot be expected to be either shifted or realigned at this time - maybe sometime in the future - but the specific time, process and the results remain uncertain. Rebuilding two weak membership programs with confused public images will take a lot of magic and more time.

First, I recommend a strong push be started immediately on the fundraising programs that have potential - there are two areas at present - the capital big gifts effort - and the reintroduction of individual solicitation through a direct mail and annual giving approach. The capital big gifts effort is a reconfirmation of need and priority as suggested in July, 1981, and includes the necessity of procuring additional community leadership to seek and secure the gifts. The proposed structure exists - the securing of a team needs immediate attention, training, and giving the push and positive support needed to do the job. The other part of this statement recommends building on the "membership" lists available through the Society records, the Zoo-Goer program, and other sources to be determined. This is not an individual membership drive. It is building on the membership list and inviting these people to be further involved as part of the Zoo's building program through an annual financial giving process. They may receive some form of identification with a donor program, but we will stay away from any inference or implication of membership. Other benefits, depending upon size of gifts "amount", may require some membership characteristics that are yet to be worked out.

Second, some special programs presently in operation need to be continued. The sponsorship program is a fundraiser and can be promoted as such along with the other fundraising efforts of the Foundation. We will need to review, with Society help, their previous project, and the current activities of the Zoo Sponsorship program. Within this area of special projects and special events, we have many resources (individuals) within our community that can be drawn upon to volunteer in varying amounts, their skills and experiences, for future events and promotions. (ie: Elephant walks, Deer runs, Orchestra events, Animal art fairs, etc.) The Zoo has proven it can draw crowds for special happenings - we can build upon this know-how and make these events fundraisers as well. To do so will require at least one experienced new staff person coordinating the projects and myriad of ideas. These activities will also complement the communications and public relations activities that are now a major part of the Zoo's marketing program.

The third corner of this proposed triangle, the membership program, volunteer activities, publications, educational events, etc., do not necessarily have to be established at this time to provide for our initial proposal. These other ideas as considered by the Task Force can be subsequently reconsidered when cordial, relaxed, and respected communication resumes. At this time, let's try to do what seem possible and essential and work on some of these other activities as it is more convenient.

It's absolutely essential though, that close communication and cooperation exist in order to build contacts for specifically identified purposes from each others lists. The benefits will result in unified programs, present a unified front to the general public, provide economies of scale on the cost side for using one source, cross references, computerized record systems, key special information, and readily accessible facts on members, donors and projects. On several occasions during the past several years, this similar proposal has been researched and proposed - unfortunately, only a weak start has resulted. We can build effectively when agreement and support is totally endorsed and funded.

One of the recommendations of the Task Force is that the new Alliance organization be "housed" on the Zoo premise. There is value both ways to be inside the Zoo as well as to be recognized as an independent and off-site entity with a separate Board and clearly separate responsibility. These two distinct options could be accomplished by a separate location off-site but a much improved closer working relationship on-site. Specific examples include being a part of regular staff meetings and recognized as an integral part of the daily working program of Zoo staff. Zoo staff also needs to be believers of the Foundation and fundraising as a respected partner in the present presentation and future features of the Zoo. These simple goals can be accomplished by additudinal change and not necessarily require any major policy or edit from the Board.

Another important building block will necessitate building a closer working relationship between the Zoo Board and "Alliance Board" or whatever organization survives. This is a serious problem today that is not adequately recognized nor completely dealt with. All related organizations have people working towards the same goal, but on different tracks. They need to join forces, discuss, communicate, and understand the diverse opinions and experiences - but, get together with agreement on a common and often compromised approach that would be best for the Zoo. We need to minimize individual diversions from the established course. The Zoo needs unified agreement and cooperation towards a common goal. This will be the best "frosting" the Zoo could ask for its very respectable cake.

OK! So what can the Alliance or the Task Force or the individual organizations do now to make this proposal work - to bring these ideas into real operating entity? Where can we start?

First, Select Bob Voigt as the Executive Director of this new entity or strengthened existing entity - back him up with assurance, respect, help, and operating funds.

Second, recognize the need for staff to implement these existing programs - and to plan for future projects within the agreed upon level of support programs for the Zoo. Then, reaffirm the position of administrative support now provided by Lois Sieve and recognize her potential to direct one of several operations within the new operating program.

Next, prepare for the addition of other persons to staff the areas of special projects and special fundraising events, etc.

Supportive to all this program activity is a need for an office manager, bookkeeper, secretary to provide support services to the professional staff.

As the support organization matures with other requests from the Zoo Board, we will need to be ready to add more staff to operate each program as identified. At this time it is difficult to project very accurately these needs or time line because perceived needs and real needs may change as they are recognized and approved by the Zoo Board.

To accomplish the entry into this proposed operation, we will need financing. I have not put a pencil to the task - cost line - but will certainly admit to the urgency needing to work with a designated representative of whatever alliance or entity results in order to place numerical needs on parallel to program needs. It is my opinion that funds may be secured from past funding sources for the Foundations operations and perhaps new sources that have been prior donors to the Zoo's Capital Building Program. There are many corporate and foundation sources available for "emergency" needs or short term financing as we are now confronted with for the next several months. Once our program is established, I believe financing can be secured.

It is obvious that funds presently held by the Society would be an excellent "dowry" for this organizational merge. The analogy ends there, though, if both participants chose to assume old but merged identities through the proposed committee structure as now identified by the Task Force in their Alliance Report. I believe it is essential to retain the respected name of the Foundation and its Board leadership in the key position of this "new" organization. There are still many existing hard feelings expressed by individuals throughout our community towards the Society for some of their policies in spite of some of our internal contrary conceptions. Maybe this negative attitude toward the Society, Society's past actually, will fade away in the future so that some day the name of the Society will regain the stature needed to again receive respect and support. The Society organization concept is great - its the operations of it during the past several years that has blemished it. So, I propose that the Foundation corporate shell and name survive after appropriate acquisition of the Society. The Society organization will in effect go into a moth ball for a period of time needed to cleanse and overcome some of its recent negative actions whether they are only perceived or actually are real then, at an appropriate time in the future, there may be need and opportunity to resurrect the Society name into an appropriate program stance in support of the Minnesota Zoo. This revival would be only as part of the Foundation and under

the direction of the Foundation Board. The Minnesota Zoo Board has clearly and repeatedly stated that they desire only one coordinated private sector support group working on their behalf. This can be accomplished in this matter.

Now, how to get this happening!

- (1.) The Zoo Board needs to accept and approve this modified proposal - and work with a select group of Foundation leadership to implement this proposal.
- (2.) The Foundation Board should take the initiative to establish the management role in this new and emerging organization.
- (3.) The Society Board will need to recognize the "state of the art" and work towards a supportive position and amenable solution. The Society will not be a survivor in their presently proposed and preferred sense, but will continue in a supportive partnership under the Foundations co-direction.
- (4.) The Foundation Board of Directors currently consists of 24 elected positions but only 18 positions are presently filled; also, the Foundation has 11 appointed directors with only 4 positions filled. In an acquisition as proposed by this paper, there would be opportunities for some of the present Society Board members to participate on the Foundation Board. The basis for selection would be predecated entirely upon each persons interest and ability to perform the projects and goals of the Foundation as modified - and would look towards each persons fundraising experience and top position in community and civic leadership to add support of the Foundations programs as now proposed. These people would be recognized as both advisory and activists within their respected situations.
- (5.) I do not recognize the technical steps that the Society would have to go through to implement this proposal. But I do believe if the Society Board fully recognizes the value (verses the alternative) that a convincing proposal could be made to the remaining membership, if in fact, their approval was needed.
- (6.) The time - line of implementation could be drawn immediately - or least established yet during the month of September 1982 - with full steps of a unified program becoming established shortly thereafter. The specifics for transfer of resources and responsibilities can be worked out.
- (7.) The Foundations annual meeting is scheduled for November 4, 1982. We cannot wait that long to change organizational horses. I recommend that the Foundations Nominating Committee be immediately convened to recommend officers for this proposed new structure and that leadership chosen can begin immediately with Foundation staff support, to establish steps for implementation of this proposal.



Minnesota Zoological Garden Foundation

1422 West Lake Street, Suite 303 • Minneapolis, Minnesota 55408 • Phone (612) 827-3661

OFFICERS AND DIRECTORS:

STANLEY J. NELSON
President
Minneapolis

KATHLEEN GRETSCH
Vice President
North Oaks

MARGEE KINNEY
Vice President
Plymouth

MALCOLM McDONALD
Vice President
St. Paul

WAYNE PETERSEN
Vice President
Minneapolis

DEAN McNEAL
Secretary
Mound

HAROLD S. WEBSTER
Treasurer
Bloomington

FIRMIN ALEXANDER
Apple Valley

ANTHONY L. ANDERSEN
St. Paul

W. ANDREW BOSS
St. Paul

WALLACE C. DAYTON
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CONNIE DeLAND
Minneapolis

ROBERT ENGELS
Minneapolis

D. STEPHEN FARLEY
St. Paul

HERBERT GOLDENBERG
Minneapolis

RICHARD G. GRAY, SR.
Minneapolis

KENNETH M. KNOPF
Hackensack

CHY MORRISON
Wayzata

JOSEPH T. O'NEILL
St. Paul

HAZEL REINHARDT
Minneapolis

GORDON ROSENMEIER
Little Falls

FOUNDING DIRECTORS:

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Inver Grove Heights

JOHN C. MCKAY
South St. Paul

DAVID W. ONAN II
Wayzata

MARY ANN SCROGGINS
Afton

JOHN E. TILTON
Hopkins

EX OFFICIO MEMBERS:

JAMES L. HETLAND
Chairman

Minnesota Zoological Board

MARK JACOBSON
President

Minnesota Zoological Society

EDWARD KOHN
General Director

Minnesota Zoological Garden

EXECUTIVE DIRECTOR:

ROBERT S. VOIGT

BOARD OF DIRECTORS MEETING

Tuesday, September 7, 1982
3 P.M.

President Nelson's Office
1930 Midwest Plaza Building
Minneapolis

A G E N D A

- | | |
|--|---------|
| I. Minutes of July 1, 1982 Board Meeting | McNeal |
| Minutes of July 22, 1982 Executive Committee | |
| II. Treasurer's Report - Budget | Webster |
| III. Executive Director's Report | Voigt |
| IV. President's Report | Nelson |
| A. Alliance Proposal | |
| B. Future Program | |
| C. Funding Options | |
| D. Nominating Committee | |
| V. Other Reports | |
| A. Minnesota Zoological Garden | |
| 1. Committee Meeting 9/13/82 | |
| 2. Board Meeting 9/16/82 | |
| B. Minnesota Zoological Society | |
| C. Others | |

MZGF PROPOSED OPERATING BUDGET FY 1983

	JULY		AUGUST		SEPTEMBER		OCTOBER	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
<u>ZOO FUNDS</u>								
BEGINNING BALANCE	237,800	238,410	202,464	202,747	199,464	199,286	196,464	
RECEIPTS:								
Annual/ Direct Mail etc. (1)	-0-	10	-0-	-0-				
Capital Campaign	5,000	5,000	-0-	195				
Special Events	-0-	-0-	-0-	-0-				
Special Projects (ISIS, MZS, etc.)	10,000	11,100	-0-	-0-				
Other (Emergency Fund, tickets,)	-0-	139	-0-	24				
TOTAL:	15,000	16,249	-0-	219	-0-			
DISBURSEMENTS:								
Annual (1)	-0-							
Capital	33,336	33,336 (2)	-0-	-0-	-0-			
Special Events	-0-							
Special Projects	17,000	18,516	3,000	3,620	3,000		3,000	
Other	-0-	60	-0-	60	-0-		-0-	
TOTAL:	50,336	51,912	3,000	3,680	3,000		3,000	
RESERVE FOR MZG:	202,464	202,747	199,464	199,286	196,464		193,464	
<u>ZOO FOUNDATION</u>								
BEGINNING BALANCE	12,400	11,950	36,400	41,917	20,214	33,938	13,845	
RECEIPTS:								
Contributions	33,336	33,336 (2)	-0-	-0-	-0-	-0-	-0-	
Interest	2,300	3,290	2,300	2,475	1,900		1,800	
Other	400	519	400	286	400		400	
TOTAL:	36,036	37,145	2,700	2,761	2,300		2,200	
EXPENDITURES:								
Salaries	5,436	4,942	5,436	3,489	5,436		5,436	
Retirement Contr.	753	686	753	756	901		901	
Employee Benefits	287	399	287	312	322		322	
Reimbursable Exp.	250	191	250	296	250		250	
Occupancy	430	450	430	439	430		430	
Supplies	100	16	100	108	100		100	
Postage	120	-0-	120	60	120		120	
Telephone	160	171	160	215	160		160	
Promotion	100	41	100	-0-	100		100	
Printing/Xerox	250	226	250	226	250		250	
Furniture/Eqmt.	-0-	-0-	-0-	-0-	-0-		-0-	
Miscellaneous:								
Audit			-0-	1,800	-0-		2,500	
Insurance								
Donor Recognition								
Resource Mat'ls	-0-	30	-0-	-0-	100		-0-	
Annual Meeting							200	
Educ. - Confer.								
Bank Charges	-0-	25	-0-		500			
Legal Fees					-0-		-0-	
Memberships	150	-0-	-0-	68				
Other								
TOTAL:	8,036	7,178	7,886	7,769	8,699		10,769	
Other:								
Consultants (2)	4,000	-0-	11,000	2,971	-0-		-0-	
Campaign Exp. (2)								
Annual/Direct Mail	4,000	-0-	11,000	2,971	-0-		-0-	
TOTAL:	12,036	7,178	18,886	10,740	8,699		10,769	
TOTAL MZGF EXPENSES:	12,036	7,178	18,886	10,740	8,699		10,769	
MZGF ENDING BALANCE:	36,400	41,917	20,214	33,938	13,845		3,076	

(1) Projected receipts and expenses an offset

(2) Proposed book entry transfers -- Zoo funds for capital campaign



Minnesota Zoological Garden Foundation

1422 West Lake Street, Suite 303 • Minneapolis, Minnesota 55408 • Phone (612) 827-3661

TO: Board of Directors
FROM: Bob Voigt
DATE: September 7, 1982
SUBJECT: Executive Director's Report

OFFICERS AND DIRECTORS:

STANLEY J. NELSON
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Minneapolis
KATHLEEN GRETSCH
Vice President
North Oaks
MARGEE KINNEY
Vice President
Plymouth
MALCOLM McDONALD
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EDWARD KOHN
General Director
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EXECUTIVE DIRECTOR:

ROBERT S. VOIGT

I. ADMINISTRATION

The last couple months have been practically entirely devoted to operating and management activities within the Foundation. In this respect, there have been many conversations with officers and members of the Board regarding questions relating to the Alliance Report, the Foundations future programs, budget options, and operating alternatives.

In April, Governor Quie invited representatives from the Foundation, Society, and the Zoo Board to meet with him and discuss a possible "merger" of the Foundation and the Society. Meetings which commenced in May have been going on regularly with Stan Nelson and Dean McNeal representing the Foundation, Paul Freeman and Mark Jacobson representing the Society, and Jim Hetland and Bob Engels representing the Zoo. We are extremely grateful for the time and ideas which these individuals have contributed to this most worthwhile project. I believe I speak for everyone when I say we are looking forward to a resolution of this issue that has been hanging around for a long time.

The Foundations auditors, Peat, Marwick, Mitchell & Co., examined the Foundations books for the fiscal year ending June 30 and will be submitting their report to the Foundation in the very near future.

Kathryn Rosebear resigned from the Foundation effective August 6th. Upon leaving she submitted a request to President Nelson and the Foundation for 18.75 days of pay which she claimed was due to her through her interpretation of the Foundations Personnel and Vacation Policies. President Nelson spent considerable time visiting with members of the Executive Committee, other personnel managers, and legal counsel regarding response to this request. After numerous conversations, several letters back and forth, Kathryn withdrew her claim.

In the last thirty days, interest rates paid on the invest-

ments have dropped considerably. Subsequently, the income which the Foundation is now earning on funds held for the Zoo has also decreased. Just one month ago, the Foundation had investments at a rate in excess of 14% and today they are approximately 9%. This will affect the income that has been previously budgeted as a source of Foundation revenue.

On August 3, Lois Sieve began working at the Foundation office as an Administrative Assistant. Lois has previously worked with the Capital Campaign of the Minneapolis YMCA and formerly in the development office for the College of St. Benedict.

II. DEVELOPMENT

While so many things have been receiving attention in the administration and management of the Foundation side, there have been less time available for contact work and development activities in the fund-raising side. However, a number of significant meetings have occurred with both former donors as well as potential prospects that lead me to believe that much respect still exists for the future development programs of the Minnesota Zoo. These words of encouragement as well as strong interests in the resolution of Zoo issues continue to support my belief that the Minnesota Zoo Foundation has a good future once we can regain some of our former momentum.

One of the most exciting news items is that the long awaited Foundation development brochure for the Capital Completion Plan is now printed and available for your contact purposes. This is a beautiful publication that will command great interest for its artistic beauty, great respect for the condensed version of a long detailed plan, and a document which we can all use creatively in our cultivation and fund-raising efforts. It was not designed to be a pass-out item. It was designed to be a product that can be used most affectively with individual contributors at the major gifts level, Corporate Boards, and Foundation Trustees.

Several proposals have been delivered recently for projects needing support at the Zoo program level. However, news items during the past sixty days have caused both of those proposals to be rejected. Several major contacts have been made with one of our lead gift corporations in the proposed capital campaign and the results have yet to be learned. While it's necessary to begin with the major donor prospect, it is also advisable that we continue to try to cultivate and secure commitments from several prospects within our top donor category. Much work needs to be done along this line.

While the Zoo Board graciously placed a restriction temporarily on withdrawing funds currently held by the Foundation for Zoo building projects, the Zoo Board did not place restrictions upon the funds which were recently received through the Society's grant for special projects. As a result, we've had numerous payments for summer interns, project expenditures, and other related costs. We also have occasional disbursements under the I.S.I.S. grant.

III. OTHER

At the Foundations Board of Directors meeting on July 1, the Board approved the Foundations operating budget through September 30. On July 14, the Zoo Board approved a line item transfer of funds currently held for the Zoo to the Foundations operating budget account. This is the same as a grant of \$33,336 being made available to the Foundation to cover expenditures occurred during the last fiscal year for the consultants and capital campaign expenditures as well as covering the cost for printing of the Capital Campaign brochure and current related expenses. With a closer review of the Foundations budget after two months of operations within this tight schedule, it now appears that the foundation will have funds available at least to operate through the end of October and with no change in circumstances, might make it through the middle of November. This is the hardest thing for me to report to you, that your Foundation is approaching the end of its finances unless a resolution is found quickly.

There are several options which I know each of you are aware of and are considering very closely. However, I do want to state them for the purpose of this report.

- A. Do nothing differently than is currently being done and the Foundation will go out of business naturally.
- B. Effectuate a merger, alliance, acquisition, or what have you, with the Minnesota Zoological Society and hope that by mutual agreement some of the funds now held by the Society can be transferred to this new entity or provided to the Foundation, if it survives, for future programs.
- C. As soon as programs for the Foundation are once again determined based upon current activities, seek out grants from funding sources for the continuation of funding the Foundations operations.
- D. Each of the members of the Foundation Board of Directors who are thoroughly convinced and totally committed to the Foundations continuation of its fund-raising efforts on behalf of the Zoo can then both search their souls as well as their resources and find a way to "tide" the Foundation over until major operating funding is obtained. This option calls for a major commitment of time and effort as well by each individual for the securing of future sustenance.

A very important time in the Foundations future is also upon us in that, if we are continuing optimistically with our current course of activities and belief in the Foundations future, we must activate the Nominating Committee for their annual duties. This is a beautiful time to review the opportunities for involvement within the Foundation and seek out additional community leaders who will help us accomplish our program on behalf of the Minnesota Zoo. As part of the material distributed at the Board meeting on September 7th, please note the list of current Board members and opportunities

for service that exist in each of the terms for elected Board members and opportunities to secure movers and doers also in the appointed Board member category. We have previously proposed and feebly inacted the committee structure within the Foundation. This is an opportunity that still exists with exciting potential for those who jump in.

As I have mentioned on many occasions in the past, a need and opportunity still exists for improving communication and developing better understanding of positions and practices between the Foundation Board and the Zoo Board. Ways which you can identify and processes which you can participate will strengthen both of the organizations programs. Many ideas and feelings get lost in the cracks when only one person attempts to tell the story for each group. The past has shown that resolution does not come easy. The future must find a way to make all of these ideas become realities. I look forward to working with you towards this goal. Please find a way to take an extra step so that these long distances can be shortened and the accomplishments, improvement of image and benefits that we know are possible, be obtained for the Zoo and our community.

CALLS AND CONTACTS
6/29/82 - 9/3/82

Captive Species Breeding Group(IUCN)	Seal	Voigt
Cenex Foundation	Bangeter, Knutson	Voigt, McKay
Concept Marketing	Stack	Voigt
Daffidils Garden Club	Kettner	Sieve
Dain Bosworth Inc.	Friswold	Voigt
DeLuxe Check Printers Inc.	Steinkraus	Voigt
Dye Family Foundation	Knopf	Voigt
Eustis, Warren		Voigt
F & M Marquette	Kingman	Voigt
Faribault Rotary Club		Voigt
Foss Printing	Petrosky, Toskey	Voigt
General Polymers, Inc.	Kuehn	Voigt
Graco Foundation	Murphy	Voigt
Grunerwald, William		Voigt
Heisler, Leighton		Voigt
Honeywell, Inc.	Mitchell, Speed	Voigt
Honeywell, Inc.	Weber	Nelson
I.S.I.S.	Flesness	Voigt
Kennedy Sinclair, Inc.	Graham	Voigt
Kerker & Associates, Inc.	Wendorf	Voigt
King-Griffin Inc.	Griffin	Voigt
Kosmo Companies	Conrad	Voigt
Lauerzman, Fred		Voigt
Ludwigson, Donald		Voigt
Mackay Envelope Co.	Doran	Voigt
Minneapolis Foundation	Beech	Voigt
Minnesota Chapter NSFRE		Voigt
3M Foundation	Larson	Voigt
Munsingwear, Inc.	Hanson	Voigt
National Computer	Danielson	Voigt
National City Bank	Koehnke	Voigt
Northwest Bancorporation	Morrison, Lind	Voigt
Onan Foundation	Onan	Voigt
Partridge Advertising	Partridge, et.al.	Voigt
South Suburban Women's Club	Olson	Sieve
Summit Avenue Society (1006)	Letyzski	Voigt
Wasie Foundation	Odahowski	Voigt
Wilson Center, Inc.	Thompson	Voigt

RSV/las



Minnesota Zoological Garden Foundation

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President
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Minnesota Zoological Garden

EXECUTIVE DIRECTOR:

ROBERT S. VOIGT

TO: Members of the Nominating Committee
Kathy Gretsch
Margee Kinney
Malcolm McDonald
Wayne Petersen
Dean McNeal
Harold Webster
Connie Deland
James Weaver

FROM: Stan Nelson

DATE: September 1, 1982

RE: Current Responsibilities

Section 8.02 of the Foundation's By-laws is as follows:

"Nominating Committee. The persons who are, on the first day of September of each year, members of the Executive Committee, together with such two (2) non-officer members of the Board of Directors as the President shall appoint, shall constitute the Nominating Committee of the corporation provided that at least one (1) member of the Nominating Committee shall at all times be an Appointed Director as that term is used in the By-laws. The Nominating Committee shall, at each annual meeting of the corporation, nominate one (1) candidate as a successor to each Elected Director whose term expires in the year of such meeting, and also shall have and perform such other related duties as may from time to time be prescribed by the Board of Directors."

Dick Arndt, Chairman of the Zoo Board, has requested from the Nominating Committee a list of recommended individuals for the appointed Board positions.

The Foundation's annual members' meeting and annual Board of Directors' meeting is scheduled for Thursday, November 4, 1982. This will be for the purpose of election of Elected Directors and confirmation of Appointed Directors. The meeting is also for the purpose of electing the officers of the corporation and for the transaction of such other business as shall come before the meeting.

Attached is a list of current Board members, their terms, and also reference to vacancies.

Please give your personal consideration to needs that exist for Board members and individuals that are qualified for nomination.

TO: MEMBERS OF THE NOMINATING COMMITTEE
MINNESOTA ZOOLOGICAL GARDEN FOUNDATION

DATE: September 1, 1982

FROM: Stan Nelson

RE: Information for your consideration

ELECTED BOARD MEMBERS

Term Ending November, 1982

1. Alexander, Firmin
2. Boss, W. Andrew
3. Deland, Connie
4. Gretsches, Kathleen
5. Knopf, Kenneth
6. Rosenmeier, Gordon
- 7.
- 8.

Term Ending November, 1983

1. Anderson, Anthony
2. Engels, Robert
3. Farley, D. Stephen
4. Kinney, Margee
5. McDonald, Malcolm
6. McNeal, Dean
7. O'Neill, Joseph T.
8. Petersen, Wayne

Term Ending November, 1984

1. Gray, Richard G., Sr.
2. Morrison, Chy
3. Nelson, Stanley J.
4. Webster, Harold
- 5.
- 6.
- 7.
- 8.

APPOINTED BOARD MEMBERS

1. Goldenberg, Herbert
2. Hetland, James
3. Reinhardt, Hazel
4. Weaver, James
- 5.
- 6.
- 7.
- 8.
- 9.
- 10.
- 11.

FOUNDING DIRECTORS

1. Harmon, Reuel
2. McKay, John C.
3. Onan, David W. II
4. Scroggins, Mary Ann
5. Tilton, John E.

OFFICERS

President: Stanley J. Nelson
Vice
Presidents: Kathleen Gretsches
Margee Kinney
Malcolm McDonald
Wayne Petersen
Secretary: Dean McNeal
Treasurer: Harold Webster

PROPOSED
1981-1982 FOUNDATION COMMITTEES

DEVELOPMENT
COMMITTEE
S. Nelson

OPERATIONS
COMMITTEE
D. McNeal

PUBLIC AFFAIRS
COMMITTEE
R. Gray

CAPITAL PROGRAMS
SUB-COMMITTEE
S. Nelson, Chair
J. McKay
W. Petersen
H. Reinhardt
J. Smith
J. Tilton

FINANCE
SUB-COMMITTEE
H. Webster

INTERBOARD COMMITTEE
C. DeLand
M. McDonald
S. Nelson

SPECIAL EVENTS
SUB-COMMITTEE
M. Kinney, Chair
T. Andersen
D. McNeal
C. Morrison

BY-LAWS
SUB-COMMITTEE
D. McNeal

PUBLIC RELATIONS
ADVISORY SUB-COMMITTEE
R. Gray
A. Boss

SPECIAL PROJECTS
SUB-COMMITTEE
M. McDonald, Chair
F. Alexander
C. DeLand

NOMINATING
COMMITTEE
(By-Laws)

LEGISLATIVE
SUB-COMMITTEE
J. O'Neill, Chair
H. Goldenberg
G. Rosenmeier

INDIVIDUAL GIFTS
SUB-COMMITTEE
M. McDonald, Chair
W. Dayton
K. Gretsche
K. Knopf

FOUNDING FUND
R. Engels
R. Harmon
S. Farley

DONOR RECOGNITION
SUB-COMMITTEE
D. Onan
M. Scroggins

THOUGHTS RE. CANDIDATES FOR THE FOUNDATION'S BOARD OF DIRECTORS

General Qualifications:

1. Interested and supportive of the Zoo's goals and objectives
2. Interested and supportive of the Foundation's goals and objectives
3. Active community leader -- or access to same.
4. Would be active and enthusiastic, positive participant in Foundation operating and management program
5. Would be willing to accept specific cultivation, development and related fund-raising responsibilities, either as part of the on-going annual program or the capital campaign committee
6. Would be able to draw upon personal experience and resources or affiliations to expand the performance of the Foundation through a contribution of time and talent
7. Prior participation in fund-raising or related programs helpful
8. Others as determined by the Nominating Committee
9. Who will do the best in the eye of the giving public - who can influence gifts - who can attract others to our solicitation program.



Minnesota Zoological Garden Foundation

1422 West Lake Street, Suite 303 • Minneapolis, Minnesota 55408 • Phone (612) 827-3661

① distribution?
M2B?
Gray's

for
Die

TO: Board of Directors
FROM: Bob Voigt
DATE: July 1, 1982
SUBJECT: Executive Director's Report

OFFICERS AND DIRECTORS:

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EXECUTIVE DIRECTOR:

ROBERT S. VOIGT

I. SUMMARY STATEMENT

The last twelve months (fiscal year ending 6/30/82) have been a period of extremes -- great energy and enthusiasm in the ideas and proposals department, and less than anticipated and deserved results in the program and activities side.

The good news is that our receipts on the Zoo's contributions line of our financial report and also the Foundation's income is more than our budget and forecasts had anticipated for the fiscal year ending June 30, 1982. Unfortunately, we did not project a fast track year due to foreseeable needs to re-establish our basic operating program. However, we were anticipating a development of commitments at a level far in excess of what we have achieved. Our income is down from the prior fiscal year even though it is ahead of the current year's budget. It is a good thing that our first three years of Foundation operation were super years because the last three years have really brought down our average.

Our expenses were kept under budget because our reduced program resulted in one less staff person and some of the operating expenses relating to a more aggressive program as proposed were not necessary.

We must continue to look optimistically for the bright side as we can only go up from here! Or can we?

Where do we start? With attitude? With belief? With a new program? With a new name? With some initial measures of success? There are improvements needed which are possible -- and they are all things we can do.

The first change we have to install is a willingness to "stick our necks out and tell the story." Too many times I have heard "ya can't raise money until the problems are eliminated" and "they gotta get their act together." "They" is us too! We have an obligation to inform the Zoo Board of our proposals and problems. Unfortunately, the Zoo Board has not responded very well. Our needs are only one item on their priority list. The Zoo Board also has an unfulfilled responsibility to understand fund raising principles and share

responsibilities for fund development efforts and results, too. This is another weak link in our present chain. But I believe this can be improved! We must keep trying.

There are many good people and prospects out there left waiting at the church because we are afraid to ask. Or, afraid to talk to problems that exist and provide information as to what is being done to correct these problems. Each time we seem to be getting some momentum, either in attitude or proposed meeting schedules, the prevailing response has been to wait again for a better time. We don't build results by a prevailing "the time isn't right" attitude. We don't build interest and involvement by this continual "sitting back" attitude. We don't build results by being afraid to ask.

There have been unanticipated positions and extremely difficult circumstances beyond our control with which we have had to deal -- and out of our reach -- and rationalized as beyond our level of influence -- but, they have affected us and practically immobilized us. Or have they? Or would they have if we had not let them immobilize us? This perception or situation has to be turned around.

We don't have to start with a capital campaign to raise money. Staff has proposed and pointed out in countless conversations a capital campaign is often only a culmination of many years of other efforts of cultivation and bringing prospective donors into a feeling of close relationships to an organization and being a member of the team. While much of our delay this past year or two has been based upon real obstacles to instigating any one of a variety of fund raising activities, our present situation is one that opens up these doors and opportunities to reconsider and establish programs that are in the annual giving, direct mail, on-going approaches towards gifts on behalf of the Zoo. To do this, we need approval of programs, funding and staff.

One of the often overlooked items is that Board members and volunteer (comparatively) have little at stake if an organization does not achieve its goals as perceived and adopted. The other side of the coin is that staff in an organization like the Minnesota Zoo Foundation have professional as well as organizational goals and levels of personal achievement towards which they are striving and accomplishments by which they are measured both personally and within the profession. The last couple years have been a difficult time for the Foundation staff to really feel any great measures of success. Certainly within the process side there are references but not at the often referenced bottom line for traditional results.

Another major area of emphasis that must be faced and worked on is how to get involvement from more community leaders who believe in the Zoo and can and will help us to accomplish the goals which we have set. We cannot overlook the recommendations of prior studies that have indicated the need for this level of civic participation in process. I believe we have a good response to those who contend that state funding is the best source for the state zoo. We are beyond that basic level of support. It is now a living museum that serves us all as both a repository for resources beyond normal reach or retention and as a personal opportunity to learn more of values within our natural environment.

The following pages attempt to summarize or at least identify some of our accomplishments this past year and point out some of the major studies or proposals and recommendations that have been presented for your consideration. There are also several thoughts regarding budget and program options which I urge you to study. I hope there is a prevailing spirit among the Foundation Board that we have gained something by waiting. I hope that our next moves come quickly.

The Foundation has respect throughout our community. We have earned it through our leadership and actions that have been based upon sound financial principles and ethical operating standards. We will continue to be responsible to both the contributors and to the Zoo. The Foundation is an essential part of the Zoo's long-term building program. We have been designated as such. We have shown it in the past. We are held in high regard today. It is our job to stay on this course and do the job we know we can do.

"When someone says about a town or a constituency, 'There's money out there, plenty of money,' they expose their naivete. For money cannot be raised without people. People give to people. The mere existence of money, without volunteers to ask for it, is like a forest of timber with no lumberjacks."

from Marketing and Philanthropy,
James Gregory Lord

II. ACCOMPLISHMENTS/ACTIONS (FY '82)

- A. The Minnesota Zoo Board, in February, 1982, adopted a resolution naming the Minnesota Zoo Foundation as the primary fund raiser in the private sector on behalf of the Minnesota Zoo.
- B. During the past year, the Foundation has provided:
 - Short Range Development Funds of \$108,314.60
 - Emergency Funds of \$7,189.04
 - Society Transfer Funds of \$17,789.53
 - Special Project Funds of \$16,093.99
- C. Foundation staff has developed materials which have resulted in a Capital Completion Plan case for support and a case statement of materials for discussing the operating results and future needs as identified by the Zoo Board. Foundation staff has revised and updated as applicable the existing proposed capital campaign schedule of activities, major prospects and Board and staff responsibilities. These timelines and methods have been reviewed with Board members individually as well as collectively at our monthly meetings. However, external activities and influences continue to be the justification for postponing and deferring the formal delivery of grant applications and funding proposals. Files, records and supporting materials have been updated on prospects identified for the capital campaign. Work has been done on maintaining information on donor potential and leadership contacts.

II. ACCOMPLISHMENTS/ACTIONS (Con't)

- D. Foundation staff has proposed and reviewed the possibility of establishing a direct mail solicitation program (annual drive).
- E. Foundation staff has written and proposed fund raising approaches for the development of an animal sponsorship program (special appeal).
- F. Foundation staff has participated in discussions regarding special event fund raising and recommended several options for consideration.
- G. Foundation staff, with the assistance of Zoo staff and professional consultants, have produced a slide show on the Zoo's capital completion plan. This presentation is available for Board member use and formal discussions and cultivation of potential donors.
- H. Foundation staff, with the assistance of Jeffrey Willius Marketing Communications, Inc., has produced a major presentation brochure which enforces the Zoo's capital completion plan and is used for a cultivation and justification statement in the seeking of major capital gifts. Three beautiful illustrations have been produced by John Keely for use in the publication as well as proposing copies of prints be made for donor recognition items and possible income producing sales at the Zoo.
- I. Foundation staff is working towards the improved communication with members of the Zoo staff. There is still greater need for association and participation in more on-going activities in order to develop strong relationships for mutual benefits.
- J. Henry Rosso produced a one-day training session for board members this past fall at which they were given basics on the relationships and responsibilities of Board members in developing capital campaigns.
- K. During the year, Board members have been furnished with copies of articles from magazines, staff-produced papers and other materials which attempt to provide in a variety of ways information on Board member activities, responsibilities and structured needed in order to accomplish major fund-raising goals.
- L. Board members have continued an unstructured cultivation and contact program. Most time has been spent in responding to a discussion of problems rather than seeking out key prospects and presenting positive aspects of the many successes that are reportable. Staff activities are contained in the monthly Executive Director's Report.

III. CONTINUING PROBLEMS

- A. Leadership at the Zoo Board level needs to be aware of fund raising processes and responsibilities which are theirs and cannot be delegated to a separate organization and then forgotten.

III. CONTINUING PROBLEMS (Con't)

- B. Foundation Board members still believe the Zoo's credibility and image continue to suffer from a variety of activities. Individual as well as community attitude toward the Zoo's credibility continues to need strengthening. Marketing needs to include Foundation needs.
- C. Inconsistent Zoo Board support for developing materials such as mission statements and fund development guidelines which clearly identify and delineate responsibility. Scheduled Interboard meetings have died.
- D. The Zoo's relationship with the Minnesota Zoological Society and controversy involving decisions made are a constant question covered by the media and interfere in establishing major fund raising programs. A goal for clarifying this relationship should be high on the list.
- E. Recent investigations by both legislative auditors and management review teams have provided more questions for Zoo leadership.
- F. It does not appear that the Governor has publicly expressed either a thorough understanding of the Zoo situation or a strong leadership in support of the Zoo's position. There is a great desire to have a better understanding of Zoo relationships to the legislature and possibilities of matching funds of joint funding for future capital projects.
- G. The Foundation Board continues to express feelings of being dead-ended, not involved, unheard and unable to adequately share their concerns and recommendations.
- H. Some levels of organizational communications are improving. There are still many bottlenecks to overcome in order to facilitate more efficient Zoo-originated services in response to Foundation requests.
- I. There is still a great deal of concern about the lack of consensus at the various levels of Zoo organizational leadership as to agreement on direction -- a variety of splits and opinions still are strongly expressed.
- J. Several of the Foundation's proposals for fund raising options were not thoroughly reviewed and discussed in all relationships.

IV. PROPOSALS CONSIDERED DURING FY '82

- A. The addition of new Foundation Board members was reviewed and basically unsupported until programs are more specifically identified and Zoo relationship problems solved.
- B. Continued discussion of expanding the role of the Public Relations Advisory Committee into a community leadership task force was considered. Participation in building support and involvement is essential. A similar effort, but with different people and different

IV. PROPOSALS CONSIDERED DURING FY '82 (Con't)

objectives, is currently part of the organizational relationship questions being considered by Chairman Jim Hetland.

- C. Several action programs were proposed by staff and were considered by the Foundation Board (annual solicitation, direct mail, animal sponsorship, special events, initiating a capital fund drive) and were all postponed until organizational structure was approved.
- D. Several discussions were held on prior studies done for the Foundation including the Maysack Report, Shaver study, and the Engels/Reinhardt report to the Board. A number of operating proposals were reviewed.
- E. Several revisions in program proposals were presented to the Foundation Board for consideration and adoption. Each new schedule was deferred although the concept and materials provided were accepted.
- F. The Foundation staff has continued to update budgets as well as program activities for Board consideration. Alternative sources for funding the Foundation's operating program were considered and deferred until organizational questions were resolved. Proposals during the past year also included training schedules and orientation activities at the Zoo for updates and better awareness of existing activities. These are constantly needed in order to be fully acquainted and informed about present programs and directions. These will continue to be part of an on-going proposal for each year's operating activities.

V. RECOMMENDATIONS FOR FY '83

- A. The Chairman of the Zoo Board should fulfill that responsibility to appoint members to the 11 appointed positions on the Foundation Board. These 11 positions should be filled by the 11 members of the Zoo Board. The reason for this recommendation is that the individuals serving on the Zoo Board cannot delegate their fund raising responsibilities but rather have to participate in the process, understand the methods and take responsibility to seek financial gifts. This recommendation is only fulfilling the responsibility as initially intended when the Foundation was established by the Zoo Board.
- B. The Foundation Board membership should be comprised of additional individuals who urgently want to help secure gifts for the Zoo and are dedicated to the fund raising concepts. It is also presumed that these individuals would be experienced in various community, civic and business leadership positions.
- C. Continue with the precedent of having periodic fund raising training courses for Board members in order for them to become more thoroughly acquainted with materials, processes and assignments. In addition, material will be provided on the method of solicitation and follow-up.

V. RECOMMENDATIONS FOR FY '83 (Con't)

- D. It is also recommended that members of the Foundation Board of Directors (who are not already members of the Zoo Board) attend Zoo Board meetings in order to understand the operating challenges faced by the Zoo Board and also obtain a better understanding of why or how the decisions are made.
- E. Through a continuation of work processes that are already established, we need the establishment of an accomplishable full range of fund raising programs of financial development. In addition, there should be a more strict adherence to schedules, meeting goals and measured reporting on accomplishments.
- F. There needs to be a closer coordination of Zoo marketing efforts with the Foundation's fund raising programs.
- G. With the restructuring of the Foundation, there will also need to be a re-identification of staffing and budget needs to accomplish the programs as established.
- H. Several meetings and discussions have been held regarding the Foundation's budget for fiscal year 1982-83. New reviews will have to occur to approve the basic funding levels as proposed. In the meantime, it is suggested that the funds expended out of the Foundation budget during fiscal year 1982 for capital campaign expenses be reconsidered as a Zoo expense.
1. It is my recommendation that the Board Board ask through formal resolution a request that the Zoo Board accept responsibility for these expenditures amounting to \$18,336.17. According to funds received by the Foundation on behalf of the Zoo, these monies could be spent for these expenses.
 2. I also recommend that the Foundation Board request that the proposed capital campaign budget be designated a Zoo expense and these funds be made available to the Foundation for needs as proposed.

The difference between the handling of these two items is that the first will be a reimbursement to the Foundation of expenditures incurred during the current year and the second item will be a restriction or designation of funds for specific uses. (See attached financial information page).

VI. BUDGET OPTIONS

- A. The Foundation Board must recognize that the operating funds now available for the Foundation's current program will be fully applied by the end of July or early August if no action is taken by the Board to obtain new funds for present proposed programs.
- B. The Foundation Board may select the option to request that the Minnesota Zoo Board approval of applying current expenses of \$18,336.17 which relate to consultants and production of materials to a Zoo expense line rather than being a Foundation expense. This will, through

VI. BUDGET OPTIONS (Con't)

applied and approved accounting practices, extend the monies available for Foundation budgeting approximately an additional three months.

- C. The Foundation Board may also consider a proposal to request that the Minnesota Zoo Board apply the proposed fiscal year '83 consultant and campaign expenses of \$38,800 to the Zoo's disbursement line on the Foundation's budget rather than try to cover as a direct Foundation expense. This does not extend the operating funds for the Foundation; rather this does direct expenditures to an available source of funds held by the Foundation for Zoo application.
- D. The Foundation Board will need to decide upon an approach to several external funding sources requesting a grant to underwrite the Foundation's fiscal year '83 program. The decision must first be made as to the Foundation's agreed-upon program, objectives, timelines, assignments, and most importantly, the leadership which will be involved in a capital campaign or other programs that are determined. The exact budget and funding request must be well-conceived and presented.
- E. The Foundation Board will need to consider the possibility of requesting an "advance" from the funds presently held by the Foundation for the Zoo Board. Many conditions regarding this proposal need to be examined and approved. Repayment could be from future operating funds generated, i.e., gifts, interest income, etc.
- F. It has been suggested that the Foundation Board explore the possibility of several prospects making an advance of funds (collectively a minimum of at least a half million dollars) to be held by the Foundation for an interest-earning account. The interest income would be available for the Foundation's operating budgets. If a future grant is made, then the advance would apply against the commitment. If a grant is subsequently declined, then the Foundation would be obligated to return only the principal to the presumed future donor. While this idea has been discussed with several Board members, there has been no exploration or any indication that any prospective donor would be willing to consider this possibility.
- G. The Foundation Board needs to be presented with information about other potential sources of operating funds as may be under consideration by the Foundation officers and/or members of the Foundation Board.
- H. The Foundation Board has very little time left (only a matter of days) during which to make crucial decisions regarding program, budgets, operating funds, organizational direction, leadership and staff.

Will you do it?

VII. PROGRAM OPTIONS

- A. Do Nothing. The results would be disastrous!
- B. Foundation Board make a real commitment to get going with one or several of the previously proposed fund raising programs (or as modified, as needed, using existing proposed program structures, to fit current situations) -- obtain leadership, formalize committee participation, establish capital campaign program or process, implement annual drive, direct mail (on-going), first level of approaches and materials on planned giving, and/or other participating efforts. Then secure operating funds to accomplish the goal. The results should be maximized.
- C. Direct the Foundation staff to proceed with an agreed-upon fund raising program with Board support as available. The support role includes emotional, philosophical, actual, programmatic and financial. Board participation is still essential but not as crucial in the operating process. The results will be less because of lack of peer relationships at the decision making level for "big gifts"...a compromise, but progress.

(See Section V, H, 1 and 2, for explanation of items)

CAPITAL CAMPAIGN EXPENSES FY '82

C. W. Shaver and Company	\$8,067.92
Jeffrey Willius Marketing Communications	4,265.27
John Keely - Studio West	5,400.00
Slide Show Development	<u>602.98</u>
Total Capital Campaign Expenses FY 82:	<u>\$18,336.17</u>

CAPITAL CAMPAIGN BUDGET FY '83

Consultants	\$15,800.00
Printing and Production Costs, Other	<u>23,000.00</u>
Total Capital Campaign Budget FY 83:	<u>\$38,800.00</u>

CALLS AND CONTACTS
5/26/82 - 6/28/82

Atlanta Zoological Society	Hegstrom	Voigt, Rosebear
Bemis Foundation	Davies	Rosebear
Brookfield Zoo	Paget	Voigt
Cincinnati Zoo	Marthis	Voigt
Daffidils Garden Club	Kettner et. al.	Rosebear
Duncan Company	Rusty, Eric	Voigt
Dye Family Foundation	Knopf	Voigt
Faribault Rotary Club	Peterson	Voigt
Fidelity Securities & Investments		
Graco Foundation	Gilman	Voigt
Industry Square	Murphy	Voigt
IDS	Krusell	Voigt
Jones Lumber Company	Reiman	Voigt
Kuehn, Jack W.	Olson	Voigt
Lindsay Brothers Co.	Jack Jr., Rick	Voigt
Mackay Envelope Company	Hugh, James	Voigt
McQuay Perfex Inc.	Mackay, Doram	Voigt
Minnesota Rubber Foundation	Brown, Steinagel	Voigt
Northern States Power Company	Vincent	Rosebear
Northstar Bancorporation Inc.	Duncanson	Voigt
Onan Family Foundation	Mithun	Voigt
Philadelphia Zoo	Onan, Smith	Voigt
Russell-Manning, Inc.	Barkon	Voigt
Smiley-Glotter Associates	Ondov, Lenius	Voigt, Rosebear
South Suburban Women's Club	Smiley	Voigt
Target Stores	Olson et. al.	Rosebear
Turnquist Paper Company	Thatcher	Voigt
Wasie Foundation	R. Turnquist	Voigt
WCCO Radio	Odahowski	Voigt
Wilson Center - Owatonna	Haeg, Murphy	Voigt
	Thompson	Voigt

Vic A.

MINNESOTA ZOOLOGICAL GARDEN FOUNDATION

Board of Directors Meeting
May 25, 1982

Minutes

A meeting of the Board of Directors of the Minnesota Zoological Garden Foundation was held on Tuesday, May 25, 1982, at 3:00 p.m. in the Board Room of the Minnesota Zoological Garden, Apple Valley.

Members Present: Stanley Nelson, President; Margee Kinney, Vice President; Dean McNeal, Secretary; Harold Webster, Treasurer; Firmin Alexander, Robert Engels, John McKay, Joseph O'Neill, Gordon Rosenmeier, John Tilton.

Staff Present: Robert Voigt, Executive Director; Kathryn Rosebear, Assistant Director.

Others Present: Ed Kohn, General Director, Minnesota Zoological Garden.

Prior to the business meeting, Board members met in the Zoo Lodge for lunch and a presentation of the Zoo's Capital Program by Zoo Director Ed Kohn and several members of his staff. Mr. Kohn introduced to the Board Vic Alfsen, Planner, Dave Bender, Public Affairs Director, Steve Iserman, Administrative Officer, and Sandy Friedman, Associate Director for Biological Programs.

Mr. Kohn stated that the Capital Completion Plan, approved by the Zoo Board in July, 1981, had been designed according to Zoo objectives. The Zoo, as opened to the public in 1978, is incomplete and needs additions to interest current and new visitors. The interests of Zoo visitors have been taken into account in the plan. The plan has also been developed to provide accessibility to exhibits while dispersing Zoo visitors throughout activity areas of the Zoo.

Vic Alfsen, Zoo Planner, presented the plan using several site maps. Mr. Alfsen explained that the Zoo could be divided into two distinct halves according to function -- the "people" side and the "animal" side. The entrance, parking lots, picnic area and administrative, education and exhibit building comprise the "people" side. The exhibit building, animal exhibits and trail systems, future expansion areas and support areas comprise the "animal" side. The transition zone between the two halves includes the main building complex and the major exhibit areas.

In considering expansion of the "animal" half of the Zoo, Mr. Alfsen suggested a series of expansion "loops" be considered. The first loop, comprised of the Children's Zoo and first four exhibits of the Northern Trail, is currently completed. Half of the second loop, including the musk oxen exhibit, is also completed; the first phase of the development program will complete this loop. The third loop will consist of the proposed alpine exhibits, and the fourth loop will consist of the Asian large mammal exhibits.

Following the presentation, Board members toured the Northern Trail via the monorail, the Minnesota Exhibit and the Tropics Exhibit to further their knowledge of the placement of the proposed new structures and exhibits.

The business meeting, held in the Board Room of the Minnesota Zoo, was called to order at 3:10 p.m. by Stan Nelson, presiding.

I. Minutes of Board of Directors Meeting, April 27, 1982

Bob Engels moved that the minutes of the Board of Directors meeting held April 27, 1982, be approved as mailed to members. The motion was seconded by Margee Kinney. Motion Carried Unanimously.

II. Treasurer's Report

The Financial Summary for the month ending April 30, 1982, was presented by Kathryn Rosebear.

Ms. Rosebear noted that both income and expenditures to date were below projections. Interest income continues to be above projections due to the higher-than-projected rates. Administrative expenses are less than projected as the Foundation has one less staff person than projected and capital campaign expenses have not been incurred. The Zoo has drawn funds in excess of those projected. In response to a request from the Zoo Foundation (motion, April 27, 1982) for a six-month schedule of funds to be drawn, the Zoo Board at their meeting on May 20, 1982, passed a resolution that no additional capital funds would be drawn for new projects during the next six months.

In response to an inquiry by Dean McNeal on investments, Bob Voigt explained that funds are invested for 30-day periods and that interest on these funds generates approximately one-half of the Foundation's monthly operating budget. The Foundation currently has approximately two months' operating funds available.

Mr. Voigt added that the Zoo Society will be forwarding to the Foundation a check in the amount of \$35,160 representing funds earned through the Animal Sponsorship program. These funds will be held for designated Zoo projects.

Ed Kohn stated that the Zoo Board had decided to forward the Society funds to the Foundation primarily for two reasons: the Zoo Foundation can benefit from the interest income earned on the funds and the equipment to be purchased with the funds can be purchased more effectively through non-state purchasing procedures. Firmin Alexander asked whether all gifts to the Zoo are turned over to the Foundation and Ed Kohn responded that, though some checks cannot be endorsed over to the Foundation, a procedure for sending some gifts to the Foundation is being developed as part of the Fund Development Guidelines.

Bob Voigt reported that a \$5,000 gift from IDS had been received today for the Minnesota Zoo. In addition, IDS has announced that they will match employee gifts exceeding \$25.00.

Discussion followed on the need to raise operational funds for the Foundation. It was noted that, when the Zoo does not draw funds held in its behalf, these funds will generate some income for the Foundation. Stan Nelson noted that many corporations have already committed their 1982 budgets and the Zoo Foundation will need approximately six months to successfully raise operational funds. Bob Voigt commented that two outstanding pledges had been made on Foundation operational expenses.

Joe O'Neill moved approval of the Financial Report. The motion was seconded by John McKay. Motion Carried Unanimously.

Bob Voigt added that a budget for the next fiscal year was under development and would be presented at the next Foundation Board meeting.

III. President's Report

A. Inter-organizational Meetings

Stan Nelson reported that Governor Quie had called together a meeting attended by Jim Hetland, Lloyd Brandt and himself to discuss the Zoo/Society relationship and to encourage action that might salvage the Society. Another meeting was scheduled to further discuss the situation with Mark Jacobson, Jim Hetland, Lloyd Brandt and Stan Nelson in attendance. Following these meetings with the Governor, a group of individuals including Stan Nelson, Jim Hetland, Dean McNeal, Bob Engels, Paul Freeman, and Mark Jacobson have begun meeting to consider various options and possibilities of merging the Foundation and Society. Taken into consideration will be the different compositions of the two Boards and the need for a single management head. Dean McNeal added that the group is attempting to develop the best possible plan for a merged organization and then deal with the many problems, i.e. legal, acceptance by both boards, etc., that would result.

Stan Nelson noted that it is premature to draw conclusions at this time but the group has been able to reach areas of agreement for discussion.

B. Capital Program Schedule

Bob Voigt reported that illustrations for the brochure will be completed this week and documents for cultivation will be printed shortly. This new material combined with the Zoo's Capital Completion Plan and slide shows will be the basic presentation materials. The Foundation should be prepared to begin capital campaign cultivation, schedule zoo tours and deliver formal requests shortly.

Stan Nelson stated that the Foundation Board members and staff making presentations will probably have to limit their comments to 20 to 30 minutes, and the presentation made during this time will have to be professional. Margee Kinney suggested prospects be brought to the Zoo for a tour and presentation. Discussion of the potential of prospect tours and other presentations followed. Ed Kohn noted the Zoo can stylize a tour and presentation to the interests of a particular prospect or group similar to the tour attended by the Foundation Board prior to this meeting.

John Tilton suggested the five former governors of the State of Minnesota be called upon to assist the Zoo in contacting prospects for future construction of the Zoo. Firmin Alexander noted that a letter signed by all five governors would have impact. The idea of a governor's support group was well received by Board members.

Stan Nelson suggested a presentation be planned for each major prospect rather than relying on a "canned" presentation. He asked Board members whether they felt the Foundation could now begin major donor cultivation. Discussion followed. It was the consensus of the Board that contacts should begin immediately. Firmin Alexander noted the major capital givers will ask questions about organizational relationships but an explanation can be satisfactorily given. Stan Nelson said the Foundation needs to help the Zoo resolve the relational issues and also initiate contacts with top prospects.

John Tilton questioned whether state support of the capital program was likely at this time. Ed Kohn noted the state has committed \$8.5 million to Como Zoo including \$3.5 million recently approved by the Metropolitan Council. The State has not ruled out additional support of the Minnesota Zoo and a matching funds approach might be considered by the Legislature. In mid-July, the House Appropriations Committee will visit the Zoo for an update on capital plans; the committee's willingness to consider possible capital funding could be explored at this time.

IV. Executive Director's Report

Bob Voigt referred first to various charts included in the packet of materials sent to members. A summary of the Foundation's income and expenditures for the previous six years was discussed briefly. In addition, a summary of the Zoo's capital program was included. Timelines and numbers of prospects needed to successfully complete the capital campaign were outlined on a separate sheet; Mr. Voigt noted that substantial numbers of volunteers would be needed to reach the number of prospects necessary to complete the campaign goal. Finally, two charts indicated the various programs the Foundation could develop to raise funds for the Zoo and the donor pyramid indicating the usefulness of each type of program. Mr. Voigt suggested Foundation Board members review the charts and determine their preferred role in the fund-raising effort.

Bob Voigt then referred to his written report and summarized contacts and calls with Foundation prospects during the preceding month.

Mr. Voigt also announced that on June 23rd the St. Paul Chamber of Commerce would honor the Webb Company for 100 years of service to the St. Paul community. Foundation Board member Reuel Harmon will be honored as a part of that celebration.

The meeting was adjourned at 4:35 p.m.



Minnesota Zoological Garden Foundation

1422 West Lake Street, Suite 303 • Minneapolis, Minnesota 55408 • Phone (612) 827-3661

Vic, Steve, Ed

AGENDA/SCHEDULE

Board of Directors Meeting
Tuesday, May 25, 1982

OFFICERS AND DIRECTORS:

STANLEY J. NELSON
President
Minneapolis
KATHLEEN GRETSCH
Vice President
North Oaks
MARGEE KINNEY
Vice President
Plymouth
MALCOLM McDONALD
Vice President
St. Paul
WAYNE PETERSEN
Vice President
Minneapolis
DEAN McNEAL
Secretary
Mound
HAROLD S. WEBSTER
Treasurer
Bloomington

FIRMIN ALEXANDER
Apple Valley
ANTHONY L. ANDERSEN
St. Paul
W. ANDREW BOSS
St. Paul
WALLACE C. DAYTON
Minneapolis
CONNIE DeLAND
Minneapolis
ROBERT ENGELS
Minneapolis
D. STEPHEN FARLEY
St. Paul
HERBERT GOLDENBERG
Minneapolis
RICHARD G. GRAY, SR.
Minneapolis
KENNETH M. KNOPF
Hackensack
CHY MORRISON
Wayzata
JOSEPH T. O'NEILL
St. Paul
HAZEL REINHARDT
Minneapolis
GORDON ROSENMEIER
Little Falls

FOUNDING DIRECTORS:

REUEL HARMON
Inver Grove Heights
JOHN C. MCKAY
South St. Paul
DAVID W. ONAN II
Wayzata
MARY ANN SCROGGINS
Afton
JOHN E. TILTON
Hopkins

EX OFFICIO MEMBERS:

JAMES L. HETLAND
Chairman
Minnesota Zoological Board
MARK JACOBSON
President
Minnesota Zoological Society
EDWARD KOHN
General Director
Minnesota Zoological Garden

EXECUTIVE DIRECTOR:

ROBERT S. VOIGT

Noon Van Leaves Honeywell Parking Lot,
28th Street and Fourth Avenue

NOTE: Please stop at the Visitor Service Desk upon
entering the Zoo for a nametag and directions
to the Lodge.

12:30 p.m. Lunch, Conference Room, Lodge, Minnesota Zoo

1:00 p.m. Update -- Zoo Building Plans

2:00 p.m. Tour of Proposed Construction Areas --
Ride or Walk

3:00 p.m. Board Meeting, Conference Room, Lodge

I. Minutes of Board Meeting, April 27, 1982

II. Treasurer's Report

A. Monthly Summary
B. Budgets -- Projections

III. President's Report

A. Inter-organizational Meetings
B. Capital Program Schedule --
Other Programs
C. "Where To" From Here!

IV. Executive Director's Report

V. Other

4:30 p.m. Adjourn -- Van Returns to Honeywell Parking
Lot

MINNESOTA ZOOLOGICAL GARDEN FOUNDATION
 Summary of Receipts and Disbursements
 April 30, 1982 - Tenth Month

	<u>Current Month</u>	<u>FY 1982 To Date</u>	<u>FY 1982 Budget To Date</u>
RECEIPTS:			
Contributions (Schedules 1 & 1A)	5.00	32,044.98	59,200
Net Special Events (Schedule 2)	-0-	62.40	-0-
Interest Income (Schedule 3)	2,894.35	39,706.29	37,339
Other Income (Schedule 4)	<u>490.50</u>	<u>14,885.35</u>	<u>11,750</u>
TOTAL RECEIPTS:	3,389.85	86,699.02	108,289
EXPENDITURES:			
Administrative Expenses (Sch. 5)	7,629.55	92,930.13	110,710
MZG Expenditures (Schedule 5)	888.19	13,746.63	-0-
MZG Short Range Development Expenditures (Schedule 5)	<u>-0-</u>	<u>108,314.60</u>	<u>78,300</u>
TOTAL EXPENDITURES:	8,517.74	214,991.36	189,010
*Excess of Receipts Over (Under) Disbursements	(5,127.89)	(128,292.34)	
 Cash and Invested Assets - Beginning of Period	 235,484.47	 358,648.92	
 Cash and Invested Assets - End of Period	 <u>230,356.58</u>	 <u>230,356.58</u>	
 Outstanding Commitments:			
FY 1982	17,750.00		
Future Fiscal Years	77,300.00		

MINNESOTA ZOOLOGICAL GARDEN
Capital Construction Budgets

SOURCE OF FUNDS	5/22/78	6/30/81	Phase I	
			1981 - 1985	1986 - 1990
State of Minnesota	23,025,000	23,025,000		
Matching Bonds	2,350,000	2,350,000		
Interest	3,648,503	3,773,533		
ERDA Grant	313,458	313,458		
Bush Grant	710,000	710,000		
IDQ	234,500	234,500		
MZRI	700,000	700,000		
Misc. (Contributions to Zoo)	104,465	150,562		
Zoo Foundation	<u>846,393</u>	<u>1,920,771</u>	<u>6,000,000</u>	
Uncommitted Reserves and Pledges	(823,098)	(429,076)		
Joint Projects	<u>-0-</u>	<u>-0-</u>		
TOTALS:	<u><u>31,109,221</u></u>	<u><u>32,555,446</u></u>		
APPLICATION OF FUNDS				
Site Development, Main Building & Internal Services	11,800,000	352,000	---	---
Tropics Trail	6,000,000	113,900	60,000	---
Asian Large Mammals (Indoors)	---	---	---	3,900,000
Asian Large Mammals (Outdoors)	---	---	---	5,100,000
Minnesota Trail	1,700,000	3,500	575,000	---
Ocean Trail	1,600,000	-0-	90,000	---
Discovery Trail	3,200,000	11,300	350,000	---
Northern Trail	2,100,000	771,900	4,800,000	1,850,000
Animals & Equipment	1,200,000	119,700	included above	included above
Design & Management	3,500,000	-0-	included above	included above
Freshwater Trail (III)	---	---	---	---
Visitor Services, Restaurant, Store, Amphitheater (III)	---	---	---	---
TOTALS:	<u><u>31,100,000</u></u>	<u><u>1,372,000</u></u>	<u><u>5,875,000</u></u>	<u><u>10,850,000</u></u>

RANGE	PROSPECTS	# OF GIFTS	RESULTS	NEEDS	TIMELINES			ASSIGNMENTS
					7/82 - 12/82	1/83 - 6/83	7/83 - 12/83	
Stage I Lead Gifts (7/82 through 12/82)								
\$600,000 plus	1	1	\$1,000,000	All Board Members & Campaign Leaders to help concentrate on top 16 prospects.	-Select Board	-Finalize Materials	-Develop Strategy	Foundation Board - Campaign Cmte. - Staff Foundation Officers Campaign Leaders Committee Leaders - Staff Campaign Leaders - Staff Members of Teams
\$300,000 plus	5	4	1,400,000		-Enlist key leadership for campaign			
\$100,000 plus	10	8	1,200,000		-Form Campaign Committees and Responsibilities			
	16	13	\$3,600,000		-Rate and Assign Top Prospects Stage I			
					-Presentation Training			
					-Cultivation and Solicitation - Continual			
					-Reports and Wrap Up			
Stage II Major Gifts (1/83 - 6/83)								
\$60,000 - 100,000	7	5	\$300,000	Board Members Campaign Leaders Select Volunteers --20 individuals --4 prospects each	-Expand Campaign Committees			Foundation Board - Campaign Leaders Campaign Leaders - Staff Committees Leaders - Staff Members of Teams Leaders - Staff
\$30,000 - 60,000	26	21	700,000		-Continued Analysis of Prospects			
\$10,000 - 30,000	51	41	800,000		-Assignment of Stage II Prospects			
	84	67	\$1,800,000		-Presentation Training			
					-Cultivation and Solicitation			
					-Reports and Wrap Up			
Stage III Special Gifts (7/83 - 12/83)								
\$5,000 - 10,000	100	75	\$400,000	The Campaign Structure --75 volunteers --4 prospects each	-Stage III			Foundation Board - Campaign Leaders Campaign Committee Leadership - Staff Everyone - by Schedule and Assignments
\$1,000 - 5,000	200	100	200,000		-Develop Volunteers			
	300	175	\$600,000		-Establish Campaign Structure			
					-Proceed			
Stage IV Continued Contacts/Direct Mail/Planned Giving 10,000+ prospects								
					-Stage IV Re-visit/Re-solicit			
					-Direct Mail			
					-Planned Giving			

FUND RAISING PROGRAMS

MINNESOTA ZOOLOGICAL GARDEN
Public Sector

MINNESOTA ZOOLOGICAL GARDEN FOUNDATION
Private Sector

GOVERNMENT SUPPORT

Bonding
Appropriations
Federal Grants
State Grants

VISITOR SUPPORT

Zoo Care (Sponsorship)
Zoo Goer Association
(Membership)

ANNUAL SUPPORT

(\$100,000 Annual
Goal)

- I. "Friends" of the Zoo
 - a. Corporate Gift Club (Matching Gifts)
 - b. Individual Gift Clubs
 - c. Organizations
- II. Direct Mail
 - i.e., solicitations of Zoo Goer members, Board and staff, former Society members, newsletter recipients and other prospects as identified
- III. Program/Project Grants
 - a. Non-recurring Zoo needs
 - b. Specific interests of donors
- IV. Special Events
 - a. Promotional Events
 - b. Fund Raising Events, i.e., walkathons, telethons, etc.
 - c. Recognition Events

CAPITAL SUPPORT

(\$6 Million Goal --
1982 - 1985)

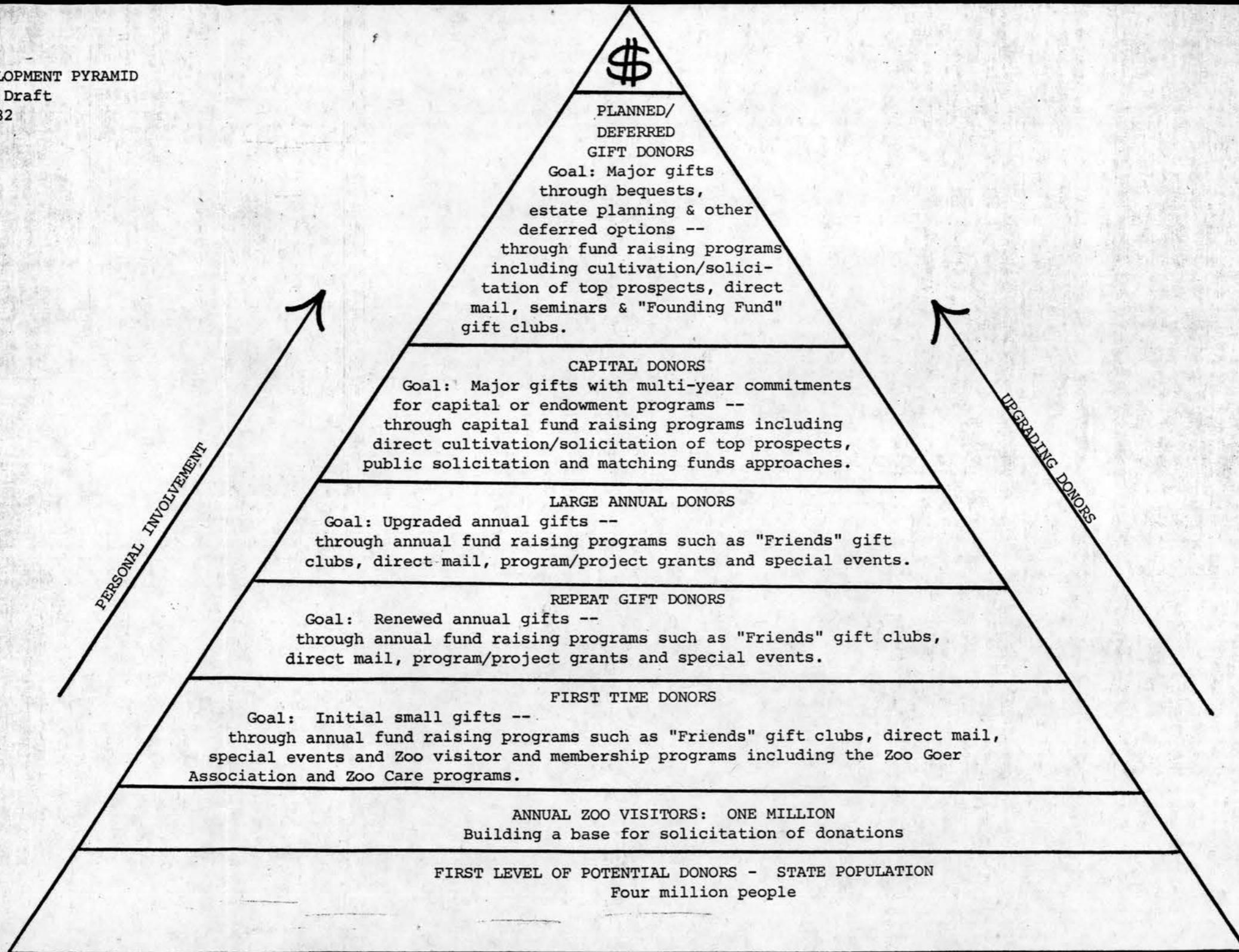
- I. Direct Cultivation/Presentation/Solicitation by Boards and Campaign Committee Volunteers
 - a. Lead Gifts
 - b. Major Gifts
 - c. Special Gifts
- II. Public Solicitation
 - a. Direct Mail
 - b. Special Events
 - c. Cooperative Events
- III. Matching Funds From State
- IV. Endowments

PLANNED/DEFERRED GIVING SUPPORT

(No Initial Dollar Goal)

- I. Top Prospect Solicitation
 - a. Bequest Solicitation
 - b. Planned Gift Solicitation
- II. Direct Mail
 - a. Attorneys and Trust Officers
 - b. Prospects
- III. Seminars and Prospect Education of Estate Planning
- IV. Memorial Solicitation
- V. "Founding Fund"
 - a. Gift Clubs
 - b. Recognition Programs

DONOR DEVELOPMENT PYRAMID
Discussion Draft
May 11, 1982



	ACTUAL						Total First 6 Years	Estimated	Proposed		Total Two Years
	Fiscal Year 1976 June 30th	1977	1978	1979	1980	1981		Fiscal Year 1982	Fiscal Years 1983	1984	
ZOO (on behalf of)											
PLEDGES-To Foundation	96,020	800,534	730,309	244,292	17,061	32,555	1,920,771	50,000	3,000,000	3,000,000	6,000,000
Matching Pledges - (1)											
To Zoo	96,020	800,534	730,309	13,137	-0-	-0-	1,640,000	-0-	-0-	6,000,000	6,000,000
							<u>3,560,771</u>	<u>50,000</u>	<u>3,000,000</u>	<u>9,000,000</u>	<u>12,000,000</u>
RECEIPTS											
Contributions	13,965	181,770	628,017	346,859	236,479	151,386	1,558,476	60,700	800,000	1,600,000	2,400,000
Matching Funds - Zoo (1)	96,020	800,534	730,309	13,137	-0-	-0-	1,640,000	-0-	-0-	3,000,000	3,000,000
Special Events (Walk)	-0-	83,753	61,868	39,962	2,733	497	188,813				
I.S.I.S.	-0-	-0-	-0-	-0-	10,000	10,000	20,000	10,000			
Equipment	-0-	-0-	-0-	15,000	-0-	-0-	15,000				
Tickets	-0-	-0-	-0-	897	230	136	1,263				
Contracts	-0-	-0-	-0-	9,500	-0-	-0-	9,500				
Miscellaneous Income	-0-	-0-	-0-	151	-0-	180	331				
							<u>3,433,383</u>				<u>5,400,000</u>
DISBURSEMENTS											
Development Program	-0-	-0-	-0-	100,000	434,266	860,778	1,395,044	108,314	931,000	3,047,000	3,978,000
Matching Funds (Zoo) (1)	96,020	800,534	730,309	13,137	-0-	-0-	1,640,000	-0-			
Emergency Fund	-0-	-0-	-0-	31,826	4,959	9,377	46,162	7,337			
I.S.I.S.	-0-	-0-	-0-	-0-	2,888	3,844	6,732	12,413			
Equipment	-0-	-0-	-0-	15,000	-0-	-0-	15,000				
Tickets (Other)	-0-	-0-	412	1,000	215	145	1,772				
Contracts	-0-	-0-	-0-	9,500	-0-	-0-	9,500				
Special Projects (others)	-0-	-0-	-0-	151	11,985	7,121	19,257				
							<u>3,133,467</u>	<u>128,064</u>			
Reserve for MZG							<u>299,616</u>	<u>208,468</u>	(5)		
							<u>3,433,383</u>				<u>3,978,000</u>
FOUNDATION INCOME											
Grants	83,147	3,750	6,354	3,750	6,200	8,650	111,851	16,390	91,000	79,000	170,000
Interest	764	6,468	24,373	93,794	152,256	84,008	361,663	45,280	21,112	59,392	80,504
Restricted Purpose	-0-	427	5,623	11,081	1,107	-0-	18,238	-0-	-0-	-0-	-0-
Administrative	-0-	-0-	-0-	-0-	-0-	3,042	3,042	-0-	-0-	-0-	-0-
Carry Forward	-0-	-0-	-0-	-0-	-0-	-0-	-0-	51,130	1,474	-0-	1,474
Reclassified	-0-	-0-	-0-	(9,500)	-0-	-0-	(9,500)	-0-	9,979	-0-	9,979
Special Purpose	-0-	-0-	-0-	-0-	-0-	3,500	3,500				
	<u>83,911</u>	<u>10,645</u>	<u>36,350</u>	<u>99,125</u>	<u>159,563</u>	<u>99,200</u>	<u>488,794</u>	<u>112,800</u>	<u>123,565</u>	<u>138,392</u>	<u>261,957</u>
FOUNDATION EXPENSES											
Operating Budget	21,346	52,333	73,330	78,983	89,954	99,921	415,867	98,726	123,565	138,392	261,957
Special Purposes	-0-	-0-	-0-	3,624	12,402	5,771	21,797	(2)	(4)	(4)	
	<u>21,346</u>	<u>52,333</u>	<u>73,330</u>	<u>82,607</u>	<u>102,356</u>	<u>105,692</u>	<u>437,664</u>	<u>110,326</u>	<u>123,565</u>	<u>138,392</u>	<u>261,957</u>
Reserve for Foundation (6/30/81)							<u>51,130</u>				
							<u>488,794</u>				<u>261,957</u>

(1) Matching Funds Pledge and Payment made directly to MZG.
Zoo also received an additional \$710,000 directly for a total of \$2,350,000.

(2) Operating Ratio - to all Pledges and Zoo matching funds: 12.7%

(3) Projected Ratio - to future Foundation-generated pledges: 4.4%

(4) Anticipated Campaign Expenses will be budgeted separately.

(5) As of 5/11/82



cc: Divisions

Minnesota Zoological Garden Foundation

1422 West Lake Street, Suite 303 • Minneapolis, Minnesota 55408 • Phone (612) 827-3661

TO: *Ed Kohn*
FROM: Stan Nelson
DATE: April 30, 1982
SUBJECT: May Board Meeting

- OFFICERS AND DIRECTORS:
STANLEY J. NELSON
President
Minneapolis
KATHLEEN GRETSCH
Vice President
North Oaks
MARGEE KINNEY
Vice President
Plymouth
MALCOLM McDONALD
Vice President
St. Paul
WAYNE PETERSEN
Vice President
Minneapolis
DEAN McNEAL
Secretary
Mound
HAROLD S. WEBSTER
Treasurer
Bloomington

- FIRMIN ALEXANDER
Apple Valley
ANTHONY L. ANDERSEN
St. Paul
W. ANDREW BOSS
St. Paul
WALLACE C. DAYTON
Minneapolis
CONNIE DeLAND
Minneapolis
ROBERT ENGELS
Minneapolis
D. STEPHEN FARLEY
St. Paul
HERBERT GOLDENBERG
Minneapolis
RICHARD G. GRAY, SR.
Minneapolis
KENNETH M. KNOPF
Hackensack
CHY MORRISON
Wayzata
JOSEPH T. O'NEILL
St. Paul
HAZEL REINHARDT
Minneapolis
GORDON ROSENMEIER
Little Falls

- FOUNDING DIRECTORS:
REUEL HARMON
Inver Grove Heights
JOHN C. McKAY
South St. Paul
DAVID W. ONAN II
Wayzata
MARY ANN SCROGGINS
Afton
JOHN E. TILTON
Hopkins

- EX OFFICIO MEMBERS:
JAMES L. HETLAND
Chairman
Minnesota Zoological Board
MARK JACOBSON
President
Minnesota Zoological Society
EDWARD KOHN
General Director
Minnesota Zoological Garden

EXECUTIVE DIRECTOR:
ROBERT S. VOIGT

The May Board of Directors Meeting will be a SPECIAL EVENT!
Please mark Tuesday, May 25th, all afternoon -- and plan to attend.

We will have lunch at the Zoo, an update by Ed and his staff on the Zoo's building program, a tour, and discussion/action on several important issues. More details will be mailed to you soon.

The schedule will be the following:

- 12:30 p.m. Lunch -- Conference Room in the Lodge
- 1:00 p.m. Update -- Zoo Building Plans
- 2:00 p.m. Tour -- Walk or Ride
- 3:00 p.m. Board Meeting

Here is an extra benefit -- Wayne Petersen and Honeywell have provided a van that will leave the Honeywell Visitor Entrance Main Door at 12 Noon for the Zoo and return after the Board meeting. This will contribute to driving convenience and also provide an opportunity to talk "Zoo talk" together on the way out and back. Parking will be available in the Honeywell visitor lot.

Please notify the Foundation office if you will ride out in the van (phone 827-3661).

I hope you will make that extra effort to attend. We need everyone "tuned in" and "turned on" to what we are proposing. The results will be extremely gratifying.

Call me, Stan, 870-5555, with your concerns and comments. I'm counting on you.

MINNESOTA ZOOLOGICAL GARDEN FOUNDATION
Board of Directors Meeting
April 27, 1982

Minutes

A meeting of the Board of Directors of the Minnesota Zoological Garden Foundation was held on Tuesday, April 27, 1982, at 3:00 p.m. in Committee Room B of the Northwestern National Bank of Minneapolis.

Members Present: Stanley Nelson, President; Kathleen Gretsche, Vice President; Margee Kinney, Vice President; Dean McNeal, Secretary; Firmin Alexander, Robert Engels.

Staff Present: Robert Voigt, Executive Director; Kathryn Rosebear, Assistant Director.

Others Present: Victor Alfsen, Planner, Minnesota Zoological Garden.

The meeting was called to order at 3:15 p.m. by Stan Nelson, presiding.

I. Minutes of Board of Directors Meeting, March 25, 1982

Prior to requesting a motion for approval of the minutes of the Foundation Board meeting held March 25, 1982, Mr. Nelson explained that those present at that meeting had discussed two potential approaches to beginning the capital campaign -- a major cultivation and solicitation of major prospects or a quieter approach testing materials prior to launching the major drive. The consensus of the Board was that cultivation and solicitation of lead gifts should begin without further testing.

Margee Kinney moved that the minutes of the Board meeting held March 25, 1982, be approved as mailed to members. The motion was seconded by Kathy Gretsche. Motion Carried Unanimously.

II. Treasurer's Report

Bob Voigt presented the Financial Statement for the month ending March 31, 1982. Mr. Voigt stated that no contributions had been received during the month of March. Several pledge payments had been expected but had not been received.

Mr. Voigt also reported that interest income has maintained its high level through this month and miscellaneous income received includes a rent payment by the Dye Family Foundation and reimbursement for use of the Foundation Xerox machine.

Administrative expenses are below budget because the Foundation has one less person on staff than budgeted for and also because projected expenditures for the capital campaign have not been incurred.

Mr. Voigt reported that the Foundation now has approximately three months of operating funds available. However, some additional income is projected from interest on investments. Though funds were originally projected to run out sooner, higher interest income than projected has added to operating funds.

Responding to a question regarding future Zoo requests for funds, Vic Alfsen reported that some summer construction is planned and a request for funds from the Zoo is in process. Options for funding through the Zoo budget are also being considered.

Stan Nelson noted that the Foundation should be kept aware of new ideas being considered by the Zoo, such as those just presented by Mr. Alfsen. Firmin Alexander suggested the Foundation request a six-month plan for capital improvements. He added that operational funds for the Foundation would be needed in the near future as well. Bob Voigt noted that plans to solicit Foundation operating funds are being considered in line with a well-defined role and program plan for the next several years.

Firmin Alexander moved that President Stan Nelson request from Ed Kohn a six-month schedule on the Zoo request for funds from the Foundation with an update every three months. The motion was seconded by Margee Kinney. Motion Carried Unanimously.

Bob Engels moved approval of the financial report presented by Bob Voigt. The motion was seconded by Dean McNeal. Motion Carried Unanimously.

III. President's Report

A. Elements of a Successful Campaign

Stan Nelson, noting that many Foundation Board members were not present, suggested the next monthly meeting of the Zoo Foundation be held at the Zoo. The meeting would consist of a luncheon followed by a Zoo tour and business meeting. Bob Voigt added that the Board needs more understanding of the Zoo's capital plans, and a tour of the Zoo would introduce Foundation Board members to the plans.

Dean McNeal suggested those present call all absent Board members to personally request their attendance at the next meeting. Margee Kinney suggested a bus or van be obtained to bring a group of Board members to the Zoo for the meeting. Stan Nelson offered to work on details of locating a van and location for departure to the meeting.

Stan Nelson then suggested that Board members (as available) meet in the Foundation office every Tuesday afternoon for the next month or two in preparation for solicitation of lead gifts and major prospects. No action was taken on this suggestion at this time.

Stan Nelson also pointed out that most fund-raising professionals and firms have pointed to the need for a large, dedicated, influential Board to begin a capital campaign. Dean McNeal noted that corporate leaders active in their companies are needed to fill out the Foundation Board; to develop an influential Board, individuals still active in the community and corporate leadership are vital.

Discussion followed on the process of cultivation of top prospects. Bob Voigt noted that approaches to cultivation are discussed in an article, "ABC's of Cultivating and Soliciting Corporate Support," attached to these minutes.

Dean McNeal noted that funding requests to agencies have increased dramatically within the last year. Jim Shannon, Director of the General Mills Foundation, had written about the increase in his weekly newspaper column in the Minneapolis Tribune on Sunday, April 25th. Bob Voigt added that a copy of the article by Jim Shannon had been included in Board members' packets. Mr. McNeal suggested the advice and assistance of community leaders would be invaluable to the Foundation.

Firmin Alexander stated that the Foundation would not be able to recruit the type of Board member it wants until it looks active and has achieved several lead gifts for the capital campaign. Bob Engels added that the Zoo still lacks the public acceptance it needs to successfully launch a meaningful fund drive. Mr. Engels added that public acceptance is necessary to the success of the drive, no matter what the state of the economy. No new recommendations were made on the marketing/media issue.

Dean McNeal also suggested the Zoo and Zoo Foundation needed to arrange for or solicit a newspaper series in a major Twin Cities paper on some of the basic issues surrounding the Zoo, including its economic impact, management, etc. One part of the series could be built on the positive issues focused on by the Smithsonian magazine in their recent article. He suggested checking with Lou Gelfand on appropriate approaches to the media. Bob Engels stated the Foundation must work to extend the good name of the Zoo. Firmin Alexander commented that the Board composition of the Foundation alone would indicate the Zoo is worthwhile; the Foundation's Board members are people who have a reputation for aligning themselves with and working for worthwhile organizations.

B. Lead Gifts -- Cultivation Strategies

Bob Voigt stated that information including giving patterns and guidelines for the top 20 prospects had been updated recently in preparation for the capital drive. Copies of recent annual reports for the top 10 prospects were circulated among members.

Approaches to the Bush Foundation, St. Paul Foundation and Blandin Foundation were discussed and appropriate individuals to make contact considered.

Board members then accepted assignments to call Foundation Board members to request their attendance at the next Foundation Board meeting to be held at noon on May 25th at the Zoo. It was determined that a luncheon would be held at 12:30 p.m. followed by a tour at 2 p.m. and a business meeting at 3 p.m.

IV. Executive Director's Report

The Executive Director's Report was presented by Bob Voigt, who referred to the written report, attached.

Bob Voigt reported that Dick Arndt and Hazel Reinhardt of the Zoo Board are continuing to work on completion of the Fund Development Guidelines.

On Friday evening, April 23rd, the annual Volunteer Recognition Dinner was held at the Minnesota Zoo. Mr. Voigt explained that there is a need to fund programs like this and asked for clarification of the Foundation's role to seek funds for these purposes.

Dean McNeal commented that the Fund Development Guidelines should clear up the responsibility for capital and non-capital fund raising programs.

Mr. Voigt reported that the capital campaign slide show has been completed and includes both slides and a sound track prepared by the Zoo's audio-visual staff. The show can be shown with a slide projector and tape recorder if the presentor is willing to advance the slides manually. The show has also been developed to be completely automatic with the use of Caramate equipment.

Mr. Voigt stated that he has received a letter from Roger Bjorlin, agent to John Keely, the artist selected to prepare illustrations for the Foundation's capital campaign brochure. Following a meeting at which the content of the illustrations were discussed with Ed Kohn, his staff, and Jeff Willius, Mr. Keely indicated that the work as conceptualized at that meeting was more complex and time-consuming than originally conceived and would require an increase in price. The illustrations, originally proposed at \$1,000 each, will now cost approximately \$1,500 to \$1,800 each. Three illustrations are planned.

Firmin Alexander moved that the Foundation approve an increase in the budget of up to \$1,800 each for three illustrations by Mr. Keely based on the recommendations of the staff. The motion was seconded by Dean McNeal.

Discussion followed on the motion. Dean McNeal noted the Foundation is running out of operational funds and must now begin making choices on the use of funds. Kathy Gretsch questioned whether a single drawing might be better than the collage proposed by the artist. Bob Voigt explained that each illustration dealt with one phase of the capital program and was meant to illustrate major components of each phase.

The motion carried unanimously.

Bob Voigt reported that the Minnesota Chapter of the National Society of Fund Raising Executives would be sponsoring a Philanthropy Day on May 20, 1982. The program consists of an all-day seminar on fund raising and a banquet at which several local business leaders will be honored for their contributions to fund raising and philanthropy. A brochure of the program was given to all members. Mr. Voigt urged Board members to attend the program.

V. Other Reports

A. Minnesota Zoological Garden

Bob Voigt introduced Vic Alfsen, Planner, Minnesota Zoological Garden. Mr. Alfsen reported that he had been an employee of the Zoo for only three weeks but was hoping to work in a capacity to improve the detailed documents for the capital programs of the Zoo.

The meeting was adjourned at 5:00 p.m.

MINNESOTA ZOOLOGICAL GARDEN FOUNDATION

Board of Directors Meeting
March 25, 1982

Minutes

A meeting of the Board of Directors of the Minnesota Zoological Garden Foundation was held on Thursday, March 25, 1982, at 3:00 p.m. in Committee Room B, Northwestern National Bank of Minneapolis.

Members Present: Stanley Nelson, President; Margee Kinney, Vice President; Harold Webster, Treasurer; Firmin Alexander, Stephen Farley, Wayne Petersen.

Staff Present: Robert S. Voigt, Executive Director; Kathryn Rosebear, Assistant Director.

Others Present: Ed Kohn, General Director, and Dave Bender, Public Affairs Director, Minnesota Zoological Garden.

The meeting was called to order at 3:10 p.m. by Stan Nelson, presiding.

I. Minutes of Board of Directors Meeting, February 11, 1982

Margee Kinney moved that the minutes of the Board of Directors meeting, held February 11, 1982, be approved as mailed to members. The motion was seconded by Steve Farley. Motion Carried Unanimously.

II. Treasurer's Report

The Treasurer's Report was presented by Harold Webster. Referring to the financial summary dated February 28, 1982, Mr. Webster reported that the Foundation has received approximately \$20,000 fewer contributions than projected. A \$10,000 gift for the Zoo's ISIS program is expected but has not been received, and a \$10,000 pledge from Rahr Malting Company has been designated for the snow leopard exhibit which has not been designated a Phase II project; this pledge payment might be delayed until completion of the snow leopard exhibit is nearer.

Ed Kohn asked whether the \$10,000 the Foundation is currently holding for the snow leopard exhibit could be used to advance design of the snow leopard and alpine exhibits. Bob Voigt suggested a meeting be arranged with Fritz Rahr to discuss this possibility. Dave Onan, as a friend of Mr. Rahr's, could be involved.

Harold Webster reported that interest income is ahead of projections, due primarily to the continuing high interest rates, and other income is ahead of projections as well. It was noted that the "other income" category includes gifts to the Foundation from the Onan Family Foundation and Dye Family Foundation.

Administrative expenses to date are less than projected, primarily because the Foundation budgeted for a staff of three rather than two. Zoo expenditures are greater than budgeted. The Zoo drew funds for the Short Range Development Program faster than originally projected and approximately

EJK
cc D. Directors
SF, LW, DB, SI.

\$40,000 of these funds are held by the Zoo in anticipation of payment. Mr. Webster explained that the Zoo has invoices in hand before requesting funds for the Foundation but several invoices are in question and payment has been disputed.

Responding to a question, Mr. Voigt reported that approximately \$206,000 of the Foundation's fund balance consists of funds restricted for Zoo purposes, and the remaining balance of approximately \$33,000 is available for Foundation operating expenses. Future commitments are designated to Zoo purposes. This means that the Foundation has two to four months of funds available, depending upon commitments made for operational and campaign expenses.

Harold Webster moved approval of the Treasurer's Report. The motion was seconded by Wayne Petersen. Motion Carried Unanimously.

III. President's Report

A. Capital Campaign Plans

Stan Nelson explained that scheduling of the capital campaign has been placed on hold pending approval of the resolution and fund raising guidelines by the Minnesota Zoo Board. Because a resolution authorizing the Foundation as primary fund raising organization for the Zoo has now been passed by the Zoo Board (February 18, 1982) and guidelines are in process, Mr. Nelson suggested the Foundation resume campaign assignments and scheduling. He posed the question of whether a trial run of the campaign presentation should be considered (Mr. Nelson had offered at previous meetings to test the presentation and materials with Steve Keating and several others) or whether the Foundation should begin aggressive efforts to solicit lead gifts.

Steve Farley suggested the Foundation needed some success to begin its programs, and effort should be concentrated on one or two major top prospects. He suggested the Foundation needed a good presentation that provided a strong intellectual approach and further was made by someone with clout. He strongly recommended the Foundation put all its effort towards one successful presentation and solicitation.

Hazel Reinhardt stated that, in making presentations to members of the private sector, the Foundation will have to prepare itself to deal head-on with adverse publicity. She felt the Zoo would continue to be subjected to the publicity it has received as it is an "easy target" with a political Board. She suggested presenting the Zoo as the successful institution it is. Ms. Reinhardt felt a trial run would produce negative responses, and suggested working on one major successful presentation rather than a preliminary "check-out."

Harold Webster expressed his disappointment over the lack of publicity on the Zoo Board resolution designated the Foundation primary fund-raising organization for the Zoo. A joint announcement has been discussed. He suggested developing a formal announcement and sending this to the Foundation's targets. Hazel Reinhardt commented that the Zoo Board doesn't manage its own public relations well and is often in a passive position; the Foundation is in a similar posture.

Stan Nelson concluded that most Board members present favored a "big pitch" approach to the Foundation's top prospect. He would be more comfortable,

however, testing reactions. Harold Webster suggested a trial might precondition an organization that is a major prospect. It was noted that, even if the Foundation approaches all of its top prospects and they turn down the Foundation's requests, their response might be the same whether they were preconditioned by a trial or not.

Margee Kinney stated the Foundation must develop an approach the top prospects can't turn down.

Stan Nelson stated the slide show would be available shortly, and the Foundation had received a proposal from Jeffrey Willius, to be discussed later during the meeting, for the production of a printed brochure condensing the case statement.

Hazel Reinhardt noted that materials under preparation are being developed as mass solicitation tools and might not be applicable to the single, specialized solicitation under consideration. The need to get the best solicitation tools possible as well as the donors to the Zoo was considered by various Board members.

Steve Farley suggested the Foundation needed to develop an action plan that identifies the target to be addressed. He noted that, despite the adverse publicity the Zoo receives, not one business leader in this community would say that the negativism would justify closing the Zoo.

Bob Voigt noted that, more and more, recommendations for funding are based on input from professional staff of foundations and corporations; many corporations are also developing employee contributions committees. More recommendations for funding are coming from the "bottom up," although leaders in foundations and corporations still influence the direction of many gifts. Steve Farley suggested the Foundation examine each prospect singly and determine how to relate to that market.

Board members then discussed the top potential prospects. Stan Nelson suggested a list of the top ten prospects, their personnel, guidelines for giving, and past giving record be prepared for the Foundation's next meeting so that contacts could begin.

Wayne Petersen suggested that, along with determining the best prospects, the Foundation also needs to determine the best person to "pitch" that prospect. This is where serious effort needs to be directed among present Foundation Board members as well as future Board members and campaign leadership.

B. Public Relations/Promotion

Stan Nelson reported that a proposal for a campaign brochure had been received from Jeffrey Willius Marketing Communications following several meetings between Mr. Willius, Bob Voigt, Harold Webster and Kathryn Rosebear to discuss the need for and content of such a piece. Bob Voigt added that the proposed brochure would serve as a condensation of the case statement and would include artwork and references to the goals of the capital campaign. The visuals of the proposed brochure are patterned after the capital campaign slide show. A budget of \$11,650 has been proposed and was discussed as part of the proposal.

Wayne Petersen moved that the Foundation approve the expenditure of \$11,650 for production of the capital campaign brochure by Jeff Willius. The motion was seconded by Margee Kinney. Motion Carried Unanimously.

IV. Executive Director's Report

Bob Voigt reported that a written report summarizing the International Conference of the National Society of Fund Raising Executives, which he attended March 15 to 19, 1982, had been distributed to each Board member. Mr. Voigt commented that he had met representatives from several zoos (including Toronto) and firms consulting with zoos while at the conference, and the problems facing zoo capital programs seem similar throughout the country. The conference provided an opportunity to gain new insights on process. It also reconfirmed many of the Foundation's proposed positions on image building, marketing, involvement and understanding in order to maximize a development program.

V. Other Reports

A. Minnesota Zoological Garden

1. Status of Fund Development Guidelines and Policies

Hazel Reinhardt distributed a copy of the resolution and related guidelines passed by the Zoo Board establishing the Zoo Foundation as the "primary fund raising organization" in the private sector on behalf of the Zoo. The resolution, policy and guidelines were approved by the Zoo Board at their meeting on February 18, 1982. Ms. Reinhardt explained that the guidelines reaffirm the Foundation as fund raiser in the private sector for capital, annual and program funding.

Ms. Reinhardt also explained that sections II and III of the guidelines would deal more explicitly with the process of raising funds; these are expected to receive committee discussion and recommendation for approval from the Zoo Board at their April meeting.

Steve Farley moved that the Foundation approve the fund development policy and guidelines (attached) as they had been approved by the Zoo Board. The motion was seconded by Wayne Petersen. Motion Carried Unanimously.

2. Program Update

Ed Kohn briefly reported on Zoo programs and noted that several births have occurred.

Mr. Kohn then introduced Dave Bender, Public Affairs Director for the Zoo, with chief responsibility for the Zoo's marketing program.

3. Special Presentation -- MZG Marketing Program

Dave Bender briefly explained the goals and objectives of the Zoo's marketing program through use of a series of slides. A short videotape production developed for marketing directors was also screened; it is the purpose of this production to encourage private sector marketing directors to participate in Zoo cooperative marketing ventures.

Stan Nelson then noted that a letter had been received from Ed Kohn outlining

the purpose and price of the proposed M Zoo Quarterly, a quarterly publication designed for Zoo Goer Association members and a select audience receiving Twin Cities and Corporate Report magazines. The 8-page publication will be inserted in the first third of these magazines four times yearly, and additional stitched copies will be available for mailing to Zoo Goers and other individuals. It is estimated to reach an audience of 120,000 individuals annually -- in effect, a select target audience of community leadership and decision makers. The cost of the publication is projected to be \$37,728 for the first year. Mr. Kohn has proposed that, during the first year, the Foundation and the Zoo split the cost of this periodical and that, in future years, the Foundation and the Zoo's marketing and membership programs each pay one third of the cost. Discussion followed on the purpose of the publication and availability of funds to share costs.

Wayne Petersen moved the Foundation authorize payment of one half of the cost of the first issue of the M Zoo Quarterly to a maximum of \$4,500. The motion was seconded by Hazel Reinhardt. Motion Carried Unanimously.

B. Minnesota Zoological Society

Stan Nelson reported that, following several phone conversations and a luncheon with Society President Mark Jacobson, Mr. Jacobson had proposed the Foundation and Society consider some form of merger. Foundation Board members discussed the potential forms of and ramifications of a merger with the Zoo Society. It was the consensus of members present that a merger of organizations should not be considered.

The meeting was adjourned at 5:15 p.m.

MINNESOTA ZOOLOGICAL GARDEN FOUNDATION

Board of Directors Meeting
December 2, 1981.

Minutes

A meeting of the Board of Directors of the Minnesota Zoological Garden Foundation was held on Wednesday, December 2, 1981, at 3:00 p.m. in Committee Room A of the Northwestern National Bank of Minneapolis.

Members Present: Stanley Nelson, President; Kathleen Gretsche, Vice President; Dean McNeal, Secretary; Harold Webster, Treasurer; Connie DeLand, John McKay, Dave Onan, Gordon Rosenmeier, Mary Ann Scroggins, John Tilton.

Staff Present: Robert Voigt, Executive Director; Kathryn Rosebear, Assistant Director.

Others Present: Richard Arndt, Vice Chairman, Minnesota Zoological Board; Bob Bonawitz, former President, Minnesota Zoological Society; Tom Chapel, Planner, Minnesota Zoological Garden; Jim Hetland, Chairman, Minnesota Zoological Board; Mark Jacobson, President, Minnesota Zoological Society; Ed Kohn, General Director, Minnesota Zoological Garden; Karla Williams, Executive Director, Minnesota Zoological Society.

The meeting was called to order at 3:10 p.m. by Stan Nelson, presiding.

SPECIAL REPORT -- Minnesota Zoo

Stan Nelson stated that Dick Arndt, Vice Chairman of the Zoo Board and Chairman of the Zoo Board's Finance Committee, had been invited to the Foundation Board meeting to update the Foundation Board on the Zoo Board decision not to renew their reciprocity agreement with the Zoo Society. Mr. Nelson emphasized that the purpose of this report was to provide information relevant to the Foundation's decision to begin a major fund drive in the first quarter of 1982; publicity surrounding the Zoo decision will probably lead to questions from the community. Mr. Nelson felt that solicitors working on the campaign would require information on the Zoo and Society activities and information to answer any questions which might arise.

Dick Arndt was encouraged to hear the Foundation intends to go forward with the campaign. He then presented the intentions of the Zoo Board in deciding not to renew the reciprocity agreement with the Society. In January, 1981, the Zoo Board officially informed the Society that it wanted to renegotiate the reciprocity agreement. The basic premise on which the original agreement was negotiated -- the concept of using volunteer credit hours to balance free member admissions -- could not be a part of any new agreement as this was under question by both the Attorney General's office and the state auditors. Discussions between the Zoo Board and the Society began in April and continued through the summer. In August, the Zoo Board outlined the criteria it considered necessary for re-negotiation of the agreement. After several follow-up meetings with Society members, the last on November 19th, the Zoo Board decided not to renew the reciprocity contract with the Society. Mr. Arndt then read the definition of Zoo Board responsibilities and a position statement regarding the reciprocity agreement, originally presented at the Zoo Board meeting on November 19th, (attached) as reason for the decision made.

Stan Nelson asked how various functions of the Society, including membership

recruitment, volunteer programs, newsletters and promotion, would be handled in the future. Dick Arndt stated that a transition team comprised of Toni Hengesteg and Jim Weaver of the Zoo Board had been appointed to work with the Society on a plan for a termination agreement, the purpose of that agreement being a smooth transition.

Stan Nelson then asked Mark Jacobson, President of the Zoo Society, for his comments.

Mark Jacobson stated that the news accounts have presented various financial statements on Society income, expenditures and contributions to the Zoo. Mr. Jacobson stated that certain Zoo programs require Zoo control but a determination needs to be made whether all Society programs require Zoo control. The Zoo can now operate independently of the Society but the Society is a membership program, which the Zoo needs. If there is any way to salvage the Zoo/Society relationship, the Society is interested in doing so. Mr. Jacobson stated that the Society continues to be interested in negotiating as an operational agency and will continue to explore some way to support the Minnesota Zoo.

Stan Nelson responded that he was pleased to hear efforts towards reconciliation and stated that all present at the meeting are involved because of their dedication to support the Minnesota Zoo. Mr. Nelson expressed his hope that, if possible, agreement leading to the survival of both organizations with meaningful responsibilities be reached.

Ed Kohn stated that the Zoo Board has directed Zoo staff to prepare plans for a smooth transition period and begin planning an annual ticket program for the Zoo. Also, the continuing education program, comprising 8 percent of the Zoo's total education program, could be continued on its current fee basis by the Zoo. The Zoo volunteers, a key part of the Zoo's programs, are working with Zoo staff towards a good close relationship. The Animal Sponsorship Program, currently managed by the Society, would be reviewed on a separate basis with an annual review in March, 1982. Mr. Kohn gave credit to the Society for its past contributions and Stan Nelson asked for an update to be presented by Zoo staff at the Foundation's next meeting.

I. Minutes of Executive Committee, October 21, 1981

Dean McNeal noted that copies of the minutes of the Executive Committee meeting held October 21, 1981, were not brought to the meeting; though members had each received a copy in the mail. He suggested the minutes be approved at the next meeting of the Foundation.

II. Financial Report

The financial report for the month ending October, 1981, was presented by Harold Webster.

Mr. Webster review in detail the current monthly and cumulative financial information. A copy of the October month-end report is attached.

Mr. Webster summarized by stating that the Foundation is in a better position than projected but continues to run deficits as few new monies are coming in.

John McKay moved that the Treasurer's Report be approved as presented. The motion was seconded by Mary Ann Scroggins. Motion Carried Unanimously.

III. Executive Director's Report

The Executive Director's Report was presented by Bob Voigt, who referred to the written report (attached).

Mr. Voigt announced that two proposals for Zoo education program support had been submitted to local foundations during the past month.

Mr. Voigt also reported that Foundation and Zoo staff are working to finalize materials for capital campaign solicitation. The slide show shown in draft form at the Annual Meeting will be completed shortly. Publications will be printed from the case statement.

Mr. Voigt also reported that the Zoo would draw \$75,000 towards the Short Range Development Program in December, leaving a balance of approximately \$18,000. Ed Kohn noted that these funds have been used for a variety of new exhibits, including the new musk oxen exhibit, bison/elk exhibit and antelope exhibit as well as construction of the new lodge and improvements to many exhibits and facilities.

Bob Voigt reported that his written report included comments on marketing a capital campaign based on two publications by Ralph Goettler, President of Goettler Associates, Inc., and Jim Lord, Vice President of the same firm. Mr. Voigt has had several discussions with Mr. Goettler regarding marketing ideas for capital campaigns. Mr. Voigt briefly noted that to market a campaign, the Foundation needs to get people on its Board and bring people into a feeling of identification with its programs. A hand-out on designing a marketing plan for a campaign was distributed.

Mr. Voigt called attention to calls and contacts listed in the report and noted that Harold Adams of the Minnesota Charities Review Board had contacted the Foundation following publicity on the Zoo/Society negotiations to gain information on the Foundation's financial programs and reports to the federal government.

Stan Nelson stated he had sent a cover letter and seven pages of information to Jim Binger following their tour of the Zoo; he had also asked whether Mr. Binger and members of the McKnight Foundation would like to receive a formal presentation and request from the Foundation on the Zoo's capital plans.

Mr. Nelson then stated that the Foundation needs to secure additional leadership and volunteers necessary for the success of the campaign. He suggested each Board member take on an assignment either to make direct solicitation calls or to work on promotion. Mr. Nelson also suggested meetings during the month of January to begin working on rating of prospects and assignments. At that time, both the slide show and flip chart for presentations will be completed, and solicitors will have these materials available for their use. Dean McNeal added that the Foundation should limit its use of maps and blueprints in the solicitation materials. Harold Webster commented that, in this sort of campaign, the temptation is to get too involved in the intricacies of the plan; rather the solicitor should use the presentation to indicate the benefits of the plan as they relate to the prospect. Dave Onan suggested thought be given to a presentation without visual materials where this might be appropriate.

Stan Nelson asked Mr. Onan how Foundation solicitors might determine whether or not slide presentations might be appropriate and Mr. Onan suggested solicitors come prepared both to use the presentation or make a verbal presentation without it.

Stan Nelson then stated that he had talked to Andy Currie, President of the C. W. Shaver and Company. Mr. Currie has offered to set up an appointment with Harry Holtz to test the materials and case statement. Mr. Nelson will establish a similar meeting date with Steve Keating.

Dean McNeal asked whether the Foundation's campaign goal has been established. Stan Nelson noted the Foundation had originally assumed state participation would be necessary but now has focused on an entirely private sector drive. Mr. Nelson asked whether the Foundation might continue with a \$1 million annual goal or develop a larger drive based on the improbability of state support. Ed Kohn noted that Phase I of the Capital Completion Plan, representing completion of several construction packages like the polar bear/walrus exhibit at a \$1.5 million level and several other smaller additions, would total approximately \$5.1 million. Dean McNeal suggested that, in speaking to foundations and corporations, the Zoo Foundation should present the entire ten-year plan and case for support.

Stan Nelson then asked whether the Foundation Board fully agreed that the Foundation should begin its campaign during the first quarter of 1982. John Tilton responded that Dick Arndt and Ed Kohn had been requested to attend the Foundation's Board meeting today to answer whether the action of not renewing the Zoo/Society reciprocity agreement and possible adverse publicity might affect the campaign. He questioned whether Society members might be upset by this action and suggested the Foundation needed answers to these questions. John McKay stated that the Foundation is directing its campaign to a few select people rather than the body politic and these individuals must be convinced of the Zoo's needs regardless of the publicity this action might receive. John Tilton added his hope that the Zoo and Society could work together to draw people to the Zoo.

Bob Voigt referred to a gift range chart presented for Board reviewal at the Annual Meeting on November 5th and noted that 80 percent of total capital funds were expected from approximately 280 prospects; the campaign does not initially focus on a broad base.

John Tilton moved that the Foundation proceed with a capital campaign in the first quarter of 1982. The motion was seconded by Connie DeLand. Motion Carried Unanimously.

The meeting was adjourned at 4:15 p.m.



Minnesota Zoological Garden Foundation

1422 West Lake Street, Suite 303 • Minneapolis, Minnesota 55408 • Phone (612) 827-3661

MEETING NOTICE

SPECIAL BOARD OF DIRECTORS MEETING

OFFICERS AND DIRECTORS:

STANLEY J. NELSON
President
Minneapolis
MARGEE KINNEY
Vice President
Wayzata
MALCOLM McDONALD
Vice President
North Oaks
DEAN McNEAL
Secretary
Mound
W. ANDREW BOSS
Treasurer
St. Paul

FIRMIN ALEXANDER
Apple Valley
ANTHONY L. ANDERSEN
St. Paul
WALLACE C. DAYTON
Minneapolis
CONNIE DeLAND
Minneapolis
D. STEPHEN FARLEY
St. Paul
LOUIS I. GELFAND
Minneapolis
HERBERT GOLDENBERG
Minneapolis
RICHARD G. GRAY, SR.
Minneapolis
KATHY GRETSCH
North Oaks
REUEL HARMON
Inver Grove Heights
KENNETH M. KNOPF
Minneapolis
JOHN C. MCKAY
South St. Paul
CHY MORRISON
Wayzata
DAVID W. ONAN, II
Wayzata
JOSEPH T. O'NEILL
St. Paul
WAYNE E. PETERSEN
Minneapolis
HAZEL REINHARDT
Minneapolis
GORDON ROSENMEIER
Little Falls
MARY ANN SCROGGINS
Afton
JAMES P. SMITH
Dayton
JOHN E. TILTON
Hopkins
HAROLD S. WEBSTER
Bloomington

EX-OFFICIO MEMBERS:

ROBERT L. BONAWITZ
President
Minnesota Zoological Society
JAMES L. HETLAND
Chairman
Minnesota Zoological Board
EDWARD KOHN
General Director
Minnesota Zoological Garden

EXECUTIVE DIRECTOR:

ROBERT S. VOIGT

Wednesday
December 2, 1981
3:00 p.m.

Conference Room A
Northwestern Bank
7th and Marquette
Minneapolis

A G E N D A

SPECIAL REPORT -- MINNESOTA ZOO

Zoo/Society Reciprocity

Richard Arndt
Vice Chairman, Zoo Board
Chair, Finance Committee

Transition Planning

Ed Kohn
General Director,
Minnesota Zoo

- I. Minutes of Executive Committee,
October 21, 1981
- II. Financial Report
- III. Executive Director's Report
- IV. Foundation Program Proposal

Dean McNeal

Harold Webster

Bob Voigt

Stan Nelson

Please phone the Foundation office to confirm your attendance.
Thank you.

MINNESOTA ZOOLOGICAL GARDEN FOUNDATION
 Summary of Receipts and Disbursements
 October 31, 1981 - Fourth Month

	<u>Current Month</u>	<u>FY 1982 To Date</u>	<u>FY 1982 Budget To Date</u>
RECEIPTS:			
Contributions (Schedules 1 & 1A)	20,302.35	26,444.55	7,300
Net Special Events (Schedule 2)	-0-	62.40	-0-
Interest Income (Schedule 3)	4,101.62	24,066.39	18,073
Other Income (Schedule 4)	<u>4,361.30</u>	<u>6,914.18</u>	<u>2,700</u>
TOTAL RECEIPTS:	28,765.27	57,487.52	28,073
EXPENDITURES:			
Administrative Expenses (Sch. 5)	12,562.90	41,205.79	51,922
MZG Expenditures (Schedule 5)	630.90	2,337.54	-0-
MZG Short Range Development Expenditures (Schedule 5)	<u>30,000.00</u>	<u>33,314.60</u>	<u>78,300</u>
TOTAL EXPENDITURES:	43,193.80	76,857.93	130,222
*Excess of Receipts Over (Under) Disbursements	(14,428.53)	(19,370.41)	
Cash and Invested Assets - Beginning of Period	353,707.04	358,648.92	
Cash and Invested Assets - End of Period	<u>339,278.51</u>	<u>339,278.51</u>	
Outstanding Commitments:			
FY 1982	17,775.00		
Future Fiscal Years	77,300.00		



Minnesota Zoological Garden Foundation

1422 West Lake Street, Suite 303 • Minneapolis, Minnesota 55408 • Phone (612) 827-3661

TO: BOARD OF DIRECTORS
FROM: Bob Voigt
DATE: December 2, 1981
RE: Executive Director's Report

OFFICERS AND DIRECTORS:

STANLEY J. NELSON
President
Minneapolis
MARGEE KINNEY
Vice President
Wayzata
MALCOLM McDONALD
Vice President
North Oaks
DEAN McNEAL
Secretary
Mound
W. ANDREW BOSS
Treasurer
St. Paul

FIRMIN ALEXANDER
Apple Valley
ANTHONY L. ANDERSEN
St. Paul
WALLACE C. DAYTON
Minneapolis
CONNIE DeLAND
Minneapolis
D. STEPHEN FARLEY
St. Paul
LOUIS I. GELFAND
Minneapolis
HERBERT GOLDENBERG
Minneapolis
RICHARD G. GRAY, SR.
Minneapolis
KATHY GRETSCH
North Oaks
REUEL HARMON
Inver Grove Heights
KENNETH M. KNOPF
Minneapolis
JOHN C. MCKAY
South St. Paul
CHY MORRISON
Wayzata
DAVID W. ONAN, II
Wayzata
JOSEPH T. O'NEILL
St. Paul
WAYNE E. PETERSEN
Minneapolis
HAZEL REINHARDT
Minneapolis
GORDON ROSENMEIER
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Minnesota Zoological Board
EDWARD KOHN
General Director
Minnesota Zoological Garden

EXECUTIVE DIRECTOR:

ROBERT S. VOIGT

I. Administration

This past month has involved a variety of tasks from meeting with new Board members to share information about on-going programs with them to delivering several grant applications for funding of education programs at the Zoo. We welcome Bob Engels and Larry Jagoe to the Foundation Board. Their experience and leadership will be a valuable asset to the Zoo Foundation.

Two proposals were prepared and delivered -- one to the James R. Thorpe Foundation and one to the Graco Foundation. Support was requested for program needs in the Zoo's Education Department. Both of these foundations have been providing year-end assistance in these specific areas for the past couple years.

We have been continuing to work on the materials, films and approaches for presentations of the Zoo's capital completion plan. Kathryn is working with Zoo staff for the slide productions and I have been working with Andy Currie and Stan Nelson on the final statements for the documents.

Foundation staff have also been working with Tom Chapel of the Zoo staff and his assignment to become more acquainted with fund-raising procedures and special project needs of the Zoo. We are jointly establishing approaches that can best follow up on current prospects such as Williams Steel, Super America, Medtronics and others who have indicated prior support possibilities for special Zoo programs.

Harold Webster has accepted the Nominating Committee's recommendation to become Treasurer of the Zoo Foundation. We have met with Harold on several occasions to provide information on accounting procedures, records and the financial condition of the Foundation.

We are practically down to the last few dollars available to the Zoo for the Zoo's \$1.522 million Short Range Development Program. After funds have been distributed this month based upon current requests, there will be a balance of \$18,641 remaining for projects yet to be completed.

II. Development

On regular occasions in the past, I have prepared and presented to you a variety of papers, proposals and reports on aspects of fund-raising. They have ranged from the academic to the practical, general beliefs to specific timelines, all of which have intended to provide a better basis of what our Foundation's support role to the Minnesota Zoo is all about. Last month I expanded on the two essential elements of a campaign: a well documented case statement and committed, dedicated, participating community leadership.

This month I want to share some thoughts and suggestions on the "marketing" process essential to be successful. These comments are based upon a booklet called The Marketplace Perspective which I have recently received from Ralph Goettler, President of Goettler Associates, Inc., of Columbus, Ohio.

Many approaches seem to stress the "need" of an institution -- the more you talk about it, the greater the results. The message to the donor is that you are needed to keep us going -- if we don't succeed, you're responsible -- this is the heavy guilt approach. A more acceptable approach and certainly one that is more successful tells the community and the donor prospects that we are here to help you realize your own aspirations, to provide opportunities and to deliver benefits. With your support, we can do more than we're doing today.

This approach is called marketing -- not selling. Both getting support and contributions demands that the one who is seeking show the one that can provide how it is in the provider's own interest to make a commitment. Marketing is first listening to one's constituency (i.e., outside the Zoo) and finding out what they want. Find out who supports the Zoo and why. What benefits do they seek? Who else might be interested in the same benefits? What additional benefits can the Zoo offer? In looking at the various groups of potential constituents of the Zoo, it would appear to be that the individuals and groups that see the Minnesota Zoo as a community asset -- these people are the most likely ones capable of making our fund-raising program a success. We need to direct our efforts to their attention.

The Minnesota Zoo does have a distinct advantage in our community. It is the newest and least developed of our area's major institutions. It provides an investment opportunity -- and a unique position when compared to other community organizations seeking dollars from the same prospects. We need to build a prospect's desire to stimulate growth and be identified with the Zoo's lack of development to a point of contributing new strength and new opportunities for its future.

One of the things which Mr. Goettler states is the difference between selling and marketing is that selling is trying to convince people to buy what you have on the shelf; marketing is finding out what people want and putting it on the shelf for them.

Fund-raising needs to be more than a selling process -- we can't train a volunteer force and put them in the field with sales objectives, quotas and promotional materials. In our philanthropic market, the Zoo Foundation sales force will succeed when they are in effect offering the opportunity for the prospective donor to do what they already want to do -- to help the Zoo complete its mission.

Donors making a contribution are in effect making a purchase -- they want satisfaction -- they seek certain benefits -- they are in effect investing in something they care about. A case for support is based upon strengths. There must be a climate of positive public opinion. We need a willing constituency. If we establish a successful campaign, or successful annual giving program, we will have a convinced public who will recognize that we are a winning organization. This is the basis for successful long-range development programs for the Zoo.

Please note the attached excerpt from Mr. Goettler's report which identifies the five principals or marketing tools. Over the past several years, staff has prepared a series of marketing proposals and timeline recommendations for establishing variations of these programs. We also have several references from consultants as well as a recent recommendation from a Twin Cities marketing and advertising company. Collectively they can be combined into a current marketing plan with review and recommendations from Board and campaign participation.

We need to take these recommendations beyond the discussion phase into an action program. A number of external forces have been effecting delays to our proposed activities. Proposed state cuts in operating budgets will continue to have another impact on future situations.

The question we now face is what can we do about our current environment and where do we go from here? I believe that the Foundation has considerable opportunity as well as urgency to identify and bring into the development team more individuals who feel the need for Zoo development, can personally identify with some of the benefits that are being proposed, and move forward to get the results which we believe can be achieved.

Building a sense of identification with a cause and ownership of its program is an on-going and a long-term effort. From the sense of personal identity comes the biggest benefit sought. Involving people, with the right attitude in the development of materials and input into programs, assures a commitment and acceptance of responsibility during the implementation stage.

In the development field, the donors do have a choice. Choice implies options -- if donors have options, we have competition. We need to present prospects with an appealing opportunity -- we have barely tapped the market -- not all non-contributors (or the like) are prospects. This we need to sort out.

Our real competition today is in the field of volunteers and volunteer leadership. The masters know the process and have a reputation for success. People give to people who are successful -- they do the asking -- institutions don't -- a campaign needs volunteers to really develop a philanthropic marketing program.

We need to market the Zoo Foundation program first to a select segment of community leaders that really care about the Zoo and will join with us in a program for capital projects of the Zoo. This does not exclude the possibility of other areas being opened in the future, but we need to concentrate our efforts on the capital projects as requested. We cannot expect a few dedicated individuals on the Foundation Board to come up with the magic to reach this goal -- we need an expanded team to carry the ball.

A little over one year ago, a feasibility study was prepared for the Foundation based upon the opinions and interests of top community leaders who are in a

position to influence philanthropic decisions. While we received reactions and suggestions, we were not successful in getting individual commitments of time and effort towards the Zoo's program. We still have not built that sense of ownership or interest in developing strategies to achieve Zoo goals that are essential for major capital drives whether they be \$1 million or \$23 million that we are talking about.

James Lord, author of the book Philanthropy and Marketing, states that if donors are sought only for their dollars, then the organization will be limited in its abilities to raise monies and grow and develop. Mr. Lord also believes that prospects are entitled to influence the plans and programs in which a donor is being asked to invest. The Zoo and the Zoo Foundation need to consider this opinion and see if there is some way that the present Zoo/Foundation situation can be modified or find a way in which the donor and prospect can participate and direct, or at least feel they have a position that is significant within the Zoo's development strategy.

I do not believe that introducing the concept of ownership will forfeit control ... rather, it should enhance the capabilities of the Zoo to bring people into a feeling of association or participation with its goals. We have an opportunity to do this within the Foundation structure. If we are able to accomplish this, it should increase the stature and effectiveness of the people who are most intimately involved in this development program... and subsequently be of great benefit to the Zoo.

CALLS AND CONTACTS

11/5/81 - 12/2/81

Fobes, Mrs. Dorothy		Voigt
Graco Foundation	Murphy	Voigt
Goettler Associates, Inc.	R. Goettler	Voigt
Horwitz, Ted, Memorial	Eisenberg	Rosebear
Interregional Financial	Halloran	Voigt
Medtronics	Van Eeckhout	Voigt
Minnesota Association of Commerce & Industry (MACI)	Borden	Voigt
Minnesota Charities Review Council	Adams, <i>Hand</i>	Voigt
Onan Family Foundation	Smith	Voigt
South Suburban Women's Club	Stangler	Rosebear
Thorpe, James R., Foundation	S. Thorpe	Voigt
Vik, Vincent		Rosebear
Williams Steel & Hardware	McCarthy	Chapel

The Tools of Marketing

Is Marketing Worth the Cost?

In order for your institution to succeed, there must be a climate of positive public opinion. First, in order to mount a campaign, your institution needs a *willing public*. And then, as a result of a successful campaign, your institution will have a *still more willing public* — because you will have proved that you are a winning organization. You will have the basis for successful long-range development.

Marketing can place you in this enviable position. At few times in your history will you have a better opportunity to advance the public's opinion of you. Marketing can lay the groundwork. You don't get many days in the sun — so take advantage of the opportunity a campaign presents to capture and hold people's attention.

Shaping the Marketing Tools: Five Principles

1. Design for people. Campaigns are *not* won solely on the strength of your marketing materials. They are won by your *people* — the campaign leadership, volunteers and donors.

Consequently, the materials used in marketing the campaign are *only* tools for the people who will raise money, and should be designed for their use.

2. Focus on volunteers. The purpose of your materials is not so much to convince the prospect, but to *support the efforts of the volunteer solicitor* — to build the volunteer's enthusiasm and confidence so that his or her *attitude and behavior* will convince the prospect.

3. Plan for responses. Each item in the marketing plan is *response-oriented*. It is designed with one goal in mind: to present stimulation that will evoke a positive response from the volunteer and potential donor. Facts and figures are supplied, but because the philanthropic act is as much emotional as rational, more attention is paid to *evoking action* — as opposed to merely providing information.

4. Keep it simple. People are most effectively moved when they are able to internalize one simple, coherent idea. Providing them with more data only causes the organization to appear unsure of its purpose and direction. Just as the most convincing advertising doesn't try to tell you every reason why you should buy, your marketing approach should be based on only one central and convincing argument if you expect to keep people's attention and move them to action.

5. **Aim outside.** It matters little what business the institution *thinks* it's in. What counts are the perceptions of the donor constituency. To develop a useful marketing perspective, it is necessary to base your process in that constituency.

Marketing Tools: A Checklist

This checklist is intended to be very general and flexible. As the institution's marketing situation is analyzed and the campaign strategy developed, some projects could be dropped, added or modified.

PRINTED MATERIALS

The marketing plan provides you a strategic framework and outlines the thinking behind your marketing approach. It also lists the marketing tools and assigns responsibility for their implementation.

The case for support is a written tool of persuasion which is designed to convince donors and volunteers that supporting the campaign is in their own self-interest.

The case summary is a one-page synopsis of the case for support. Like the case, it is written from the perspective of the donor, rather than that of the institution.

The fact sheet provides additional information about the institution. It is designed to supplement the case for support.

The logo and the theme provide a shorthand and a standard identity for the campaign. The logo is a visual symbol; the theme may be a slogan or simply the name given to the campaign.

A proposal framework is developed for three different markets: foundations, corporations and individuals.

The proposal content consists of specific paragraphs designed to match the proposal to its intended market segment. This content is then integrated into one of the above frameworks.

The Prospect's Kit

The folder is a multi-purpose cover designed to hold the prospect's materials, proposals, etc.

The major brochure is a visual "popularization" of the case for support, designed as a working tool for volunteers.

The opportunities folder is a listing of the various building projects and endowment possibilities offered as "named gifts."

A "ways to give" folder lists various types of philanthropic investments and their tax advantages.

The Volunteer's Kit

The volunteer portfolio is a folder or envelope that organizes materials needed by the volunteers for calls. It includes a number of prospect's kits.

The solicitor's guide describes various campaign solicitation techniques.

Report envelopes are used for recording signed pledge cards before being returned to the campaign office.

Other Printed Materials

Letterheads, second sheets and matching envelopes (with printed logo) establish a separate design identity for all the printed materials. They serve as a constant reminder to the volunteer that the campaign is not "business as usual."

Bulletinheads are used to convey information to volunteers and report progress of the campaign in order to sustain and build its momentum.

Labels are printed for mailing and for identification of volunteer materials.

Pledge cards are used for the financial agreement between the donor and the institution.

Acknowledgements and "thank you" letters are sent upon receipt of contributions, with a personally typed letter going to the major contributors.

Reminder notices are used to bill for pledges.

AUDIO-VISUAL MATERIALS

Motion pictures, slide presentations and flip charts are the most dramatic and inspirational renditions of the case for support. These may be adapted for different markets.

THE NEWS MEDIA

Marketing activities directed toward the mass media generally receive less attention than the printed and audio-visual tools. But when broad-based support is sought, the following avenues may be developed through a public relations plan:

Newspapers — news articles, feature stories and editorials.

Radio and television — news stories, public service announcements, talk shows and editorial endorsements.

Others — special events, rallies, displays, speaking appearances.

An effective case for support can be your most potent marketing tool. We have developed an article on the subject, "Building the Case for Support," which you're invited to request.

TO: MEMBERS OF THE
MINNESOTA ZOOLOGICAL GARDEN FOUNDATION

DATE: November 5, 1981

FROM: Nominating Committee

RE: Recommendations for Your Action

ELECTED BOARD MEMBERS

Term Ending November, 1982

1. Alexander, Firmin
2. Boss, W. Andrew
3. DeLand, Connie
4. Gretsches, Kathleen
5. Jagoe, Lawrence D.
6. Knopf, Kenneth
7. Rosenmeier, Gordon
- 8.

Term Ending November, 1983

1. Andersen, Anthony
2. Engels, Robert
3. Farley, D. Stephen
4. Kinney, Margee
5. McDonald, Malcolm
6. McNeal, Dean
7. O'Neill, Joseph T.
8. Petersen, Wayne

Term Ending November, 1984

1. Dayton, Wallace C.
2. Gray, Richard G., Sr.
3. Morrison, Chy
4. Nelson, Stanley J.
5. Smith, James
6. Webster, Harold
- 7.
- 8.

APPOINTED BOARD MEMBERS

1. Goldenberg, Herbert
2. Reinhardt, Hazel
- 3.
- 4.
- 5.
- 6.
- 7.
- 8.
- 9.
- 10.
- 11.

FOUNDING DIRECTORS

1. Harmon, Reuel
2. McKay, John C.
3. Onan, David W. II
4. Scroggins, Mary Ann
5. Tilton, John E.

OFFICERS

President: Stanley J. Nelson
Vice
Presidents: Kathleen Gretsches
Margee Kinney
Malcolm McDonald
Wayne Petersen
Secretary: Dean McNeal
Treasurer: Harold Webster



Minnesota Zoological Garden Foundation

1422 West Lake Street, Suite 303 • Minneapolis, Minnesota 55408 • Phone (612) 827-3661

MEETING NOTICE

ANNUAL MEMBERS MEETING

AND

ANNUAL BOARD OF DIRECTORS MEETING

November 5, 1981
3:00 P.M.

Conference Room A
Northwestern Bank
Minneapolis

AGENDA

ANNUAL MEMBERS MEETING

- I. Report of the Nominating Committee
- II. Election of Board Members

AGENDA

ANNUAL BOARD OF DIRECTORS MEETING

- I. Report of the Nominating Committee
- II. Election of Officers
- III. President's Report
- IV. Auditor's Report
- V. Development Presentation
- VI. Other Business

Please phone the Foundation Office and confirm your attendance.
Thank you.

OFFICERS AND DIRECTORS

STANLEY J. NELSON

President

Minneapolis

MARGEE KINNE

Vice President

Wayzata

MALCOLM McDONALD

Vice President

North Cass

DEAN McNEEL

Secretary

Mound

W. ANDREW BOSS

Treasurer

St. Paul

FIRMIN ALEXANDER

Apple Valley

ANTHONY L. ANDERSON

St. Paul

WALLACE C. DAYTON

Minneapolis

CONNIE DeLANE

Minneapolis

D. STEPHEN FARLEY

St. Paul

LOUIS I. GELFAND

Minneapolis

HERBERT GOLDENBERG

Minneapolis

RICHARD G. GRAY

Minneapolis

KATHY GRETSCH

North Cass

REUEL HARMON

Inver Grove Heights

KENNETH M. KNOX

Minneapolis

JOHN C. McNEEL

South St. Paul

CHY MORRISON

Wayzata

DAVID W. ONAN

Wayzata

JOSEPH T. O'NEILL

St. Paul

WAYNE E. PETERSEN

Minneapolis

HAZEL REINHARDT

Minneapolis

GORDON ROSENMEYER

Little Falls

MARY ANN SCROGGINS

Attleboro

JAMES P. SMITH

Dayton

JOHN E. TILTON

Hopkinton

HAROLD S. WEBSTER

Bloomington

EX-OFFICIO MEMBERS

ROBERT L. BONAWITZ

President

Minnesota Zoological Society

JAMES L. HETLAND

Chairman

Minnesota Zoological Board

EDWARD KOHN

General Director

Minnesota Zoological Garden

EXECUTIVE DIRECTOR

ROBERT S. VOISARD

TO: MEMBERS OF THE
MINNESOTA ZOOLOGICAL GARDEN FOUNDATION

DATE: November 5, 1981

FROM: Nominating Committee

RE: Recommendations for Your Action

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OFFICERS

President: Stanley J. Nelson
Vice

Presidents: Kathy Gretsches
Margee Kinney
Malcolm McDonald
Chy Morrison
Wayne Petersen

Secretary: Dean McNeal

Treasurer: Harold Webster *mc.*

treasurer

MINNESOTA ZOOLOGICAL GARDEN FOUNDATION

ANNUAL MEMBERS MEETING
AND
ANNUAL BOARD OF DIRECTORS MEETING
November 5, 1981

Minutes

The Annual Members Meeting and the Annual Board of Directors Meeting of the Minnesota Zoological Garden Foundation were held on Thursday, November 5, 1981, at 3:00 p.m. in Conference Room A of the Northwestern National Bank of Minneapolis.

Members Present: Stanley J. Nelson, President; Dean McNeal, Secretary; Firmin Alexander, Connie DeLand, D. Stephen Farley, Kathleen Gretsches, John McKay, Gordon Rosenmeier, Mary Ann Scroggins, James Smith, John Tilton, Harold Webster.

Staff Present: Robert Voigt, Executive Director; Kathryn Rosebear, Assistant Director.

Others Present: Tom Chapel, Planner, Minnesota Zoological Garden; James Hetland, Chairman, Minnesota Zoological Board.

I. Annual Members Meeting

- a. Report of the Nominating Committee
- b. Election of Board Members

The annual meeting of the members of the Minnesota Zoological Garden Foundation was called to order at 3:00 p.m. by Stanley Nelson, presiding. Mr. Nelson reported on the recommendations of the Nominating Committee (see report, attached), noting that that committee had not yet finished making contacts with proposed Board members.

Recommendations for nominations as new Board members for the Foundation included Larry Jagoe for a term ending November, 1982; Robert Engels for the term ending November, 1983; and Wallace Dayton, Dick Gray, Chy Morrison, Stan Nelson, Jim Smith and Harold Webster for the term ending November, 1984. All other present members are continuing with their present terms (list attached).

Connie DeLand moved that the Foundation Board accept the slate of elected directors as recommended by the Nominating Committee. The motion seconded by John McKay. Motion Carried Unanimously. Meeting adjourned.

II. Annual Meeting of the Board of Directors

- a. Report of the Nominating Committee
- b. Election of Officers

Stan Nelson called to order the annual meeting of the Board of Directors and reported on the recommendations of the Foundation's Nominating Committee for Foundation officers: Stanley Nelson, President; Kathleen Gretsches, Vice President; Margee Kinney, Vice President; Malcolm McDonald, Vice President; Wayne Petersen, Vice President; and Dean McNeal, Secretary. (Harold Webster subsequently accepted the nominating committee recommendation for the position of Treasurer.)

Firmin Alexander moved that the Foundation accept the slate of officers as recommended by the Nominating Committee. The motion was seconded by Steve Farley. Motion Carried Unanimously.

Dean McNeal suggested that Board members with additional recommendations for potential new Board members contact Stan Nelson; he encouraged Board members to recommend hardworking, enthusiastic interested individuals. This also should be an on-going process to involve these people throughout the year in on-going programs.

c. Minutes of Annual Meeting, November 6, 1980

John McKay moved that the reading of the minutes of the annual meeting, held November 6, 1980, be dispensed and the minutes be approved as mailed to members. The motion was seconded by Connie DeLand. Motion Carried Unanimously.

d. President's Report

Stan Nelson reported that a case statement, slide show and flip chart for used by capital campaign solicitors are under preparation by the Foundation's consultants and staff; these materials have been revised several times, the latest revision being made by Andy Currie, President of the C. W. Shaver and Company, the Foundation's capital campaign consultants. The slide show, though not entirely complete, would be shown at the end of the meeting.

Mr. Nelson also reported that the Task Force proposed by Dick Gray has not yet been convened. Mr. Nelson is not totally aware of the reasons for the delay but suggested that, if the community leaders originally slated for task force membership are not interested in the Zoo, the Foundation needs to know this prior to beginning a capital campaign.

Referring to the discussions on the re-negotiations of the reciprocal agreement between the Zoo and the Zoo Society, Stan Nelson commented that Jim Hetland had stated in a conversation between the two that both groups were working towards an agreement. Discussion followed on the reasons for difference between the two groups. Mr. Nelson noted that Foundation Board member Reuel Harmon has met with both groups to encourage their cooperations and friendship so that any resulting consequences don't adversely affect the Foundation's fund drive.

e. Auditor's Report

Bob Voigt presented the annual audit of the Foundation for the fiscal year ending June 30, 1981, as prepared by the Foundation's auditors, Peat, Marwick, Mitchell and Company. Referring to the balance sheet, Mr. Voigt noted that there has been a substantial decrease in the total of funds held for the Zoo as disbursements were made during the last fiscal year. The only new asset has been the lease purchase of the Foundation office Xerox machine. Liabilities include commitments to the Zoo for the Short Range Development Program and an offsetting liability for the office copier. Fund balances included restricted funds, primarily donor-designated, and funds restricted to Zoo capital improvements.

The second page of the audit shows the source of funds and the application of funds. Interest income continues to be a major source of operating funds for the Foundation.

The third page, "Statement of Function Expenses," shows the \$1,292,000 committed

by the Foundation to the Zoo's Short Range Development Program as an expense during fiscal year 1980, the year during which funds were committed to the Zoo. Disbursements have followed upon request.

Connie DeLand moved that the Foundation accept the audit as prepared by Peat, Marwick, Mitchell and Company. The motion was seconded by Jim Smith. Motion Carried Unanimously.

f. Recognition of Honorary Directors

Stan Nelson presented a plaque to John McKay, Mary Ann Scroggins and John Tilton recognizing their service to the Foundation as founding members of the Board of Directors. Each has served a six-year continuous term as a member of the Foundation Board. In recognition and appreciation of their service, each has been voted a "Founding Director."

Board members Reuel Harmon and Dave Onan, not present at this meeting, have also been voted "Founding Directors" in recognition of their service to the Foundation.

Stan Nelson and Bob Voigt shared comments on the efforts and achievements of each Founding Director and expressed their hope that each would continue to work towards the Zoo's and Foundation's objectives in the years to come.

g. Executive Director's Report

The Executive Director's Report was presented by Bob Voigt, who referred to the written report (attached).

Bob Voigt stated that his annual report focused on the two needs of a successful fund-raising program -- a well-defined case statement and leadership. The Zoo's case statement is being determined based on needs defined by the Zoo Board. The Foundation has concerned, competent leadership but needs additional assistance if it is successfully to complete its goals. Mr. Voigt then reviewed a chart of capital dollars for the Minnesota Zoo (attached). The chart also details where the Zoo has invested its capital dollars and where future investment is projected. Funds are needed for the Northern Trail exhibits first, and for the Asian Large Mammal complex secondarily. Mr. Voigt also reviewed a second chart (attached) proposing a gift range for the capital campaign, including financial needs and number of gifts, commitments and assignments.

John Tilton asked whether the case statement would specifically state that the legislature did not complete the Zoo. Firmin Alexander added that the Zoo was fully funded by the state through legislative action in 1973 but the escalation of building costs cut into the amount appropriated and the Zoo Board had to cut back on its original building plans. Bob Voigt stated that the case statement would state that the Zoo is not complete but would not relate that to any failure on the part of the State to fully fund the Zoo.

h. Bank Resolutions

Stan Nelson stated that bank account resolutions authorizing the new officers and the Executive Director as signators on the Foundation's checking and savings accounts with First National Bank of St. Paul and Northwestern National Bank of Minneapolis had been prepared. Any two of these individuals are required to sign checks for the Foundation.

Dean McNeal moved that the Foundation authorize the officers and Executive Director of the Foundation as signators for the Foundation's bank accounts and that bank resolutions and signature cards be signed and forwarded to the First National Bank of St. Paul and Northwestern National Bank of Minneapolis. The motion was seconded by Jim Smith. Motion Carried Unanimously.

i. Development Presentation

A slide show developed by the C. W. Shaver and Company and Foundation staff was presented to the Board by Kathryn Rosebear. Though not complete, the slide show, which focuses on the Zoo's contributions to the state and its people and Zoo needs, has been prepared for use by Foundation Board solicitors in making presentations to prospects. A sound track will be added to the slide presentation in the near future. Ed Kohn has offered the assistance of Zoo staff for preparation of additional slides, updates and expanded versions as needed.

j. Other Business

Jim Hetland inquired whether the Foundation intended to begin its campaign prior to January 1st to take full benefit of the change in the tax laws. John Tilton suggested the Foundation mail an appeal to all Society members prior to the beginning of 1982 to request funds at year-end in light of the tax benefits. Discussion of the benefits of such a mailing followed.

John Tilton moved that Foundation staff be directed to investigate the possibility of sending a fund-raising letter to all Society members detailing the definite tax benefits of making a gift to the Zoo prior to January 1, 1982. The motion was seconded by Mary Ann Scroggins. Motion Carried Unanimously.

The meeting was adjourned at 5:00 p.m.

MINNESOTA ZOOLOGICAL GARDEN
Capital Construction Budgets

SOURCE OF FUNDS	5/22/78	6/30/81	Phase I	Phase II
			1981 - 1985	1986 - 1990
State of Minnesota	23,025,000	23,025,000		
Matching Bonds	2,350,000	2,350,000		
Interest	3,648,503	3,773,533		
ERDA Grant	313,458	313,458		
Bush Grant	710,000	710,000		
IDQ	234,500	234,500		
MZRI	700,000	700,000		
Misc. (Contributions to Zoo)	104,465	150,562		
Zoo Foundation	<u>846,393</u>	<u>1,920,771</u>	<u>5,000,000</u>	
	<u>31,932,319</u>	<u>33,177,824</u>		
Uncommitted Reserves and Pledges	(823,098)	(429,076)		
Joint Projects	-0-	-0-		
	<u>31,109,221</u>	<u>32,555,446</u>		
<u>APPLICATION OF FUNDS</u>				
Site Development, Main Building & Internal Services	11,800,000	352,000	---	---
Tropics Trail	6,000,000	113,900	60,000	---
Asian Large Mammals (In)	---	---	---	3,500,000
Asian Large Mammals (Out)	---	---	---	4,500,000
Minnesota Trail	1,700,000	3,500	505,000	---
Ocean Trail	1,600,000	-0-	75,000	---
Discovery Trail	3,200,000	11,300	300,000	---
Northern Trail	2,100,000	771,900	4,200,000	1,600,000
Animals & Equipment	1,200,000	119,700	included above	included above
Design & Management	3,500,000	-0-	included above	included above
Freshwater Trail	---	---	---	---
Enrichment	---	---	---	---
Visitor Services, Restaurant, Store, Ampitheater	---	---	---	---
TOTALS:	<u>31,100,000</u>	<u>1,372,000</u>	<u>5,140,000</u>	<u>9,600,000</u>

SHORT RANGE DEVELOPMENT PROGRAM

DIVISION OF RESTRICTED/UNRESTRICTED FUNDS
AVAILABLE FROM MINNESOTA ZOO FOUNDATION

December 31, 1980

	UNRESTRICTED FUNDS		NORTHERN TRAIL FUNDS		OTHER RESTRICTED FUNDS	
	CURRENT BUDGET	EXPENDED/OBLIGATED	CURRENT BUDGET	EXPENDED/OBLIGATED	CURRENT BUDGET	EXPENDED/OBLIGATED
PUBLIC SPACE	\$117,025	\$89,960	\$268,100	\$242,942	\$ -0-	\$ -0-
STAFF SPACE	37,261	36,801	-0-	-0-	-0-	-0-
OCCUPATIONAL MODIFICATION	171,400	131,157	57,777	57,777	100	100 MN Exhibits
EXHIBITS	92,959	39,580	557,033	494,922	2,165	2,165 Tiger, Aviary
GRAPHICS	73,014	72,573	24,000	23,853	-0-	-0-
EQUIPMENT	19,037	19,037	20,263	20,263	-0-	-0-
HORTICULTURE	-0-	-0-	-0-	-0-	-0-	-0-
ANIMAL ACQUISITION	44,603	42,499	30,500	29,000	6,989	6,989 Animal Acq.
SUB-TOTAL	\$555,299	\$431,607	\$957,673	\$868,757	\$9,254	\$9,254
<u>OTHER PROGRAM COMMITMENTS</u>						
Emer. Equipment Fund	\$60,000	\$46,710				
Ojibway Art Program	7,345	7,982				
TOTAL	\$622,644	\$486,299	\$957,673	\$868,757	\$9,254	\$9,254
<u>FOUNDATION FUNDS AVAILABLE</u>		\$651,532*		\$981,683**		\$31,628
Committed (Current Budget)		622,644		957,673		9,254
Uncommitted		\$ 28,888		\$ 24,010		\$22,374

*Includes \$137,345 from 1977 and 1978 Zoo Walks.

**Includes \$49,091 from 1979 Zoo Walk.



@ Div Directors
59

Minnesota Zoological Garden Foundation

1422 West Lake Street, Suite 303 • Minneapolis, Minnesota 55408 • Phone (612) 827-3661

MEETING NOTICE

OFFICERS AND DIRECTORS:

STANLEY J. NELSON
President

Minneapolis

MARGEE KINNEY

Vice President

Wayzata

MALCOLM McDONALD

Vice President

North Oaks

DEAN McNEAL

Secretary

Mound

W. ANDREW BOSS

Treasurer

St. Paul

FIRMIN ALEXANDER

Apple Valley

ANTHONY L. ANDERSEN

St. Paul

WALLACE C. DAYTON

Minneapolis

CONNIE DeLAND

Minneapolis

D. STEPHEN FARLEY

St. Paul

LOUIS I. GELFAND

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HAZEL REINHARDT

Minneapolis

GORDON ROSENMEIER

Little Falls

MARY ANN SCROGGINS

Afton

JAMES P. SMITH

Dayton

JOHN E. TILTON

Hopkins

HAROLD S. WEBSTER

Bloomington

EX-OFFICIO MEMBERS:

ROBERT L. BONAWITZ

President

Minnesota Zoological Society

JAMES L. HETLAND

Chairman

Minnesota Zoological Board

EDWARD KOHN

General Director

Minnesota Zoological Garden

EXECUTIVE DIRECTOR:

ROBERT S. VOIGT

ANNUAL MEMBERS MEETING

AND

ANNUAL BOARD OF DIRECTORS MEETING

November 5, 1981
3:00 P.M.

Conference Room A
Northwestern Bank
Minneapolis

AGENDA

ANNUAL MEMBERS MEETING

- I. Report of the Nominating Committee
- II. Election of Board Members

AGENDA

ANNUAL BOARD OF DIRECTORS MEETING

- I. Report of the Nominating Committee
- II. Election of Officers
- III. President's Report
- IV. Auditor's Report
- V. Development Presentation
- VI. Other Business

Please phone the Foundation Office and confirm your attendance.
Thank you.

MINNESOTA ZOOLOGICAL GARDEN FOUNDATION

Joint
Nominating Committee
and
Executive Committee

October 21, 1981

Minutes

A joint meeting of the Nominating Committee and the Executive Committee of the Minnesota Zoological Garden Foundation was held on Wednesday, October 21, 1981, at 3:00 p.m. in Stan Nelson's office, 1930 Midwest Plaza Building, Minneapolis.

Members Present: Stanley Nelson, President; Malcolm McDonald, Vice President; Dean McNeal, Secretary; Firmin Alexander, Connie DeLand, John McKay.

Staff Present: Robert S. Voigt, Executive Director; Kathryn Rosebear, Administrative Assistant.

The meeting was called to order at 3:15 p.m. by Stan Nelson, presiding.

I. Nominating Committee

Stan Nelson reviewed a list of current Board members (attached) and noted that the terms of 7 elected Board members expire in November as well as the terms of five appointed members. Bob Voigt added that, according to the Foundation's by-laws, a Board member can serve in an elected capacity for two consecutive three-year terms only. Three Board members -- Reuel Harmon, John McKay, and Dave Onan -- have now completed two elected terms. These members may be appointed for a one-year position or serve in an honorary capacity.

Stan Nelson proposed that the other members whose terms are expiring be asked to continue for an additional term. He suggested that Reuel Harmon, John McKay, Dave Onan and John Tilton be nominated for honorary directorships. John McKay stated he would be glad to continue in this status. Malcolm McDonald suggested these individuals could also be called "Founding Directors" as each as each has played a role in the establishment of the Foundation.

The criteria for serving on the Board was discussed. Committee members recommended several individuals for Board positions and a list of potential Board members was circulated for review. Committee members then accepted assignments to contact these individuals regarding their interest in gaining nominations to the Foundation Board.

A slate of recommended officers for the coming year was also discussed. Stan Nelson noted that five vice-presidential positions are proposed, each with well defined responsibilities for one area of the Foundation's fund-raising program. In addition, both the Secretary and the Treasurer would be actively involved in Foundation responsibilities. The plan was well received by committee members and approved.

A recommended slate of officers was agreed upon by the committee. Stan Nelson suggested each individual be contacted regarding Board and officer positions to determine their acceptance and reports be coordinated through

Bob Voigt within the next week.

II. Executive Committee

1. President's Report

Stan Nelson informed Board members that the Zoo Society Board of Directors and the Minnesota Zoo Board are having difficulty resolving their differences resulting from re-negotiation of their reciprocal agreement and, as a result, the Zoo Board has renewed the agreement only through their next meeting on November 17th. Action taken at the last Zoo Board meeting on October 15, 1981, requests that Ed Kohn and Rick Slowes of the Attorney General's office explore ways for the Zoo to take over functions previously performed by the Society. Stan Nelson explained these actions could lead to some adverse public relations which could affect the Foundation's activities in the private sector for a period of time. Connie DeLand suggested the Foundation continue to indicate its willingness to work with the Zoo Board and the Society Board for the benefit of the Zoo.

Stan Nelson then reported that, within the last several weeks, a great amount of work has been done on the materials necessary for the capital campaign. George Dehne of C. W. Shaver and Company, Board member Harold Webster and Foundation staff have worked to prepare a case statement, needs statement and slide show to be used by Board solicitors.

Stan Nelson also stated that he had offered to "test" the campaign materials and presentations on Steve Keating when the final drafts are prepared. The Foundation's consultants had also suggested testing the materials on several other community leaders. These tests had been postponed pending the activities of Dick Gray's Task Force and several other timing issues that are currently being resolved. Malcolm McDonald suggested that the campaign presentation also be made to the Bush Foundation as part of a request for continued funding of the Foundation's operations.

2. Treasurer's Report

The Financial Statement for the month ending September 30, 1981, was presented by Kathryn Rosebear. Income during the fiscal year has exceeded projections and expenses are lower than projected because the Zoo has not drawn funds for the Short Range Development Program as originally scheduled. This has enabled the Foundation to gain additional interest income on these funds. The Zoo did request \$30,000 during the month of October, however. Donations received during the month included a \$1,500 payment on the 1981 pledge of \$6,000 made to the Foundation by the Onan Family Foundation. These funds are used to support Foundation operating expenses. Expenditures for the month included a payment of approximately \$3,700 to the Foundation's consultants, C. W. Shaver and Company.

Dean McNeal asked whether the Zoo would make additional requests to the Foundation, creating a situation where the Foundation might not have sufficient funds to operate. Bob Voigt explained that the Foundation has committed \$127,900 for the Zoo's Short Range Development Program during the 1982 fiscal year and that no additional fund requests are anticipated.

Malcolm McDonald stressed that it makes sense for the Foundation to be separately funded at this point rather than relying on interest income from grants held for Zoo capital expansion or a fund balance of monies held for the Zoo. He encouraged the Foundation to seek operating support at this time.

3. Executive Director's Report

The Executive Director's Report was presented by Bob Voigt, who circulated the written report (attached). Mr. Voigt also displayed samples of three documents under preparation for the capital campaign -- the needs statement, the case statement and a statement of timelines, strategies and lists of major prospects. Mr. Voigt explained that the case statement was being prepared for prospects and that the other two statements would serve as information for campaign solicitors.

Mr. Voigt then previewed the campaign slide show being developed by the Shaver Company and Foundation staff for use in presentations to major prospects. The slide show, narrated by Mr. Voigt, ran approximately 12 minutes. Board members critiqued the slide show and offered suggestions for change.

Bob Voigt announced that the annual meeting of the Zoo Foundation would be held on November 5, 1981, at 3:00 p.m. in Conference Room A of the Northwestern National Bank of Minneapolis.

The meeting was adjourned at 5:00 p.m.

MINNESOTA ZOOLOGICAL GARDEN FOUNDATION
 Summary of Receipts and Disbursements
 September 30, 1981 - Third Month

	<u>Current Month</u>	<u>FY 1982 To Date</u>	<u>FY 1982 Budget To Date</u>
RECEIPTS:			
Contributions (Schedules 1 & 1A)	685.00	6,142.20	7,000.00
Net Special Events (Schedule 2)	(10.00)	62.40	-0-
Interest Income (Schedule 3)	4,997.86	19,964.77	14,549.00
Other Income (Schedule 4)	<u>1,837.46</u>	<u>2,552.88</u>	<u>2,400.00</u>
TOTAL RECEIPTS:	7,510.32	28,722.25	23,949.00
EXPENDITURES:			
Administrative Expenses (Sch. 5)	10,464.77	28,642.89	34,479.00
MZG Expenditures (Schedule 5)	1,109.60	1,706.64	-0-
MZG Short Range Development Expenditures (Schedule 5)	<u>-0--</u>	<u>3,314.60</u>	<u>54,300.00</u>
TOTAL EXPENDITURES:	11,574.37	33,664.13	88,779.00
*Excess of Receipts Over (Under) Disbursements	(4,064.05)	(4,941.88)	
 Cash and Invested Assets - Beginning of Period 9/1/81	 357,771.09	 358,648.92	
 Cash and Invested Assets - End of Period 9/30/81	 353,707.04	 353,707.04	
 Outstanding Commitments:			
FY 1982	37,800.00		
Future Fiscal Years	77,300.00		



Minnesota Zoological Garden Foundation

1422 West Lake Street, Suite 303 • Minneapolis, Minnesota 55408 • Phone (612) 827-3661

TO: Board of Directors
Minnesota Zoological Garden Foundation

FROM: Bob Voigt, Executive Director

DATE: October 21, 1981

RE: Executive Director's Report

OFFICERS AND DIRECTORS:

STANLEY J. NELSON
President
Minneapolis
MARGEE KINNEY
Vice President
Wayzata
MALCOLM McDONALD
Vice President
North Oaks
DEAN McNEAL
Secretary
Mound
W. ANDREW BOSS
Treasurer
St. Paul

FIRMIN ALEXANDER
Apple Valley
ANTHONY L. ANDERSEN
St. Paul
WALLACE C. DAYTON
Minneapolis
CONNIE DeLAND
Minneapolis
D. STEPHEN FARLEY
St. Paul
LOUIS I. GELFAND
Minneapolis
HERBERT GOLDENBERG
Minneapolis
RICHARD G. GRAY, SR.
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KATHY GRETSCH
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REUEL HARMON
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KENNETH M. KNOPF
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JOHN C. McKAY
South St. Paul
CHY MORRISON
Wayzata
DAVID W. ONAN, II
Wayzata
JOSEPH T. O'NEILL
St. Paul
WAYNE E. PETERSEN
Minneapolis
HAZEL REINHARDT
Minneapolis
GORDON ROSENMEIER
Little Falls
MARY ANN SCROGGINS
Afton
JAMES P. SMITH
Dayton
JOHN E. TILTON
Hopkins
HAROLD S. WEBSTER
Bloomington

EX-OFFICIO MEMBERS:

ROBERT L. BONAWITZ
President
Minnesota Zoological Society
JAMES L. HETLAND
Chairman
Minnesota Zoological Board
EDWARD KOHN
General Director
Minnesota Zoological Garden

EXECUTIVE DIRECTOR:

ROBERT S. VOIGT

This past month has been a time devoted to final assembly of material based upon the ideas and recommendations for a final needs statement, case statement and supporting documents that condense the Zoo's Capital Completion Plan into a brief summary report. There have been numerous meetings with George Dehne of the C. W. Shaver and Company and a couple meetings with Andy Currie, President of the company. These meetings have led to a number of subsequent meetings with Zoo staff in order to secure slides, current financial information and making sure that this communication approach is coordinated with the Zoo's marketing and other public information programs. In some instances we have gone directly to Zoo staff and in others instances we have coordinated our requests through Tom Chapel, the planner who has recently joined the Zoo staff for coordination of programs such as ours.

Perhaps one of the major highlights of this past month as well as several months has been the one-day training seminar on October 1st conducted by Henry Rosso, Director of The Fund Raising School from San Rafael, California. Mr. Rosso was in town to present a one-week school at the Spring Hill Conference Center for local development people. We were fortunate to have Mr. Rosso join our Board for a one day session. We had a total of 25 persons registered and there was active participation from members of the Zoo Board, Society Board as well as the Foundation Board of Directors. A summary of this meeting has been prepared and mailed to all Foundation Board members as well as those who attended from the other Boards. We believe that it will be extremely important to continue some of these ideas and proposed training sessions using the materials and strategies relating to the Foundation's on-going capital development program. Information and announcements of these subsequent informational sessions will be forthcoming.

Several final review sessions have been held with individuals from the accounting firm of Peat, Marwick, Mitchell and Company regarding the Foundation's audit for the fiscal year ending June 30, 1981. A final report will be presented at the Foundation's annual meeting on November 5, 1981.

Invitations were mailed to the Foundation's current donors as well as major prospects inviting them to attend a joint annual dinner of the Foundation and the Society to be held on Saturday, October 24th.

Nancy Gibson, Public Information Officer for the Minnesota Zoo, has informed us that the Smithsonian magazine will have both its cover as well as its lead story on the Minnesota Zoo for their December issue. We have ordered copies of this magazine for its distribution to our Board, major donors as well as use in soliciting gifts from major prospects. This magazine will be used with the other materials that will be part of the presentation program.

On October 8th, President Stan Nelson had as his guest for a tour of the Zoo James Binger, Vice President and Treasurer of the McKnight Foundation.

Lee Sanford, President of a company called Packaging Enterprises, has informed me that he is in process of developing a multi-year pledge towards the purchase of an Asian elephant for the Zoo's future Asian Large Mammal Exhibits. Mr. Sanford is also considering several options whereby he would match employee gifts and perhaps use the Zoo facilities for corporate picnics and other activities.

I had a most interesting opportunity in September to visit with Thomas Benjamin, Director of Development for the Buffalo Zoo. That organization is in the initial stages of a ten-year development program that has a goal of \$24,500,000. Putting an escalation factor for inflation brings the total cost up to \$40,000,000 during the next ten years. Of this amount, they are anticipating \$16,000,000 from federal funding, \$10,000,000 from state funding, \$7,000,000 from county funding, \$3,500,000 from city funding and \$3,500,000 from a capital campaign.

CALLS AND CONTACTS
8/27/81 - 10/19/81

Bachmans, Inc.	S. Bachman	Voigt
Baker School, International Falls	Lindahl	Voigt
Belwin Foundation	Bell	Voigt
Binger, James		Nelson
Buffalo Zoo	Benjamin	Voigt
Burlington Northern	Kenady	Voigt
Cooper, Jane		Rosebear
Daffidils Garden Club	Olson, Kettner	Rosebear
Dye Family Foundation	Knopf, Woerhle	Voigt
Hawes, Brian, Memorial	C. Rand & family	Rosebear
Horwitz, Ted		Rosebear
Jamar, Walker		Voigt
Litton Microwave Products	Phillips	Rosebear
Onan Family Foundation	Smith	Voigt
Packaging Enterprises	Sanford	Voigt
Ramstad, Jim		Voigt
Samuelson, Len		Voigt
South Suburban Women's Club		Rosebear
Von Behren, Thomas		Voigt

Avoid Others' Mistakes A Checklist Of Don'ts

In planning and preparing for a fund drive, many organizations look at the successes of others. They look for certain guiding principles that can help them achieve similar results. Another, and perhaps more insightful, way of approaching the "how-to" of successful fund raising is to look at some of the mistakes common to organizations involved in fund raising endeavors. By avoiding these often-encountered problems, you can save a good deal of time and energy.

The Don'ts of Fund Raising

Don't leave the pledge card blank and impersonal. A basic fund raising tool is the pledge card. It is used by the solicitor to persuade the prospect to make a commitment to the campaign. The way to make the most of the pledge card is to personalize it.

This means typing the name of the prospect on the card before the gift is made. This not only impresses the prospect, but provides a good check on solicitation. Each prospect will have only one pledge card, and the volunteer solicitor will know exactly to whom he/she has been assigned.

Don't avoid prospect review. The systematic review of prospect information and the selection of a target amount for each prospect in the major giving categories is absolutely essential. Very few prospects are offended to have a specific amount suggested to them. On the contrary, they are oftentimes flattered that you have given their gift so much thought.

The best way to realistically evaluate donor prospects is through prospect review. It can be conducted either in small groups of two or three, or larger groups, depending on the preferences of your volunteers. It is im-

portant, however, that each prospect be reviewed two or more times in order to ensure that the target amount is reasonable.

Don't limp along too long without a general chairman. There is a saying in fund raising that when it comes to the general chairman of a campaign, the "best is just barely good enough." This is true because raising money is always a difficult proposition. On the other hand, a campaign and an institution can be severely injured if the struggle goes on too long without a leader. Usually a compromise candidate can be found and, with proper backup and support, the job can be accomplished.

Don't think the campaign can be conducted without frequent meetings of the campaign leadership. It would save time and money if the campaign could move forward without the expense and bother of getting the leadership together. However, experience has repeatedly proven that this can't be done. Campaigns are run by people who are working together to reach a common goal.

Meetings are needed to effectively develop and communicate the campaign strategy. By gathering your volunteers together, the proper atmosphere of excitement and dedication needed to set the pace of the campaign can be created. Meetings also offer volunteers the opportunity to speak out and discuss problems they've encountered as well as to offer suggestions for improving campaign procedures.

Preliminary meetings of the volunteers are especially important for identifying leaders. Careful observance of your volunteers can provide insight into their personalities and thus provide for smoother campaign organization in the long run. So don't forget: meetings are essential.

Don't permit overly critical people, negative attitudes, nit-picking or a fearfully cautious attitude to ruin your campaign. Fund raising campaigns can bring out the best and the worst in people. Although most volunteers provide their service with enthusiasm, one sometimes encounters the negative board member who never wanted the campaign in the first place or the quarrelsome volunteer who would rather argue than get the job done. Even staff members can undermine the effort.

Being able to handle these personalities is as important as dealing with your prospects. The best thing to do is to direct attention away from the negatives and continue to reinforce a positive, cooperative and encouraging attitude. As far as mistakes go, one must learn to accept that they will occur.

There are no definite answers and no set ways for handling every situation. Often, one must choose an option and take the plunge. If something does not seem to be

working, try to correct it immediately. Fund raising campaigns run on optimism. An atmosphere of panic, crisis, negativism, destructive criticism and perfectionism will not serve any useful purpose. Many campaigns and institutions have been permanently harmed by these attitudes.

Don't ignore your timetable. When the campaign timetable is set up at the start, it is understood that it is to be flexible. No one can adhere to these calendars with absolute fidelity. Don't, however, just ignore the

"The systematic review of prospect information and the selection of a target amount for each prospect in the major giving categories is absolutely essential. Very few prospects are offended to have a specific amount suggested to them. On the contrary, they are oftentimes flattered that you have given their gift so much thought."

dates and let important functions lag behind. Not only does this result in actual failures in terms of solicitation and cultivation of donors, but it also creates a free-and-easy atmosphere in which few campaigns can survive.

Those organizations that consider the fund raising "don'ts" as well as the "do's" are one step ahead of the game. With a clear understanding of the entire picture, they can keep the campaign on its proper course. •

*Communications
in
Fund Raising*

*by
Charles Webb*

MINNESOTA ZOOLOGICAL GARDEN FOUNDATION

Board of Directors Meeting
August 27, 1981

Minutes

A meeting of the Board of Directors of the Minnesota Zoological Garden Foundation was held on Thursday, August 27, 1981, at 3:00 p.m. in Conference Room A, Northwestern National Bank of Minneapolis.

Members Present: Stanley Nelson, President; Margee Kinney, Vice President; Dean McNeal, Secretary; Andy Boss, Treasurer; Firmin Alexander, Connie DeLand, Steve Farley, John McKay, Harold Webster, Jim Hetland, ex officio.

Staff Present: Robert Voigt, Executive Director; Kathryn Rosebear, Administrative Assistant.

Others Present: Andrew Currie and George Dehne, C. W. Shaver and Company; Karla Williams, Executive Director, Minnesota Zoological Society.

The meeting was called to order at 3:10 p.m. by Stan Nelson, presiding.

I. Minutes of Board of Directors Meeting, July 22, 1981

Steve Farley moved that the minutes of the Board of Directors meeting held July 22, 1981, be accepted as written and mailed to Board members prior to the meeting. The motion was seconded by Margee Kinney. Motion Carried Unanimously.

II. Financial Report

Treasurer Andy Boss deferred to Bob Voigt to present the financial statement for the period ending July 31, 1981. Bob Voigt, noting that the report represented the first month of the new fiscal year, reported that the Foundation had received more donations than expected and had incurred fewer expenses.

Firmin Alexander asked what pledges on current commitments were still outstanding. Bob Voigt responded that approximately \$60,000 in pledges are due during the current fiscal year and that this amount represents most of pledges still outstanding.

Connie DeLand moved to approve the Financial Report. The motion was seconded by Margee Kinney. Motion Carried Unanimously.

III. Executive Director's Report

The Executive Director's Report was presented by Bob Voigt, who referred to the written report (attached). Mr. Voigt briefly reported that within the last month Foundation staff has spent considerably more time planning and organizing for fund-raising than in direct solicitation. Meetings have been held to discuss marketing approaches with the Marketing/Communications Committee and to discuss timelines and schedules for Dick Gray's Task Force.

Stan Nelson added that he and Bob Voigt had met with Dick Gray several times during the last month to discuss the Task Force concept. The concept of

the Task Force had originated a year ago in the Public Relations Advisory Committee chaired by Mr. Gray. As conceived, the Task Force would bring together approximately 25 top business people from the Twin Cities community for input on enhancing the Zoo's image in the community. Mr. Gray mailed a letter of invitation to a selected list of individuals and only a few responded that they could participate. Mr. Gray then sent to the list a second letter explaining that the response to his invitation had been sparse, and several who originally stated they could not participate responded with an offer of assistance. A schedule for the Task Force meetings has been prepared, with the first meeting scheduled for October 2nd.

Stan Nelson explained that several Board members and Bob Voigt are currently preparing a presentation which can be made to top business people. Materials, audio-visual presentations and individual presentations by Board members are being reviewed for a test case prior to the Task Force presentation.

Several Board members expressed concern that the five-meeting schedule of the Task Force might be too great a time commitment for many of the individuals who have offered to attend. Individuals who have offered to participate include Wally Scott, Reuel Harmon, Sandy Bemis, Don McCarthy, Bill Pierce, and Bob Kinney.

Bob Voigt also reported that a representative from the Foundation's auditors, Peat, Marwick, Mitchell and Company, had been in the Foundation office during the last month to review Foundation records and books as part of the regular annual audit of the Foundation's financial statements.

V. New Business

A. Change in Zoo Board revised/approved Short-Range Development Program

Bob Voigt reported that the Zoo Board, at its meeting on July 16, 1981, approved the redistribution of reserve and uncommitted Short Range Development Program funds totaling \$41,821 to the Musk Oxen Pathway project. Five major projects within the Short Range Development Program have been completed under budget, and these funds can be used to complete a pedestrian pathway to the musk oxen exhibit. Northern Trail funds received by the Foundation but uncommitted to construction projects can be used for this project; unrestricted funds originally committed to the projects which were completed under budget are now freed for future commitment.

Dean McNeal moved that the Foundation Board approve the redistribution of \$41,821 in Short Range Development Program funds to the Musk Oxen Pathway. The motion was seconded by John McKay. Motion Carried Unanimously.

Special Presentation -- Campaign Strategy

Stan Nelson introduced Andy Currie, President of the C. W. Shaver and Company, who presented his views to the Board on the Foundation's capital campaign and campaign strategy.

Mr. Currie first stated that, to develop momentum for the campaign, the Foundation and Zoo must go "on the offensive." The conceptual framework of the campaign depends on developing a sense of urgency which justifies the completion of the Zoo. Mr. Currie stated the campaign must be accomplished in a "join me" environment which encourages new leadership in support of the Zoo.

Mr. Currie cited the cases of Carleton College and the Minnesota Orchestra which both had raised substantial portions of their capital campaign goals from their leadership prior to announcing their campaigns. Part of the Foundation's strategy for its capital campaign must be to get this leadership; the leaders of this community must understand that they have a responsibility to the Zoo.

Mr. Currie stated the theme of the campaign should be to complete the Zoo. He suggested the private sector would not join in this effort until the State of Minnesota takes the lead; he added that this State leadership does not seem possible at this time. He suggested using private sector support to gain leverage for State support.

Stan Nelson noted that the presentation under development for top business people is being designed to reach leadership and gain the strong support of community leaders such as Steve Keating. Andy Currie suggested the case developed be tested not only with Mr. Keating but with two or three community leaders such as Harry Holtz and Carl Drake.

Board members then asked what opportunities might exist for public sector support of the Zoo. Jim Hetland responded that the potential of future State support is unknown at this time given the State's financial problems and several other issues. Mr. Hetland thought the Zoo might be able to gain \$1 or \$2 million but not larger amounts. Andy Currie noted that support from top business people and community leaders is also needed to reach the legislature.

Dean McNeal added that the Foundation needs donors who will solicit gifts, similar to the campaign held by the Minnesota Orchestra in which top givers did the asking; the Task Force to be convened by Dick Gray could offer leadership for the campaign.

Andy Currie further stated that the Foundation did not need a large staff to meet its fund-raising goals as the addition of staff would not raise money. Leadership and a strong urgent case will raise money.

Stan Nelson suggested the proposed members of the Task Force don't care about the Zoo currently; the Task Force could involve them in the Zoo, leading to greater leadership on their part.

Andy Currie summarized his remarks by stating that the Zoo needs to be finished. The Zoo is undercapitalized. More was promised. The Zoo has accomplished a great deal. It can do more if additional exhibits are added. The Zoo is a prototype for future zoos. The Zoo is a top attraction in an area of many fine attractions. The amount needed for completion is a rather small amount to the State of Minnesota and, with leadership rallied, the Zoo should get the attention and funding it needs. In the Foundation's first campaign, the private sector was invited to match public sector funds for Zoo construction. In this campaign, the public sector should join the private sector in completing the Zoo.

Firmin Alexander stated he liked the strategy presented by Andy Currie and understood Jim Hetland's concerns about the potential of legislative funding. He suggested the essence of Mr. Currie's and Mr. Hetland's comments be relayed to Dick Gray.

Stan Nelson then introduced George Dehne of the C. W. Shaver and Company, who presented a proposal for a campaign case statement.

Mr. Dehne circulated a copy of the proposed case statement to each Board member,

explaining that a case statement for a campaign is written for publication. The case statement can be printed in booklet form or left in draft, and can be given as a statement of rationale to Board members, donors and prospects. In addition, the case statement is also the "party line", or guidelines for the Board for verbal presentations, conversations regarding the purpose of the campaign, etc. In preparing this case statement, Mr. Dehne attempted to answer the question of why Minnesota needs a Zoo and what Minnesota has gained as a result of the Zoo. *- the why from a marketing view*

The case statement focuses on several major concepts to provide a rationale for the campaign. First, it focuses on the concept of the northern part of the United States and problems inherent to the North -- weather, energy demands, etc. Mr. Dehne expressed his opinion that a "star" of the north is needed, and the Zoo specializes in northern animals and Minnesota animals. Secondly, Zoo surveys indicate the Zoo attracts the type of people Minnesota wants -- managerial, professional people, generally with higher salaries than average. Mr. Dehne noted this was an elitist argument, but one that would be effective with business leaders who need to attract and keep top managerial staff in this area. Thirdly, the Zoo is a high technology Zoo in a high technology area; this is an example of Minnesota's strength in this area. Fourth, the Zoo is a family organization, a strong factor when concern is so often expressed over the decline or dissolution of the family. Fifth, the economic impact of the Zoo is expressed through statements which indicate the impact of the Zoo on the expenditure of tourism dollars. Finally, the concept that the Zoo is a world-class facility, far superior to others in the Upper Midwest, is expressed with the opinion that the Zoo has the potential to become premier.

The case statement also draws a parallel between the Zoo and the University of Minnesota, both of which operate in the public sector. The University law school, medical school and technical school can operate without the private sector support they receive but can excel with that support. The case statement in essence asks for private sector support to improve the quality of the Zoo for the benefit of the people of Minnesota. Emphasis is on the idea of a Minnesota Zoo rather than a Minnesota State Zoo. Also, current national political philosophy is shifting from less governmental support to more private sector support.

Harold Webster, Chairman of the Marketing/Communications Committee, then reported on committee activity. Since the last Board meeting, the committee has met twice to consider two major tasks: (1) the development of a printed case statement, under preparation by Jeff Willius, and (2) the development of a communications plan. In a Marketing Committee meeting held August 27th, the committee decided the case statement prepared by George Dehne should become the backbone of materials to be prepared for the campaign. Jeff Willius was asked to take the written statement and tie it into the promotional pieces under development. The committee also has met with Joe Delmont of Coleman-Christison, the Zoo's advertising agency, to review a communications plan prepared by them for consideration by the Foundation. The plan as proposed is a broad-based publicity plan with good ideas which the Foundation may implement at any time. The first task of the Foundation, however, would be to develop and implement an approach which focuses on communicating to the 300 or so decision-makers in this community.

Mr. Webster stated that the committee is continuing to meet to finalize these plans. In the meantime, the committee has proposed intensifying the Zoo's image by gaining both national publicity and perhaps an article on the Zoo from a management perspective in Corporate Report. The public relations/communications programs under consideration by the Marketing Committee are seen as supplemental to the Zoo's programs, building on the solid base already established by the Zoo.

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Stan Nelson commented that the case statement presented a well-organized, managed pitch for the campaign. Margee Kinney suggested the case also present in a subtle way the concept that an unfinished Zoo is an embarrassment to the State of Minnesota in that Minnesotans both start and finish things. She noted that Minnesota doesn't have only half an Art Institute or half a Guthrie Theater. Steve Farley suggested this approach might be particularly powerful with the Minnesota legislature. *But then they ask why it isn't done*

Discussion followed on the need to gain legislative support. Jim Hetland stated that critical decisions are influenced by approximately 12 persons in the Senate and 12 persons in the House. Andy Currie stated that this number should be considered a primary target audience with the critical audience of approximately 35 people in the private sector. Their opinions and actions will raise the needed dollars.

Harold Webster asked about the Foundation's role in influencing the legislature. Stan Nelson answered that legislative action has been the responsibility of the Zoo Board and the Foundation has not been involved in this activity. Harold Webster suggested the Foundation focus narrowly on the group it needs to influence. Bob Voigt added that the Foundation in essence needs two "rifles" -- one aimed at the private sector and one aimed at the public sector influentials.

gnd { Dean McNeal suggested the final case statement also answer for corporations the question of how the Zoo and its further development helps corporate employees. George Dehne stated that an answer to this question is part of the strategy under consideration. Margee Kinney suggested the case statement also include a discussion of current governmental economic policies as most of the audience would agree with the policy of less government intervention and funding of programs.

Harold Webster then stated that George Dehne had prepared, as part of the communications plan, a list of six "linkages" with local organizations and corporations suggested to build good will and image.

B. Budget 1981-82

Stan Nelson asked Andy Boss to present the proposed budget for fiscal year 1982 to the Board. Mr. Boss deferred to Bob Voigt for a presentation of the proposed budget.

Bob Voigt stated that he, Andy Boss and Stan Nelson had met on several occasions to discuss operating needs. The proposed budget, reviewed at previous Board meetings, is basically an extension of the Foundation's previous operating budget with a percentage added to cover inflation. The budget does include allowance for three salaries, though since the resignation of Deana Miller, Foundation secretary, only two people are employed by the Foundation. The budget also includes \$20,000 for program consultants and non-recurring fees and expenses; fees for work by the Shaver Company and Jeff Willius are considered in this category.

Andy Boss moved acceptance of the fiscal year 1981-82 Foundation operating budget as proposed. The motion was seconded by John McKay. Motion Carried Unanimously.

Bob Voigt then presented a letter of agreement from the Shaver Company proposing work by Andy Currie, George Dehne and others of the Shaver Company at the rate of \$600 per day for up to 10 days to assist in the development of the capital campaign. Andy Boss moved that the Foundation approve expenditures of up to \$6,000, or a maximum of ten days work at a rate of \$600 per day. The motion was seconded by Margee Kinney. Motion Carried Unanimously.

Harold Webster noted that \$20,000 would not cover expenses in a campaign situation; the \$20,000 budget has been proposed to cover only initial fees. Additional costs will be based on actual contracts for service established as part of the subsequent campaign budget.

VI. Other Information

A. Minnesota Zoological Garden

Jim Hetland, Chairman of the Zoo Board, commented that the Foundation's sense of urgency in starting the campaign was still evident, and the Zoo Board endorses and encourages it.

Mr. Hetland reported that the Dayton's department store had committed \$20,000 towards the Zoo's red panda exhibit. Dayton's has offered to publicize this gift in a joint announcement with the Foundation of the capital campaign. Mr. Hetland asked the Foundation Board whether the announcement of this gift might serve as a kick-off to the campaign.

Board members expressed concern that the Dayton's announcement not be combined with an announcement of the capital campaign at this time. In comparison to anticipated campaign gifts, the Dayton's contribution is smaller than will be expected, and the timing of the announcement is premature.

B. Minnesota Zoological Society

Karla Williams reported to Foundation Board members that a joint annual dinner of the two organizations was proposed for October 24, 1981. Kathryn Rosebear added that both the Foundation and the Society had sponsored annual dinners independently in the past. The event, as proposed, would be catered at the Zoo, and invitations would be sent to Foundation prospects and donors and Society members (see proposal, attached). A ticket price of \$15 per person was anticipated. A response to the Society's offer was needed at this meeting to meet their ZooNews publication deadline.

Firmin Alexander moved that the Foundation co-sponsor an annual dinner with the Zoo Society on October 24, 1981. The motion was seconded by Connie DeLand. Motion Carried Unanimously.

Bob Voigt then added that Karla Williams and others from the Society had met with Irene Whitney to discuss the possibility of a Zoo Ball or other event in the spring of 1982. Mrs. Whitney and several of her friends, including Marilyn Nelson, are interested in coordinating this event.

Discussion of the event followed. Stan Nelson asked whether this event might make first- and second-class citizens out of Society members. Karla Williams responded that, by sponsoring a Zoo Ball, the Society would be serving all demographics.

The Board asked Bob Voigt to continue to explore all opportunities associated with an event of this type and return to the Board with a recommendation regarding the Foundation's participation in such an event. Margee Kinney recommended contacting the Symphony Ball committee for their input.

The meeting was adjourned at 5:00 p.m.

a Zoo Ball for you for all the people. It would just enforce the elitist view. Perhaps study it as part of your work.

MINNESOTA ZOOLOGICAL GARDEN FOUNDATION
 Summary of Receipts and Disbursements
 July 31, 1981 - First Month

	Current Month	FY 1982 To Date	FY 1982 Budget To Date
	<u> </u>	<u> </u>	<u> </u>
RECEIPTS:			
Contributions (Schedules 1 & 1A)	5,110.00	5,110.00	500.00
Net Special Events (Schedule 2)	-0-	-0-	-0-
Interest Income (Schedule 3)	9,677.76	9,677.76	5,325.00
Other Income (Schedule 4)	<u>218.62</u>	<u>218.62</u>	<u>300.00</u>
TOTAL RECEIPTS:	15,006.38	15,006.38	6,125.00
EXPENDITURES:			
Administrative Expenses (Sch. 5)	8,624.78	8,624.78	9,293.00
MZG Expenditures (Schedule 5)	237.04	237.04	-0-
MZG Short Range Development Expenditures (Schedule 5)	<u>3,314.60</u>	<u>3,314.60</u>	<u>3,300.00</u>
TOTAL EXPENDITURES:	12,176.42	12,176.42	12,593.00
*Excess of Receipts Over (Under) Disbursements	2,829.96	2,829.96	
Cash and Invested Assets - Beginning of Period 7/1/81	358,648.92	358,648.92	
Cash and Invested Assets - End of Period 7/31/81	<u>361,478.88</u>	<u>361,478.88</u>	



Minnesota Zoological Garden Foundation

1422 West Lake Street, Suite 303 • Minneapolis, Minnesota 55408 • Phone (612) 827-3661

TO: Board of Directors
Minnesota Zoological Garden Foundation

FROM: Robert Voigt, Executive Director

DATE: August 27, 1981

SUBJECT: Executive Director's Report

OFFICERS AND DIRECTORS:

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Minneapolis
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Vice President

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Bloomington

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President

Minnesota Zoological Society

JAMES L. HETLAND
Chairman

Minnesota Zoological Board

EDWARD KOHN
General Director

Minnesota Zoological Garden

EXECUTIVE DIRECTOR:

ROBERT S. VOIGT

I. Administration

This past month reflects a great deal of activity associated with the work of the Marketing/Communications Committee headed by Harold Webster, the Task Force Advisory Committee headed by Dick Gray and all the related discussions with Andy Currie and George Dehne of the Shaver Company regarding establishing a formalized strategy for the next phase of the Foundation's fund-raising program. All three of these activities are inter-related. It is essential to have a presentation that develops both a better understanding as well as a desire to assist in the funding goals, a selection of key community leaders and potential donors, as well as a marketing approach to reach the target group. We also have a necessity of building a broader base of understanding and appreciation for the benefits which will be gained from the additions to the Zoo. Each of these three concepts have been a central focus in past efforts; however, they are being updated and strengthened so that they are more currently applicable to the recently approved Zoo Board Capital Completion Plan.

The Marketing/Communications Committee has met several times in order to review a proposal from Joe Delmont of the Zoo's advertising firm of Coleman and Christison. Mr. Delmont has recommended a series of approaches including publications of ads in leading local magazines as well as extensive use of the media to publicize the various segments of the Zoo's capital completion program. The initial ideas have been similar to the concept of broadening the base, reaching the total community and building the image which is similar to the basic elements of the Zoo's attendance development program. No formal action has been recommended to date by the Marketing/Communications Committee. Further analysis and recommendations will be closely allied with the total strategy being developed by the Shaver Company.

Dick Gray's Task Force is being reassembled for a series of five meetings during a six week segment of time starting October 2nd. The goal of this Task Force is to bring a group of approximately

twenty top community leaders together in order to gain a better understanding of the Zoo, its significance to our community, its leadership within the Zoo world for application of new philosophies and exhibit criteria, and to seek participation from these individuals and their peers in the immediate and long-term building of cultural linkages with our community.

The Shaver Company continues to provide counsel towards building a basic strategy which will bring together the numerous sources of financial support needed to secure the funds required for the Zoo's Capital Completion Plan.

The Foundation's accounting firm of Peat, Marwick, Mitchell and Company have been in the Foundation office this past month as part of their annual responsibility to prepare a certified audit of the Foundation's financial situation. The records reviewed were for the fiscal year ending June 30, 1981. It is expected that the final report will be available within the next 60 days.

Several opportunities for joint programs with the Minnesota Zoological Society were discussed with Karla Williams, Executive Director. The Zoo Society is scheduling their annual meeting for Saturday, October 24, 1981, and has invited the Foundation to participate in the evening program -- specifically to share any thoughts on the capital campaign or stages and other activities that are part of the on-going development program. Another activity being proposed for the spring of 1982 would be a "Zoo ball" of some similarity to the Symphony Ball sponsored by WAMSO each year for the Minnesota Orchestra. This would be a program on the Zoo site with specific objectives to introduce people to this sort of activity on behalf of the Zoo. Karla Williams has secured several reports and recommendations from other zoos who have sponsored similar events. The program would be social in nature but would be in effect a fund-raiser to some extent and certainly a way to build linkages and association with many people from our community.

II. Development

It is hard to believe but the Foundation has recently received several payments of pledges that were made for both the 1978 and the 1979 Zoo Walks on behalf of the Minnesota Zoo. These pledges amount to \$72.40.

As part of developing efficient and effective presentation approaches for soliciting participation or financial support for the Zoo Foundation, Stan Nelson, Wayne Petersen, and Harold Webster have met to discuss and establish a presentation format. Alterations and additions will be made as new materials are available and recommendations come from the adopted strategy.

Jeff Willius has obtained samples of artwork from professional illustrators who would be interested in and available for preparing illustrations of the Zoo's building program.

Recently I have been working on a committee for the Minnesota Chapter of the National Society of Fund Raising Executives regarding plans for a conference on deferred giving to be held in the Twin Cities area on November 5th. This is a one-day informational and training session presented by the Kennedy Sinclair firm out of New Jersey. This one-day program would be available to Board members as well as staff of local development organizations. If you are interested in attending, please let me know and I would be glad to make arrangements for you and share information on the specific program when that is obtained.

CALLS AND CONTACTS
7/23/81 - 8/26/81

Ashland Oil
Daffidils Garden Club
Fund-Raising School
Holloway, Michael
Kennedy Sinclair
Minneapolis YMCA
Neerland, Charles
Packaging Enterprises
Siverson, John
South Suburban Women's Club
Univac

Dowdy
Olson
Rosso

Mathias
Golberg

Sanford

Stangler
Ahlquist

Voigt
Rosebear
Voigt
Kohn
Voigt, Rosebear
Voigt
Webster
Kohn
Rosebear
Rosebear
Voigt

PROPOSED TASK FORCE AGENDA

- 1st Meeting: Friday, October 2nd -- lunch IDS Board Room -- presentation
2nd Meeting: Friday, October 9th -- at Zoo -- up to Task Force -- Zoo tour
3rd Meeting: Friday, October 16th -- first of two meetings -- brainstorm
4th Meeting: Friday, October 23rd -- brainstorm again
5th Meeting: Friday, November 6th -- decisions -- recommendations -- next steps
Week of November 9th -- write up conclusions

Examples of Presentation Materials for First Meeting

- Page 1 concise history of Zoo -- who, why, when, etc.
- Page 2 structure of Zoo -- relationships -- differences -- purposes
State Zoo Board
Foundation
Society
Organizational Chart
- Found* Page 3 Position -- Minnesota Zoo to the zoo world -- major -- new
--comparative information
--size -- attendance -- numbers -- etc.
- Found* Page 4 How has Zoo been financed to date -- from where -- summary
- Page 5 Current operating budget -- source of funds, etc. (Zoo only)
- Found* Page 6 Relationship of Zoo to other State cultural institutions
Guthrie attendance, budgets, etc.
Orchestra attendance, budgets, etc.
etc.
- Page 7 Master Plan for Zoo
I. Initial phase -- what's there
--include monorail
--interim development

II. Now, Capital Completion Plan -- Coming of Age
--goal to get Zoo The Thing in Community!
--desired position to be on board! to be involved!
--image has to be tops!
- Page 8 What is the Zoo
--most modern of animal presentations -- philosophy
--AAZPA recognition
--Education resource -- on-site -- traveling
--value statements, benefits, etc.

JOINT FOUNDATION/SOCIETY ANNUAL DINNER
PROPOSAL

The Minnesota Zoological Society has requested that the Zoo Foundation consider co-sponsoring an annual dinner event at the Zoo this fall. In the past, both the Foundation and Society have independently held annual dinners to which constituents were invited. The event would be primarily social, serving public relations and prospect cultivation objectives. Official business conducted at the event would be minimized.

Specific proposed details of the event follow:

DATE: Saturday, October 24, 1981

SCHEDULE: 6:30 p.m. - 7:30 p.m. Social Hour
Wine or sherry probably will be served. A classical guitarist will provide entertainment.

7:30 p.m. - 9:00 p.m. Dinner
The dinner will be prepared and served by a local caterer.

9:00 p.m. - 11:00 p.m. Program
--Bob Bonawitz, Zoo Society President, will report on the results and accomplishments of the Society's 20th year and will announce Society Board member and officer election results.

--Stan Nelson, Foundation President, would be invited to report on Foundation accomplishments and plans for the future.

--Ed Kohn, Zoo General Director, will speak on "The Future: Dreams for the Minnesota Zoo of Tomorrow."

PRICE: A ticket price of \$10 per person would be charged for the event.

INVITATIONS: The Society will invite its members through an announcement in the ZooNews. Invitations to Foundation prospects and donors would have to be printed and mailed at least three weeks prior to the event. The printing costs would be the Foundation's primary cost in this event; no bids on invitations and envelopes have been requested at this time. Invitations would be mailed to all prospects and donors on the Foundation's mailing list -- approximately 2,800 individuals. (Note: the ticket price, as previously established by the Society, would cover only the cost of the dinner -- not the cost of invitations and mailing).

ATTENDANCE: The Society expects approximately 150 of its members to attend this event. At past Foundation events, the Foundation has had 50 to 60 individuals attending. A total attendance of approximately 200 individuals is expected.

RESPONSE TO SOCIETY: To meet its newsletter publication timetable, the Zoo Society needs a response to its offer to co-sponsor this event by Friday, August 28th. A statement of joint co-sponsorship could then be announced in the next Society ZooNews.

MINNESOTA ZOOLOGICAL GARDEN FOUNDATION - Capital Completion Plan

Proposed introductory copy for case statement publication:

The pieces of a puzzle. When seen individually, they belie the complexity of their completed pattern. Or is it the other way around?

Every worthwhile endeavor embodies the analogy, but none so much as that which remains incomplete.

The development of the Minnesota Zoo, beginning in 1964, brought together the hopes, the energies, the imagination, the talents and resources of every sector of the State of Minnesota. Corporations, foundations, individual benefactors, the public and its legislators -- all proudly ^{fitted} ~~fit~~ their pieces into the puzzle. By May, 1978, the image of their accomplishment had begun to take shape, and the new zoo opened its gates to its first visitors.

In three years of operation, the Minnesota Zoo has distinguished itself as a first-rate zoo, respected nationally for its accomplishments to date. But the concept around which the Zoo was first built remains incomplete.

To assure the realization of its founding concept, the Minnesota Zoo has announced a major capital completion plan.

Each organization and each individual who has taken part in the formation of the Zoo now holds another piece of the unfinished puzzle. With the thoughtful and timely placement of each one, the Minnesota Zoo can become more than a facility of national note... it can become a point of pride to all Minnesotans... a superior world-class zoo.

Ed - We would appreciate
your comments. BSS
Revised 1/13/81

Why does Minnesota need a musk-ox?

What difference does it make to the people of Minnesota, the nation or the world that a herd of musk-ox -- long haired shaggy creatures nearly extinct -- graze on native foliage at the Minnesota Zoological Garden? Why should time, energy, and money be used to present and protect a species which has very little use in a highly technological age?

The musk-ox is both a necessary guest of and symbolizes the Minnesota Zoological Garden.

Like the Minnesota Zoological Garden, the musk-ox is a product of the north

Long before Minnesotans discovered that the layering of clothing was the best protection against the cold, the musk-ox had developed a multi-layered coat -- the underlayer, soft and fuzzy, the top layer coarse and thick. Centuries ago when musk-ox roamed free through the northern tier of the world, they were to the north what the elephant is to Africa -- indomitable.

The Minnesota Zoo has nearly gained that status in the world of zoos. In three short years, the Minnesota Zoological Garden is ranked as one of the top five zoos in the nation. It has the highest winter attendance of any zoo in the snow belt of the United States and, despite the fact that it is incomplete, the Minnesota Zoological Garden ranks eighth in overall attendance. This record endures against long-standing national attractions like the National Zoo in Washington, D.C., the Philadelphia Zoo and the San Diego Zoo. Each year, since its opening, it has attracted more people than any other Minnesota organization -- including the Minnesota Twins. In fact, its nearly 1 million visitors annually makes it the largest single attraction in Upper Midwest.

MSW

With the completion of the northern trek and eventually the entire zoo, the Minnesota Zoological Garden could be the star of the north, Minnesota's institution of world stature.

The musk-ox was once a native of Minnesota

Strong, resilient, practically impervious to chill from wind, rain or snow, the musk-ox, in some ways, have the same inner-strength has the people of Minnesota. Interestingly, in addition to the northern reaches of the North American continent, the musk-ox are native to Scandinavia.

The Zoological Garden is fortunate to have its roots in Minnesota. Perhaps more than any other state, the people of Minnesota appreciate quality whether its in their museums, orchestra, parks or zoos. Their support in attendance and tax dollars has insured the Minnesota Zoological Garden as a landmark institution. In only three years, more than one-third of the states population has visited the zoo and a remarkable 40 percent have already made a return visit. One out of every 200 Minnesotans is a member of the Minnesota Zoological Society -- ^{nearly} the highest percentage of any large zoo in the country. Many return with guests from out-of-state to show off "their zoo."

San Diego
801 170

The visitors of the zoo, however, while a cross-section, are in a large part representative of the backbone of the Minnesota economy. According to a study by the University of Minnesota School of Management team, compared to non-visitors, visitors to the Minnesota Zoological Garden are either in professional or managerial roles, have higher salaries, more education, and are younger -- the type of people who keep the high-technological and agri-business areas running or improve, through their work and community involvement, the quality

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SHAVER & COMPANY, INC.

of life of Minnesota. Visitors view the natural setting of the Minnesota Zoological Garden as very important and few are concerned with the weather. Virtually all visitors said they would attend more often if there were more exhibits. (It's important to note that 84% of the non-visitors said they liked zoos but had not yet gotten out to the Minnesota Zoological Garden.)

few.

In addition to the Minnesota Zoological Garden's site -- a location which exemplifies the natural beauty of Minnesota -- the zoo designers have taken extraordinary care in utilizing the terrain and the natural vegetation. Even the rock formations -- actually cast concrete structures -- are molded from the rock area of Taylor's Falls, Minnesota, and the Winona limestone region.

The musk-ox lives in herds

The musk-ox "family" consists of a male, several females, and the young which always remain in close proximity to each other. The young musk-ox can be seen grazing, nursing or frolicking in the Minnesota Zoological Garden.

But the Minnesota Zoological Garden is designed for both the musk-ox and human families. No activity, except for weddings and funerals, brings generations together like a zoo. The discovery which takes place can be shared by family members for days, months, and even years after the visit. (That) is why, according to a recent survey, 80% of the Minnesota Zoological Garden visitors are families. Equally important, however, 72 percent of the visitors believe the Minnesota Zoological Garden is equal fun for children as adults. *as well as*

Of course, the greatest attraction is the playfulness of young animals and their interaction with their parents. Due to the natural setting, modern

per
equipment and genetic research, the Minnesota Zoo has had remarkable success in breeding both exotic, endangered, and common species. Few zoos, for example, have successfully bred the endangered clouded leopard, the puma, or the musk-ox. These and other young are enjoyable additions to the zoo community and present the whole range of ages in a species.

The Musk-Ox is unusual

per
The musk-ox, along with the 346 mammals, 437 birds, and hundreds of reptiles, fish, and amphibians, bring people to the zoo for recreation, entertainment, and education. Of the nearly one million visitors each year, nearly 25 percent are from outside the seven country metro area and more than 20 percent are from out-of-state. Each out-of-state visitor is estimated to spend about \$285 per trip and each non-metro visitor will probably spend \$108 per visit. This equals about an \$82 million dollar ^{part of} addition to the metro-area economy and a significant contribution to tourism, Minnesota's largest industry. In addition, these expenditures produce about \$5.8 million in state revenues through sales, liquor, and gasoline taxes.

Because the zoo residents are unusual, so are the educational opportunities at the Minnesota Zoological Garden. Approximately ^{60,000} ~~120,000~~ school children from 90 percent of the Minnesota counties visit the zoo each year to see the exhibits, learn about animal behavior, visit the Zoo Lab and learn about the fragile balance between man and his natural environment. The zoo also offers classes on animal behavior for elementary and secondary school teachers in the 480-acre laboratory. Breck School students attended eight weeks of classes at the zoo. Educational opportunities are diverse and expanding.

The Minnesota Zoological Garden is also unusual. This zoo could not have been built 20 years ago. It is a product of our technological age. Everything from concepts of breeding animals, to using solar energy for heating involve sophisticated technology and equipment.

The advanced architectural design and the complex service operations are representative, in some ways, of Minnesota's own progressive, innovative, and resourceful heritage.

The experimentation and technology have made the quality of viewing experience at the Minnesota Zoo unmatched by any other such institution. Because the animals are rotated in shifts, the activity, at any given time, is the highest of any zoo. One has a sense of enjoying the animals' natural environment rather than a sense of walking among people with animals added. The changing Minnesota weather actually enhances the experience and reality of the exhibits.

The professional review team from American Association of Zoological Parks and Aquariums summed up their visit this way: "It is most certainly one of the mainstream zoological institutions in the U.S. and a great credit to the AAZPA ... the Minnesota Trail is probably the finest exhibit sequence of its type anywhere ... the zoo is a handsome facility which exhibits its collections meaningfully and interprets them effectively to its audience. The programs are outstanding and demonstrate considerable thought and innovation." The Minnesota Zoo is one of only 40 zoos accredited by the AAZPA.

The musk-ox are a threatened species -- nearly extinct except for small domesticated herds in Alaska, Canada, and Greenland

The musk-ox, in effect, needs the Minnesota Zoological Garden. They have only been successfully bred in the San Francisco Zoo and the Minnesota Zoological Garden. The cool temperatures in both sites are conducive to successful reproduction.

Yet the musk-ox is only one of several threatened or endangered species which the Minnesota Zoo has successfully bred. In fact, one of the stated objectives of the zoo, long before a site was chosen, was that the "Zoo shall emphasize the propagation of one or more endangered species appropriate to this climate." While there are births in the tropical exhibit as well, the greatest concern is for the species in the northern trek and the Minnesota exhibit -- the animals of the north. (N.M.S.)

Unfortunately, many species at the Minnesota Zoological Garden now only exist in zoos because their natural habitats have been destroyed or altered beyond recognition. Many species will never be returned to the wild. This, then, is another purpose of the zoo -- to insure the right to exist of a wide variety of separate life forms, although in far fewer numbers.

At the Minnesota Zoological Garden, men, women, and children can better comprehend that humans, animals, and plants must co-exist if this is to be a healthy world. As Minnesota Zoological Garden zoo director Edward Kohn explains it: "There is no other justification for captivity of any species ^{in a public zoo} if we cannot ~~prove to~~ ^{to convince} our visitors that we are just co-inhabitants of this earth world."

etc

Reverse

think them bring we cannot prove to earth world.

to convince

The Minnesota Zoological Garden already has a herd of musk-oxen

But to be complete, the Minnesota Zoo must add caribou, wolf^s, polar bears, the arctic fox, and a variety of birds and smaller mammals, to name a few. The promise of the Minnesota Zoological Garden is yet unfulfilled. It is expected to cost another \$23 million in the next 10 years to make the zoo what it can be -- the finest zoo in the north *and one of the great zoos of the world.*

The state has generously supported and funded the initial phases of the development but to expand, it must be thought of as the Minnesota Zoo not the Minnesota State Zoo. Just as the University of Minnesota requires financial assistance from the private sector, to improve or insure the quality of programs in medicine, law, business, and technology, the Minnesota Zoo must also seek private support -- not to operate but ^{to} expand and improve. Many people feel that the citizens of this country have mandated less government interference in all aspects of our lives. The quality of life in Minnesota, as elsewhere, will therefore have to be maintained and raised through private sources -- both large and small. An investment in the growth of the zoo, however, is not a great risk. With ^{up to or approximately} ₁ one million people served by the zoo each year (four times the number of students in the state university system) and a potential for greater use once expansion is completed -- an investment will provide returns to Minnesota and its visitors for years to come. Through your support, the Minnesota Zoological Garden will not only be world-class, but premier.



Minnesota Zoological Garden Foundation

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SPECIAL NOTICE

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EXECUTIVE DIRECTOR:

ROBERT S. VOIGT

DUE TO THE STATE EMPLOYEES STRIKE

- (1) The Minnesota Zoo is CLOSED until further notice.
- (2) The Zoo Foundation Board Meeting on July 22nd has been MOVED to:

Same date - July 22nd
Same time - 3:00 p.m.
Conference Room A (new location)
Northwestern National Bank
6th and Marquette
Minneapolis, Minnesota
- (3) The Zoo Board Brunch in honor of Firmin Alexander and John Tilton scheduled for Saturday, July 25th, has been CANCELLED.

7/20/81
RSV/dm

TO: FOUNDATION BOARD MEMBERS

At the Zoo Board Meeting on July 16th, the following Resolution was adopted.

Zoo seeks private funds for exhibits

Associated Press

7/20/81

Private donations will be solicited by the Minnesota State Zoo to pay for such additions as polar-marine and wolf exhibits, an ocean aquarium and an insect display.

The zoo board last week approved a three-stage plan, including a drive for private funds. The State Legislature had denied the zoo, located in Apple Valley south of the Twin Cities, funds for such construction projects.

Nancy Gibson, public information officer for the zoo, said the initial expansion, to cost some \$5.2 million, would include an exhibit of such species as timber wolves, prairie dogs, caribou and shorebirds. Another, a polar-marine exhibit, would include wolves, polar bears, sea birds and Arctic foxes.

Another would display black bears, and a "Minnesota interior" exhibit would feature mink, muskrat and a woodland setting. Other additions planned are a red panda exhibit, insect zoo and ocean laboratory and aquarium. Zoo officials hope to complete that by 1985.

A second phase of zoo expansion, costing some \$9.6 million, would enable visitors to view such animal and fowl as mountain goats, snow leopards, eagles, rhinoceroses and elephants. Also included in that part of the expansion would be capital improvements such as a visitors service area, with stores, restaurants and amphitheater.

A third major project, with an estimated \$5 million price tag would be a fresh-water exhibit in collaboration with the Fresh Water Biological Institute in Navarre.

MOTIONS OF MEETING

NAME: MINNESOTA ZOOLOGICAL GARDEN

DATE: JUNE 25, 1981

PRESENT: H. REINHARDT, CHAIR; T. HENGESTEG, J. KENNEDY, P. ZOLLMAN.

OTHER BOARD MEMBERS: S. DOYLE, R. GORT.

STAFF: E. KOHN, D. BENDER, S. FRIEDMAN, S. ISERMAN.

PURPOSE: OPERATIONS COMMITTEE MEETING

MOTION, made by P. Zollman, seconded by J. Kennedy that the Operations Committee recommend that the Minnesota Zoological Board authorize:

(a) full pursuit of funding, planning and construction of those units and their composite projects of the Capital Completion Plan (as presented June 25, 1981) now scheduled for completion through 1985, including Wolf: prairie dog, caribou, wolf, shorebird; Polar-Marine: walrus, polar bear, sea-bird, arctic fox; Black Bear; Minnesota Interior: mink/muskrat, diurnal woodland, diurnal lab; Plaza: red panda; Insect Zoo; Ocean Lab; Ocean Aquaria: tidal pool, sea snake, octopus;

(b) continued study and future scheduling of the remaining units, including Alpine: Rocky Mountain goat, snow leopard, red panda, eagle; Asian Large Mammals - Indoors: Tropics lab, parrots, reptiles, orangutan, elephant; Asian Large Mammals - Outdoors: elephant, rhinoceros, gaur, swine, monsoon woodland, jackal, raptor; Visitor Services Facilities: stores, restaurant, performing arts amphitheater);

(c) proceeding with Freshwater World as early as associated funding may be achieved.

MOTION CARRIED UNANIMOUSLY.



Minnesota Zoological Garden Foundation

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MEETING NOTICE

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• North Oaks
DEAN McNEAL
Secretary
Mound
W. ANDREW BOSS
Treasurer
St. Paul

BOARD OF DIRECTORS

Wednesday, July 22, 1981

3:00 p.m.

Board Room
Minnesota Zoological Garden
Apple Valley, Minnesota

FIRMIN ALEXANDER
Apple Valley
ANTHONY L. ANDERSEN
St. Paul
WALLACE C. DAYTON
Minneapolis
CONNIE DeLAND
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D. STEPHEN FARLEY
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Bloomington

AGENDA

SPECIAL PRESENTATION - MZG CAPITAL COMPLETION PLAN
(1981-1990)

E. Kohn

- I. Treasurer's Report -
- Fiscal Year ending 6/30/81
Budget year ending 6/30/82
- A. Boss
- II. Executive Director's Report
- R. Voigt
- III. Committee Reports
- IV. Program Strategies: 1981 - 1982
- S. Nelson

RSV/dm
6/30/81

EX-OFFICIO MEMBERS:

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Minnesota Zoological Society
JAMES L. HETLAND
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Minnesota Zoological Board
EDWARD KOHN
General Director
Minnesota Zoological Garden

EXECUTIVE DIRECTOR:

ROBERT S. VOIGT

P.S. Please call Deana at the Foundation Office, 827-3661,
to confirm your attendance.

cc Div. Directors

MINNESOTA ZOOLOGICAL GARDEN FOUNDATION

Board of Directors Meeting
July 22, 1981

Minutes

A meeting of the Board of Directors of the Minnesota Zoological Garden Foundation was held on Wednesday, July 22, 1981, at 3:00 p.m. in Conference Room A of the Northwestern National Bank of Minneapolis.

Members Present: Malcolm McDonald, Vice President; Margee Kinney, Vice President; Firmin Alexander, Stephen Farley, Kathy Gretsche, Chy Morrison, Joseph O'Neill, Gordon Rosenmeier, James Smith, Harold Webster, Edward Kohn, ex officio, James Hetland, ex officio.

Staff Present: Robert Voigt, Executive Director; Kathryn Rosebear, Administrative Assistant.

Others Present: Karla Williams, Executive Director, Minnesota Zoological Society; Jeff Willius, Willius Marketing Communications.

The meeting was called to order at 3:00 p.m. by Malcolm McDonald, presiding.

I. Presentation -- MZG Capital Completion Plan -- E. Kohn

Malcolm McDonald stated that the Minnesota Zoological Board at its last meeting on July 16, 1981, had passed a resolution authorizing full pursuit of funding, planning and construction of a three-phased capital completion plan for the Minnesota Zoo. A copy of that plan was mailed to all Foundation Board members prior to today's meeting. The plan, as approved by the Zoo Board, was presented by Zoo Director Ed Kohn.

Mr. Kohn first stated that the plan was based on ten key needs, outlined on page 2 of the report. The Minnesota Zoo has only 84 exhibits with mammalian species while other zoos with more than a million annual visitors average 120 mammals. The Minnesota Zoo currently has good small mammal, carnivore, and hoofstock collections but needs to diversify its animal collection. The Zoo has five trail systems but one -- the Northern Trail -- is substantially incomplete. The Zoo Board is committed to the expansion of the Northern Trail through the Capital Completion Plan.

Mr. Kohn added that the Zoolab concept will be expanded throughout the entire Zoo. Due to a mutual interest by the Freshwater Biological Institute, a Freshwater Aquarium is also included in the plan. The plan calls for effective use of existing pathways to make the entire Zoo experience accessible to visitors within a day's visit. Construction of the projects will be accomplished with minimal disruption to the Zoo visitor. Finally, the plan will minimize exhibit overlap with St. Paul's Como Zoo.

Exhibit criteria have been based on three years of operational experience and consideration of design to encourage animal activity. The plan would increase the number of exhibits to 152, including approximately 20 within the Freshwater Aquarium. This translates into a 50 percent increase in species and greatly varied animal presentation.

Mr. Kohn noted that the Zoo already has an extensive investment in place and the approved plan utilizes that investment effectively.

Referring to the chart on page 35 of the Capital Completion Plan, Mr. Kohn stated that exhibits, species and costs through 1985 were indicated. A red panda exhibit is proposed for the Zoo's east entryway. Mr. Kohn indicated that Dayton's is considering sponsorship of this exhibit. The approved Capital Completion Plan includes both major projects and the smaller staged projects requested by the Foundation Board earlier in 1981. The plan puts these smaller projects in the context of the entire ten-year plan.

II. Foundation Program

A. Development Strategies

Malcolm McDonald stated the most proper course of action for the Foundation now might be to pass on the prospects the benefits and image of the plan; he suggested the interest of the Legislature must be obtained. Ed Kohn noted an article announcing the intention of the Zoo Board to seek private funds for the Capital Completion Plan had been published in the Minneapolis Tribune on July 21st. He added that the Legislature has indicated no current interest in funding Zoo capital expansion. Firmin Alexander suggested the Foundation not concern itself at this time with potential state matching funds for the program, but rather begin to actively seek private donations.

Bob Voigt stated the Foundation needed to respond to the Zoo Capital Completion Plan with a phased fund development plan of its own. The goal (\$22 million) is large and will be most likely achieved with a well-documented case. The Shaver Study pointed out the need for a broad base of supporters and the need for financial participation by the state to successfully complete the previously proposed major capital campaign. The Shaver Study also stated a belief that future development of the Zoo should not be just the responsibility of the state or the private sector but would best be accomplished by both. A proposed timeline, project exhibit costs and shared fundraising goals were distributed.

Noting that the Zoo Board had approved a major capital plan, Firmin Alexander asked what had happened to the Foundation's request for a list of smaller projects which could be funded through the Foundation at an annual rate of approximately \$1 million. Ed Kohn stated that the capital plan included smaller projects as requested by the Foundation. Malcolm McDonald added that the Foundation must continue to discuss how it can meet the financial needs evident in the Zoo's plan and what role it will play in meeting those needs. He also noted the potential gift from Dayton's and the support of the Freshwater Biological Foundation could be considered strong lead gifts.

Referring to a discussion draft of MZGF proposed funding phases designed to meet the Zoo's capital completion plan (attached), Bob Voigt stated the proposed Foundation plan calls for fund-raising at a \$1 million annual level for the next several years and is not inconsistent with previous decisions made by the Foundation. With the approved Zoo capital completion plan, the Foundation will be able to explain to prospective donors how each piece, large or small, fits into the total Zoo plan. Bob Voigt added that,

in addition to a funding plan, a communications plan is needed. Foundation Board member Harold Webster has offered to develop a communications plan designed to effectively disseminate information to prospective donors. Mr. Voigt then referred to display boards present at the meeting which indicated the variety of materials, data and records currently available through the Zoo, Society and Foundation.

Malcolm McDonald asked Jim Hetland for a report on recent decisions made by the Interboard Committee. Jim Hetland responded that the Interboard Committee, comprised of three board members each from the Zoo, Foundation and Society, had met for several months to consider processes to eliminate public confusion regarding the role of the various Zoo organizations and to clear up administrative overlap. The committee concluded that the Zoo Society should be responsible for the solicitation of membership fees and smaller funds that are related to Society projects. The Foundation should be responsible for the solicitation of larger donors, including foundations, corporations, major individual donors, and special Zoo projects. The Zoo should be responsible for the solicitation of governmental funds, including the state of Minnesota. A capital program within the private sector would be the primary responsibility of the Foundation. A final written report is in process.

Harold Webster noted that benefits were to be gained in the commonality of materials and periodicals and asked whether this coordination has been considered. Jim Hetland responded that the Interboard Committee had suggested the Zoo and Foundation rely on the Society for the development of periodicals though the Foundation's need for communication with prospects might not be covered by that recommendation. The committee had also recommended that the Foundation not do membership fund-raising solicitations.

B. Marketing Strategies

Harold Webster suggested two fundamental needs to communicating the Capital Completion Plan to the public. The materials need professional packaging and a wide variety of materials must be developed. A communications program should be designed to distribute the materials. Mr. Webster introduced Jeff Willius, who has developed concepts for the packaging of the capital plan.

Mr. Willius showed several slides of designs and layouts for materials which might be used to market the capital plan. A major piece including all campaign information in a condensed form was first shown; this piece would serve as the campaign case statement. Mr. Willius suggested each piece should be compelling and demonstrate the urgency of the Zoo's need. Several smaller brochures dividing the capital plan according to the Zoo's trail system were also shown. The unifying theme of the materials was a puzzle design which used a site map of the Zoo.

Discussion of the puzzle theme followed. Board member response to the theme was positive. Mr. Willius explained that the theme was meant to demonstrate that the Zoo had "pieces missing" and prospects could help "complete the picture." It was noted that the concept of a puzzle could be negatively received but Ed Kohn commented a puzzle could be considered a problem only if there is no solution. In the Zoo's case, capital expansion is considered a solution to many of its problems.

Gordon Rosenmeier stated the legislature must begin to consider the Zoo as part of the state's responsibility; he noted legislators are resisting consideration of the Zoo as a legislative responsibility.

Discussion followed on whether to pass a resolution to create a staged Capital Development Program and to establish financial goals as proposed in hand-outs discussed at this meeting. Firmin Alexander noted that the Foundation is already committed to goals of \$1 million annually for the next two years. Malcolm McDonald added that 16 members of the Board were not present today and their response and input are needed. Firmin Alexander suggested the Foundation also needed data from the donor community to determine the potential of raising funds at the level needed. Chy Morrison stated the Foundation has not received a good response from the donor community at this time but suggested the Foundation simply set its goal and begin to solicit the funds necessary.

Malcolm McDonald stated the Foundation needs a full meeting of its Board and full participation of Board members to consider development of a Foundation response to the Zoo's Capital Completion Plan. It was suggested the Foundation hold a special meeting within the next month to give final approval to the plan. Harold Webster added that it was important to begin the program as many corporations are beginning their contributions budget cycle now. Though a resolution was not passed, the Board members conveyed their urgency and interest in implementing a fund-raising program to Zoo Board Chairman Jim Hetland.

Harold Webster offered to meet with Joe Delmont of Coleman-Christiansen, the Zoo's advertising agency, to work out a communications plan and present this plan at the Foundation's next Board meeting. Margee Kinney added that when the Foundation passes a resolution to begin a capital fund-raising program, it should be announced appropriately to the press. Harold Webster commented that the Zoo has a classic public relations problem. It has a good story to tell but is occasionally misunderstood; generally the public has a great feeling about the Zoo.

Jim Hetland suggested Harold Webster and any advertising people involved view the videotape produced by the Foundation with a gift from Ken Knopf last year and include this in the marketing plan.

Steve Farley asked how the Foundation intended to generate outstate enthusiasm for the capital plan. Malcolm McDonald stated the Zoo Foundation is currently a metropolitan organization with little outstate financial support but the Foundation will continue to consider programs which build outstate constituencies.

Jim Hetland stated he was delighted the Foundation Board had such a sense of urgency in developing a fund-raising plan and suggested the Foundation finalize its decision and announce its plans as quickly as possible.

III. Reports

A. Treasurer's Report

The Financial Statement and Treasurer's Report was presented by Bob Voigt. Referring to a chart distributed to Board members, MZGF Operating Budget,

Actual and Projected, Mr. Voigt reported that the Foundation ended its fiscal year 1981 on June 30 with approximately \$51,000 in operating funds remaining, a figure larger than originally projected. Additional funding for future years will be requested through several foundations considered possible sources of grants. The chart also proposes a basic operating budget for the next three fiscal years including receipts and expenditures on behalf of the Minnesota Zoo for the capital plan reviewed earlier in this meeting. Also included are the year-end Financial Summary and a summary of the Zoo's Short-Range Development Program expenditures.

B. Executive Director's Report

The Executive Director's Report was distributed to Board members. Malcolm McDonald asked that members refer any questions regarding the report to Bob Voigt.

The meeting was adjourned at 4:45 p.m.

MINNESOTA ZOOLOGICAL GARDEN FOUNDATION

Executive Committee

May 29, 1981

Minutes

A meeting of the Executive Committee of the Minnesota Zoological Garden Foundation was held on Thursday, May 29, 1981, at 3:00 p.m. in President Stanley Nelson's office, 1930 Midwest Plaza Building, Minneapolis.

Members Attending: Stanley Nelson, President; Malcolm McDonald, Vice President; Dean McNeal, Secretary.

Board Members Attending: Firmin Alexander, Stephen Farley, Wayne Petersen, Hazel Reinhardt, James Smith, Edward Kohn, ex officio.

Staff Present: Robert Voigt, Executive Director; Kathryn Rosebear, Administrative Assistant.

The meeting was called to order at 3:10 p.m. by Stanley Nelson, presiding.

Mr. Nelson summarized Board and Executive Committee decisions during the last several meetings for those present. The Foundation is considering a more modest fund-raising program with an annual goal of approximately \$1 million for three years. An approved list of projects is still needed from the Zoo Board before a fund-raising program can be designed and implemented. Jim Hetland, Chairman of the Zoo Board, has been requested to supply a list of projects for the Foundation but the Zoo Board has not yet given approval to current proposals by Zoo staff. The Zoo Board will meet on Wednesday, June 3rd, to consider a ten-year capital program but approval of the plan is not expected until June or July.

Mr. Nelson then asked Bob Voigt for an update on Foundation activities. Mr. Voigt reported that a status report detailing Special Projects Committee activities during the month had been mailed to the Board. The Special Projects Committee had met to consider the possibility of working through statewide membership organizations to develop interest in fund-raising projects on behalf of the Zoo. This led to a series of contacts with staff and members of 4H, Cenex, Public Service Options, corporate employees clubs, and other groups that might be interested in cooperative programs. Meetings with groups currently have focused on areas of interest rather than program specifics. Karla Williams, Executive Director of the Minnesota Zoological Society, has also offered to contact the staff of other "Animal Kingdom" zoos in order to determine the extent of their co-development efforts with established organizations.

Bob Voigt also reported that the Dick Gray Task Force, originally postponed due to lack of participation, may again become viable. Mr. Gray sent notices to all individuals invited to participate informing them that a low response to requests would defer meetings until a later date. Several individuals including Don McCarthy, Bob Kinney, Douglas Dayton, Reuel Harmon, Jim McFarland, Wally Scott, Paul Kraemer, and Otto Silha, responded that they would be interested in working with the Task Force though they

had originally not responded positively.

Mr. Voigt reviewed calls and contacts for the previous month. Conversations were held with Winston Borden, President of the Minnesota Association of Commerce and Industry, to determine that group's potential for assisting the Zoo. Staff members of the Minnesota Department of Economic Development were contacted to obtain an update of economic impact figures originally developed for the Zoo by the Department for former Commissioner, Mark Dayton. John Mitchell of the Honeywell Fund was contacted regarding a tour of the Zoo following receipt of Honeywell's recent pledge payment.

Firmin Alexander asked if Foundation Board members and staff were currently seeking operating funds for the Foundation. Bob Voigt responded that a written request was nearly completed and would require only information on future Zoo building programs. The Foundation has approximately six months of operational funds available. Mr. Alexander noted that the Zoo construction program might not be approved until August and the Foundation could not afford to wait until that time to begin soliciting operational funds. Mr. Voigt stated that the Foundation does have a proposed three-year budget but the Zoo building program must be the basis of a Foundation request for operational funds. It was the consensus of the Executive Committee that the Foundation Board and staff should begin seeking operational funds, explaining that the Zoo Board has developed a ten-year program and are in process of reviewing and prioritizing the project list.

Dean McNeal commented that the Foundation's responsibilities to raise monies for its own operations and for Zoo projects is clear. The Foundation's role in contacting other groups to gain their involvement in Zoo projects and fund-raising programs is not as clear and needs further definition and consideration. Mr. McNeal suggested there is still need for the Foundation's, Society's and Zoo's roles to be clarified through the Intergroup Committee.

Dean McNeal also raised the question about the proper place (organization) to lead in the Foundation's proposal for the establishment of some kind of state/regional organization which would work to the benefit of the entire Zoo program. Steve Farley stated the Foundation needed the ability to establish the broadest possible constituency for the Zoo. In raising funds for the Foundation, Mr. Farley suggested emphasizing the Foundation's record of accomplishments and request seed money for a program leading to timed self-sufficiency. Jim Smith noted the Foundation did not use any portion of the \$2 million in funds raised for the Minnesota Zoo; this has been considered a "selling point" in requesting funds for further operation of the Foundation. Bob Voigt added the Foundation must stress both its accomplishments and future plans as well as identifying consistent and justifiable building goals. Stan Nelson stated that having a "dream" to sell is important, but the reality of the Foundation's accomplishments is also impressive.

President Nelson then presented to the members present a proposal outlining a proposed 1981-82 Committee Structure and suggested responsibilities for each committee. Referring to the chart outlining the proposed committee structure, Stan Nelson explained that three major committees were proposed through which development, Foundation operations, and public relations/public affairs programs would be planned and implemented. It has been proposed that all fund-raising activities occur through the Development

Committee, administrative functions occur through the Operations Committee, and public relations, public affairs and legislative functions be considered through the Public Affairs Committee. Each sub-committee of each primary committee would have a specific role in the committee function. For instance, the Special Events Committee would be responsible for the development of solicitation events, on-going events for reaching donors and prospects, and perhaps recognition events. The Capital Programs Sub-Committee would be responsible for the identification, research, cultivation and solicitation of major donors for capital gifts. Bob Voigt added that the proposed committee structure was an update of the structure originally approved by the Foundation Board two years ago. Most committees currently exist though may not have been active during the current year. President Nelson suggested each committee meet before the next Board of Directors meeting on June 25th to consider the proposed committee job descriptions and recommend the particular function of the committee during the next year.

A new committee, the Founding Fund, has been proposed to attract and develop a restricted fund to honor and give recognition to people within the Zoo organizations who have provided leadership in the conception, building and on-going programs of the Zoo. The form of the Founding Fund, whether to solicit gifts through deferred giving or another method, has not been determined and would be the responsibility of the committee. Dean McNeal noted that the establishment of a Founding Fund would be a major effort. Former Board member Bob Engels has offered to help.

Discussion was directed specifically to solicitation by the Foundation for Zoo capital funds only. Steve Farley again suggested the Foundation stress its accomplishments during the preceding five years. Bob Voigt asked Wayne Petersen what the general donor reaction would be if the Foundation simply requested capital funds for general on-going building needs (a list) or went to foundations and corporations with a major long-term plan. Wayne Petersen responded that a major plan was generally better received by trustees and corporate giving committees because it represents much more planning and analysis going into the effort. Hazel Reinhardt added that with a capital list, the Foundation can trigger interest from donors. She suggested the Foundation consider the initial construction monies from the State of Minnesota as a start to the Zoo program and not wait for the State to continue or add to the funding of the Zoo's capital program.

Stan Nelson stated it would be the job of each committee to take the Zoo Board's capital plan and develop a participation program for fund-raising. He stressed the importance of meetings of the Development Committee and its sub-committees during the next month.

Stan Nelson then stated that the Zoo Board agenda for June 3rd did not include approval of the capital plan. He asked Ed Kohn when approval might be received. Mr. Kohn responded that four new members would join the Zoo Board at its next meeting on June 3rd. Approval was expected at the regular June meeting on June 18th. Hazel Reinhardt added her hope that the Zoo Board would give up their "pet" projects in favor of an overall plan to complete the Zoo.

Bob Voigt suggested the need for an interorganizational board member

conference at Springhill or another conference center following approval of the capital plan. The purpose of the meeting specifically would be to receive formal presentations on the updated delineated goals and programs of the three Zoo organizations, revised fund development guidelines, observations and recommendations of the Interboard Committee, a presentation of the Zoo's long-term ten-year building programs, and other issues of mutual interest. This meeting could be a joint effort coming out of the Interboard Committee. Firmin Alexander said that he believes Foundation Board members are primarily interested in making contacts with prospects and only a percentage are interested in attending meetings. Dean McNeal noted that about six members of the Foundation Board regularly make decisions on behalf of the Foundation and more should be involved on major issues. Little discussion followed. No conclusion on a potential conference was reached.

The meeting was adjourned at 4:40 p.m.

6/3/81

MINNESOTA ZOOLOGICAL GARDEN FOUNDATION
 Summary of Receipts and Disbursements
 April 30, 1981 - Tenth Month

	<u>Current Month</u>	<u>FY1981 To Date</u>	<u>FY1981 Budget to Date</u>
RECEIPTS:			
Contributions (Schedule 1)	\$ 1,165.00	\$130,063.00	\$130,566.00
Net Special Events (Schedule 2)	-0-	497.20	-0-
Interest (Schedule 3)	70.16	73,060.05	31,894.00
Other Income (Schedule 4)	<u>2,197.43</u>	<u>11,712.98</u>	<u>8,400.00</u>
TOTAL RECEIPTS:	\$ 3,432.59	\$215,333.03	\$170,860.00
EXPENDITURES:			
Administrative Expenses (Schedule 5)	\$ 8,022.21	\$ 88,961.00	\$ 98,529.00
MZG Expenditures (Schedule 5)	572.15	16,961.78	10,000.00
MZG Capital Project Expenditures (Schedule 5)	<u>-0-</u>	<u>774,947.12</u>	<u>922,000.00</u>
TOTAL EXPENDITURES:	\$ 8,594.32	\$880,869.90	\$1,030,529.00
*Excess of Receipts over Disbursements	(\$5,161.76) (\$665,536.87)		
Cash and Invested Assets - Beginning of Period (4-1-81)	\$423,831.62	\$1,508,038.34	
Cash and Invested Assets - End of Period (4-30-81)	\$418,769.85	\$ 418,769.85	
Outstanding Commitments			
FY 1981	\$ 41,800.00		
Future Fiscal Years	\$ 138,700.00		



Minnesota Zoological Garden Foundation

1422 West Lake Street, Suite 303 • Minneapolis, Minnesota 55408 • Phone (612) 827-3661

C.C. Dir. Director

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ROBERT L. BONAWITZ
President
Minnesota Zoological Society
JAMES L. HETLAND
Chairman
Minnesota Zoological Board
EDWARD KOHN
General Director
Minnesota Zoological Garden

EXECUTIVE DIRECTOR:

ROBERT S. VOIGT

TO: Members of the Executive Committee
FROM: Bob Voigt
DATE: May 21, 1981

The attached materials include:

- 1) a proposed 1981-82 Activity Plan
- 2) proposed 1981-1990 Goals and Objectives
- 3) a "state of the Arts" statement

Please read and be ready to discuss at the Executive Committee meeting scheduled for May 28th. If you are unable to attend, please contact either Stan Nelson or me with your thoughts.

The Foundation needs your participation in both the determination of plans as well as the implementation of those decisions which you make. Marketing of the Zoo for fund-raising purposes will require your active involvement if we are to achieve the desired goals.

*NOTE: Also included are seven pages from the Zoo's O and P Committee meeting of May 8th. These concepts are still in draft form. These statements have not received Zoo Board review nor approval. More information about these ideas will be discussed at the Foundation's Executive Committee meeting on May 28th.

PRELIMINARY OUTLINE FOR DISCUSSION

1981-82 ACTIVITY PLAN

Minnesota Zoo Foundation Staff Tasks/Administration

Renegotiate lease for office space (October '81 for March '82)
Xerox lease (June, '81)
Corporate Employees Club Leaders Day (June 13, 1981)
Department of Economic Development contacts -- follow through on tourism
and economic benefit statistics
Updates to previous donors
Prospect list updates
Development of donor payment index
Annual audit (July, 1981)
Plan and strategy for use of Foundation film
Order corporate and foundation annual reports
Follow through on status of proposed Zooquarium and Performing Arts Center
Contacts with other zoos, AAZPA
Zoo Volunteer Program -- updates, information, seminars
Contact with national foundations
Federal and state funding sources
Proposal for design change in donor wall
Proposal for new donor recognition approach
Investigate options for contributed services
--loaned executives
--personnel from firms of Board members
Employee Matching Gift Program
Financial statements to IRS, State of Minnesota (Form 990s)
Discuss Foundation funding with selected foundation executives (Shannon, Doermann)
Work with all Foundation committees

Publications

Case statement
Promotional materials -- brochures, published "short form" case statements,
envelopes, etc.
Annual Newsletter
Annual Report (combine with 10-year plan?)
Regular submissions to Society, Zoo periodicals
Regular submission of press releases to local, state media

Legislative Action

Lobbying proposal for '82 session
legislative endorsements
follow through on capital appropriations for Zoo

Minnesota Zoo Foundation Board of Directors

Board retreat and update on the Zoo (Springhill?)
Continue expansion of Board through addition of new Board members
Committee reviewal of annual plans, development of committee calendars
Update committee lists -- make latest assignments

Interorganizational -- Zoo Board and Zoo Staff

Define an acceptable position of contact responsibility
Legislative audit due in May, '81
Decision on monorail funding due in May, '81
O and P meetings monthly
Zoo Board meetings monthly
Zoo publications -- decision on format, use, timelines, decisions
Meetings with Coleman/Christianson
Meetings of Zoo managerial staff/planning sessions
Zoo birthday, June, '81
Orchestra event, July, '81
Plan to consider piggybacking with Zoo special events

Interorganizational -- Zoo Society

Society Board meetings monthly
Communications
Regular submissions to Society publications
Meeting with advertising agency

Fund-Raising Programs

Special Events Committee

Luncheon meetings with prospects
Foundation Annual Meeting
Consider piggybacking with Zoo events
--Orchestra event - July
--Anniversary celebration for Society, June
--Zoo Birthdat Celebrations, June
Foundation Annual Meeting and Dinner, November, '81

Special Projects Committee

Employee matching programs
Corporate Employee Club Leaders Day
Joint Programs
--4H
--Libraries
--current donor organizations
--Jaycees
--service clubs
--Humanities Commission
--Chambers of Commerce
--Women Jaycees
--MACI
--statewide agricultural associations

Individual Gifts Committee

direct mail
deferred giving

Public Relations Task Force (Dick Gray)

Assemble group, set agenda, recommendations

5/19/81

PRELIMINARY OUTLINE FOR DISCUSSION

1981 - 1990 GOALS AND OBJECTIVES

- I. Secure Zoo Board Approved Development Plans - Philosophies - Goals and Objectives - Supporting Documentation.

- II. Expand Foundation Board Leadership; Increase Involvement and Activities of Individual Members
 - A. Increase participation in Board and committee activities -- obtain individual involvement in goal setting and program implementation
 - B. Selection of addition Board members, Advisory Committees and Special Task Forces.
 - C. Extend activities and involvement throughout community (MZGF for MZG)
 - D. Coordinate with Zoo Board in areas where we can help ... Interboard, Joint projects, etc.

- III. Enlarge Capital Development Programs
 - A. Implement One Year Plan; design and establish 3 Year and 10 Year Plans
 1. Develop case statement, plans, designs and priorities
 2. Establish Foundation schedule to meet MZG goals
 3. Select prime prospects - Corporate - Foundation - Individual
 4. Establish committee structure and make assignments to identify responsibilities in the implementation of plan.
 5. Identify and secure community leadership, define roles, make assignments, develop information and training sessions, loaned executives, etc.
 6. Develop materials, i.e. films, manuals for solicitors, information for prospects, etc.
 7. Establish schedules for solicitations and presentations - follow through - follow up - etc.
 8. Continue cultivation and recognition programs for present donors.
 9. Continually update prospect lists, key individuals, corporate leadership, foundation trustees, methods of approach, rate and assign prospects, solicit, follow- up.

10. Review and revise the Donor Recognition Policy - and Donor Wall.

B. Establish Individual Gifts Program

1. Establish "major donors" category

- a. Prospects identified and contacted as part of capital campaign -- identified through separate committees of campaign (should continue)
- b. Develop planned giving contact program with principal fiduciary institutions (banks, trust departments, organizations, attorneys) re client interests, trusts, bequests, etc.
- c. Establish statewide program in Minnesota - Local/Regional leadership provide energy and coordination for Zoo Foundation program.
- d. Utilize existing reports of major donors to other institutions and programs
- e. Seek professional assistance in developing prime lists and approaches
- f. Provide appropriate recognition to donors for their support

2. Establish "special donor" category

- a. Establish on-going giving program for annual gifts, sustaining gifts, occasional gifts -- whatever.
- b. Develop prospect lists -- use known sources and seek professional assistance to develop prime lists and scientific approaches
- c. Coordinate with Society and Zoo - build on successful experiences of other leading national zoos.
- d. Develop structure for designing, testing and implementing a direct mail approach for individual gifts -- selected basis -- throughout state of Minnesota
- e. Distribute materials at Zoo's public information service counter
- f. Develop categories/levels/options of support -- and appropriate programs of recognition and appreciation

3. Establish "Special Projects" category. Reach out to statewide organizations, community groups, employee clubs and corporate committees, etc., to seek their support in a variety of "fun" development activities (in accordance with zoo guidelines for these events)
4. Establish "Founding Fund" category. In recognition of those individuals who contributed their ideas, energies and leadership to create and build the Minnesota Zoo, a special fund account will be established to receive gifts dedicated or restricted to special purposes.

IV. Develop a Communications Program

- A. Commence study of professional approaches needed and options available to develop a high visibility for Foundation programs - use community resources to evaluate and assist.
- B. Build an audience of support through various media approaches and mass communications techniques (PSAs, etc.)
- C. Tell the Great Zoo Story that is. Expand awareness of need -- and desire to help Foundation achieve the capital development goals of the MZG. Provide information on options available and where to get more information. Provide information on recognition and results.
- D. Provide support and assistance to Zoo Board leadership in creating and implementing effective lobbying program with members of the Minnesota Legislature and others in state leadership.

V. Expand Administration Activities

- A. Determine and secure staff needed to achieve program goals -- define roles
- B. Develop appropriate record-keeping and project management systems to support development programs adopted
- C. Provide assistance and collaboration to Zoo staff on special projects and funding requests as identified

VI. Proposed Schedule for Short-Term Consideration

- | | |
|--------------|--|
| May 28, 1981 | Executive Committee review of initial proposal -
Executive Committee review preliminary Zoo's 10 year
Development Plan |
| June | Committee assignments to develop details, position
statements, develop recommendations and budgets |

June 25

Board of Directors presented with proposal from committee discussions - and hopefully, the Zoo Board's approved 10 Year Development Plan.

Adopt goals

- (1) Program 1981-82
- (2) Schedules - short range, mid-range, long range.
- (3) Budgets - one year certain, three year proposed.

VII. Budget - Finance Committee Considerations (June)

- A. Present budget -- review current year and make recommendations for next year
- B. Alternatives based on additions being considered, optional programs and staff, proposed capital campaign, proposed individual gifts program, and/or other ideas and suggestions for committee recommendations

VIII. Mid-Term Consideration (3 Year Program)

- A. Commence immediately to build this phase of development into the total plan (10 years) that is presently under consideration by the Zoo Board
- B. Work with Zoo leadership in discussing funding options for these needs.

IX. Long-Term Consideration (10 Year Program)

- A. Review preliminary materials presently available
- B. Consider needs and options to meet these proposals

5/19/81
RSV/dm



Minnesota Zoological Garden Foundation

1422 West Lake Street, Suite 303 • Minneapolis, Minnesota 55408 • Phone (612) 827-3661

TO: Members of the Executive Committee

FROM: Bob Voigt, Executive Director

DATE: May 20, 1981

SUBJECT: Status Report - "Where We're At - and
Where We're Going!"

OFFICERS AND DIRECTORS:

STANLEY J. NELSON
President
Minneapolis
MARGEE KINNEY
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Afton
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Dayton
JOHN E. TILTON
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EX-OFFICIO MEMBERS:

ROBERT L. BONAWITZ
President
Minnesota Zoological Society
JAMES L. HETLAND
Chairman
Minnesota Zoological Board
EDWARD KOHN
General Director
Minnesota Zoological Garden

EXECUTIVE DIRECTOR:

ROBERT S. VOIGT

I believe that it is important that I summarize a number of situations for your benefit - some statements you have heard before - others are an update of activities in process - some statements of financial circumstances, budgeting and operational realities are omitted because you know the story - and a few summaries have probably been omitted, unintentionally, and could be added as a result of our subsequent discussions. However, this is a brief report on the "state of the art" as it seems to apply presently to the Minnesota Zoo Foundation. I request your consideration and support to achieve the goals that are possible.

I. The recommended "public/private partnership" approach towards the development program for the Minnesota Zoo has yet to be established in order to provide the needed broad base of statewide community support for the Minnesota Zoo.

II. The State Legislature, during the just completed session, did not provide any portion of the proposed capital dollars needed by the Zoo in order for the Zoo Foundation to initiate a matching funds capital campaign to raise the remainder building dollars from the private sector.

III. The proposed small, select "blue ribbon" advisory committee of top corporate, community and government leaders has not yet been formed to address Zoo issues and proposed solutions in order to build constituents and participants in a capital campaign. (Dick Gray's Task Force is a variation of the proposal.)

IV. A new, well documented case statement is in process of being prepared for both governmental consideration as well as use by the private sector. Segments were assembled and used for Legislative committee presentations during the recently completed 1981 session. Revisions, deletions and additions are currently underway. The development of this material is essential for effective Zoo Foundation presentations of a

justifiable case for capital gift support. At a recent meeting of the Zoo's O and P Committee, comments indicated that a preliminary plan might be available by July.

V. Campaign preparation has been delayed pending completion of the prior four elements needed by the Foundation. Current effort leads towards establishing on-going programs for levels of capital support that have been established as annual goals. These annual targets are part of the ten year proposal being developed by the Zoo Board and Zoo staff. Much prospect research and evaluation of prospects lists has been completed by the Foundation staff. Recruitment of additional leadership for the Foundation has been delayed pending receipt of the Zoo's building plans and essential Legislative support. On-going contacts and public relations efforts has substituted for formal presentations and submissions of specific grant applications. Responses have been prepared for foundations and corporations who ask for opportunities to consider current Zoo needs. The results obtained have been disappointing. The community image and perception of the Zoo continues to be one of "uncertain economic situations" as well as a myriad of other doubting or questioning positions of worth or contributions to our cultural community.

VI. New "societal" and "political" conditions exist today that are different from one year ago. Public funds are being reduced and directed towards services that are deemed more essential in the sense of new terms and definitions that exist today. Competition has increased for donor dollars and discretionary funds. Corporate and foundation leaders are receiving more requests for gifts that are becoming more adequately justified by the "fund seekers" and more professionally managed by those who receive these third sector contributions.

VII. The Shaver and Company Inc. report of June 1980 measured four essential areas wherein the likelihood of significant levels of fund raising success could be measured. These were:

- a) Confidence in the Minnesota Zoo
- b) Urgency and importance of the case for support
- c) Adequate constituency of potential contributors
- d) Dedicated and capable fund raising leadership

From that professional study there were optimistic responses that suggested favorable results were possible when coordinated and professionally managed approaches were implemented, and that Zoo projections and expectations have to be realistic and obtainable. It was also noted that the State must sense the urgency of the case for their support as well.

VIII. The Zoo Foundation must continue to help build a natural constituency for the Zoo. The Zoo has not, because it is new, established relationships with corporations and foundations that result in a sense of obligation towards the Zoo and its continued well being. Also, the Zoo does not fit conveniently into many of the larger donors giving policies and/or patterns. This process of building confidence and relationships is most essential and is an on-going continual effort.

Memo to Board of Directors - Status Report
May 20, 1981
Page Three

IX. The Foundation needs to continue to cultivate a sufficient number of individuals who can provide a significant level of support on a direct or deferred gift basis.

X. To accomplish these desirable goals, the Foundation needs to support the following:

1. Continued work towards securing of a justifiable long term case for support - needs - benefits - results - impacts - exhibit description from the Zoo Board and the Zoo staff.
2. Continue to work towards getting more individuals and public officials to be strong Zoo advocates and strong opinion leaders - in both the private philanthropic as well as the public funding arenas.
3. Continue work towards recruitment of top level sophisticated fund raising community leaders who are capable of giving and/or getting other prospects to give at leadership gift levels.
4. Continue to support a strong staff organization that assists with research, scheduling, materials, coordination and support processes that will get the job done.
5. Enthusiastic and aggressive participation by all Board members, committee members and volunteers in the Foundation program.

RSV/dm

cc D.V. Dir.
FOUNDATION

MINNESOTA ZOOLOGICAL GARDEN FOUNDATION

Board of Directors' Meeting
April 9, 1981

Minutes

A meeting of the Board of Directors of the Minnesota Zoological Garden Foundation was held on Thursday, April 9, 1981, at 3:00 p.m. in the Board of Directors Room at Northwestern National Bank of Minneapolis.

Members Present: Stanley Nelson, President; Margee Kinney, Vice President; Malcolm McDonald, Vice President; Dean McNeal, Secretary; Firmin Alexander, Connie DeLand, Louis Gelfand, Richard Gray, Kathy Gretsche, John McKay, Chy Morrison, Wayne Petersen, Mary Ann Scroggins, James Smith, John Tilton, Harold Webster, Ed Kohn, ex officio.

Staff Present: Robert Voigt, Executive Director; Kathryn Rosebear, Administrative Assistant; Deana Miller, Secretary.

Others Present: Phil Brain, Minneapolis YMCA.

The meeting was called to order at 3:10 p.m. by Stan Nelson, presiding.

I. Minutes of Meeting, February 26, 1981

A copy of the minutes of the Board of Directors' meeting held February 26, 1981, was mailed to each member prior to the meeting.

II. Reports

A. Financial Report

A copy of the latest Financial Statement, dated March 31, 1981, was circulated to all Board members for their reviewal.

B. Executive Director's Report

The Executive Director's Report was presented by Bob Voigt, who circulated a written report of activities and calls and contacts for the previous month to all Board members.

Calling attention to segments of the report, Mr. Voigt mentioned that he and Stan Nelson had met several times with representatives of the Legislative Auditor's Office who are in process of preparing a financial and operational audit of the Zoo. Discussions were focused on the Zoo's Short-Range Development Program and the Foundation's systems for disbursing funds for the program. Ed Kohn noted that the auditors planned to finish the audit by April 15th and that a report could be expected approximately six weeks after that date.

Bob Voigt reported briefly on the National Society of Fund Raising Executives National Conference in St. Louis March 1 through 4. A written report was distributed. Through discussions with staff from five other zoos throughout the country, he learned that the problems confronting the

Minnesota Zoo are not unique. Many zoos are confronted with major capital needs and the problem of raising monies for capital improvements.

Stan Nelson reported that, at the last meeting of the Executive Committee, concepts for a Foundation program plan had been considered and approved. It was the consensus of the committee that the Foundation should begin fund-raising for the Zoo at a smaller level than the major capital plan originally considered. A goal of \$1 million annually for several years was suggested until positive public relations and a statewide approach to a major campaign could be achieved. Bob Voigt and Ed Kohn had met to consider the capital needs of the Zoo. Mr. Kohn and his staff developed an initial "shopping list" of projects totalling \$1.9 million. Various proposed Foundation goals were tested with Board members and community foundation executives. Stan Nelson stated that Malcolm McDonald had suggested another dimension to fund-raising for the Foundation on the basis of discussions at the last Executive Committee meeting. He asked Mr. McDonald to present his proposal.

Malcolm McDonald noted that both Dick Gray and Firmin Alexander had commented on the need to make the Zoo a focus of activity for the state and to involve the Foundation in working to create that focus. Mr. Alexander had suggested the Foundation consider fund-raising in terms of particular Zoo projects. Dick Gray has proposed a Zoo project -- the Zooquarium -- which would require the cooperation of the Freshwater Foundation and Freshwater Society. Mr. McDonald stated that in considering who could use the Zoo, all sorts of groups could be identified with a real role in the Zoo and real participation in its programs. He suggested that while waiting for the state and the Governor to determine the state's long-term role in building the Zoo, the Foundation begin fund-raising programs working with groups on a statewide basis. In effect, he suggested the Zoo provide the projects and the groups provide the "energy." He noted that the number of groups and the development of statewide programs through these groups could lead to long-term benefits to the Zoo.

Dick Gray stated that, just as the Society's Animal Sponsorship Program offered Zoo participation on an "animal by animal" basis, this program could offer participation to geographic areas by geographic areas on a project by project basis.

Responding to a question from Stan Nelson, Malcolm McDonald added that groups could be offered the opportunity to "adopt a project" at the Zoo, this proposed approach being flexible enough to meet the needs of a variety of groups. The idea list of capital needs prepared by Ed Kohn offered one example of the sorts of projects groups might want to "adopt;" they might also want their own input. Dick Gray noted that most groups are in business either for recreational purposes or to support projects; the Zoo can supply the projects.

Responding to another question from Stan Nelson, Malcolm McDonald suggested consideration of the program begin with meetings with Ed Kohn's staff to determine groups which have already contacted the Zoo

for projects or organizations using Zoo facilities for tours or special events.

Firmin Alexander suggested Mr. McDonald's proposal be pursued and asked for a feasibility study to identify appropriate groups and determine their giving potential. Mr. Alexander also suggested caution in diluting energy of the Foundation away from major gifts. Stan Nelson noted that Mr. McDonald's approach was basically to create an on-going, base-broadening program not tied to capital goals. He asked whether any Board members disagreed with the approach. Several Board members noted that it was the final responsibility of the Foundation to raise money for the Zoo and that the feasibility of this approach should be considered. John Tilton noted that this idea has been tested before but not effectively.

Ed Kohn noted that some ventures being studied now for funding through Zoo Foundation contacts are similar to the program proposed by Mr. McDonald. He commented that on-going programs reaching a statewide constituency do have a positive political value for the Zoo. Dean McNeal suggested the Foundation begin with selected groups with the capability and potential of working on Zoo projects easily through their state and regional organizations, i.e., 4H, Shriners, etc.

Malcolm McDonald stated he would call a meeting to develop a proposed feasibility study for the program and would then test the approach and report back to the Board at a future meeting.

Stan Nelson introduced Phil Brain, retired Vice President of Development for the Minneapolis YMCA, who made a special presentation to the Board entitled "Raising Major Gifts Between Major Capital Campaigns."

Mr. Brain outlined the four areas of development -- annual, capital, endowment, and special projects -- and added that many organizations do not consider the need for special projects in particular. Special projects, like annual giving, can be particularly beneficial to an organization in that they prepare an organization for a major capital effort by building on-going support from constituencies. As an example, Mr. Brain explained that the YMCA had completed a \$15 million campaign in the early 1970's following 10 years of positive action to create the climate for that campaign. During the 1960's, the "Y" had failed to meet a capital campaign goal and had to reevaluate their fund-raising activities. The major capital plan was split into manageable components and funds raised for each component in succession. Following these efforts, the major capital campaign was a success. (Note: The Minneapolis YMCA is currently beginning solicitations for a \$26 million campaign that has not been announced.)

Mr. Brain then discussed the organizational requirements he feels are necessary to receive a major corporate gift. These include a good long-range master plan, evidence of good management, and a good track record in managing previous gifts and donations. A case statement should

detail who the organization is serving and what the donor will be helping to achieve.

Phil Brain noted that not many people get a thrill from raising money. The key to making fund-raising interesting is to divide major capital programs into manageable and interesting parts so that each Board member and donor can have some interest in a specific project.

Finally, Mr. Brain noted that the basic premise of fund-raising is that people give to people and they give because people have convinced people the project is worthwhile. He suggested the Foundation develop its future programs by looking at what a group can do and what individuals can do either as parts of a group or as individuals. Spheres of influence are important. Credibility is basic. The solicitor's reputation is also at stake for the request. The organization and its solicitors have to be visible to the donor on a regular basis.

Stan Nelson thanked Mr. Brain for his presentation.

III. New Business

- MZG - Sustained Improvement Program
- MZF - Annual Capital Program

Stan Nelson reiterated to Board members the steps necessary to implement fund-raising plans, including the identification, rating and assignment of prospects. He reviewed various plans the Foundation has considered on behalf of the Zoo and noted that most programs had called for a matching funds program with the State of Minnesota. He suggested the Foundation now approach its fund-raising efforts without consideration of a state match as the state seemed to be facing a financial crisis of its own and the allocation of state funds for Zoo capital purposes seemed unlikely. Other Board members added the state has seemed unwilling to participate in Zoo capital expansion for several sessions; a decision to go ahead without state support seemed necessary. Mr. Nelson urged Board members to start identifying possible "lieutenants" to help, those who can best request assistance from friends.

Dean McNeal stated that the Foundation's former consultants, C. W. Shaver and Company, had prepared a feasibility study that indicated it would be difficult for the Foundation to raise monies for the Zoo without state support. Stan Nelson added, however, that the Shaver Feasibility Study dealt specifically with the issue of raising \$6.5 million for a major capital drive rather than smaller amounts for specific projects; he suggested the Foundation sell the future of the Zoo rather than its past. A change in public relations and public attitudes towards the Zoo would facilitate Foundation fund-raising; the Task Force under formation by Dick Gray is expected to aid in a change of public attitudes. Dean McNeal suggested a major issue for the Task Force would be methods of motivating the community to accept its private sector role of providing financial support to the Zoo's building program.

Dick Gray stated that dreams are easiest to sell. He suggested the Foundation Board be optimistic in its fund-raising and not attempt to sell the past.

Mr. Gray then reviewed the history leading to the formation of the Task Force. Letters were mailed two days earlier to top business people asking for their participation in the Task Force. The Task Force will meet for a six-week period beginning the later part of April to consider Zoo problems, contribute imaginative thinking, provide recommendations and help carry them out. The purpose of the Task Force is to help bring the Zoo into the Twin Cities cultural community. Mr. Gray added that with the proper support in this community a fund-raising goal of \$500,000 annually would be manageable. He stated that to gain financial support a Board needed a good project, good plans, good presentation and enthusiasm.

In response to Mr. Gray's comments, Wayne Petersen reviewed the process by which the Honeywell Contributions Committee makes funding decisions. He felt organizations basically needed to make a good "sell" to the committee to gain their support. Although only 10 percent of requests are funded, those requests are from organizations which make the best presentations.

Bob Voigt circulated to members a discussion draft of the Foundation's operating budget which included actual and proposed fund-raising goals and Foundation budget needs. Reviewing actual income and expenditures for the previous five years, Mr. Voigt reported that pledges for the Zoo and receipts were substantial for the fiscal years 1976 to 1979. The Foundation then spent two years "on hold" submitting only a few new proposals to donors and prospects. Much effort has been directed towards planning and establishing future plans. Income for the Foundation's operations originally came from a Bush Foundation grant and other minor grants and, in the last few years, has been derived from interest income. At the end of this current fiscal year, the Foundation will have approximately \$39,000 available for its future operations. Additional funds will have to be raised to support the Foundation's programs.

Mr. Voigt explained that three optional development goals had been outlined for the next five-year period based on input from Foundation Board members and community foundation executives Paul Verret and Tom Beech. A variety of opinions were expressed as to how to set the Foundation's next fund-raising goal. Mr. Verret and Mr. Beech both suggested the Zoo Foundation needed a substantial Zoo development program to gain support for Zoo Foundation operational expenses; they encouraged the Foundation not to set its goal too low. Several Board members have suggested the Foundation set a minimum goal of \$500,000 annually for on-going sustaining Zoo improvements separate from a major capital campaign. To raise funds for the Foundation's operations, the Foundation must first have a Zoo-defined and approved building program and goal. Funds are available to cover Foundation expenses until November or December of 1981.

Mr. Voigt explained to Board members that no official action on the proposed budget and goal can be taken at this meeting; the information

was presented to update members on the status of the Foundation. With Zoo Board approval of projects, an operating budget can be more firmly established.

John Tilton inquired whether the proposed budget and goals were within charitable review ratios required by law. Bob Voigt stated that they are -- that the proposed ratio for future years is approximately 20 percent. Over the last five years, the Foundation has averaged a 20 percent ratio of expenses to total contributions raised. However, the Foundation has funded separately its operating budget which was not a percentage withheld from Zoo funds received.

Mary Ann Scroggins asked which Zoo capital projects were approved and given priority by the Zoo Board. Ed Kohn responded that the \$21 million major capital program had been approved by the Zoo Board. This program includes the continuation of Northern Trail exhibits, the addition of large Asian mammal exhibits, and the Zooquarium. Stan Nelson added that until fund-raising for this capital program seemed feasible, the Foundation was proposing an annual program. The Zoo Board will consider Zoo staff recommendations for smaller capital programs fundable through an annual program at their meeting on April 16, 1981.

A report on activities with the Minnesota Legislature was presented by Ed Kohn. Mr. Kohn stated the possibility of a small capital grant of \$500,000 existed though any capital expenditures for the Zoo seemed a "long shot." Legislative committees have recommended an effective operating budget for the Zoo and have suggested an increase of \$175,000 in the biennial marketing budget over the recommendations of the Governor. Both the House Appropriations Committee and the Senate Finance Committee are aware of the willingness of the Foundation to raise Zoo monies for capital projects and the concept of a public/private partnership for capital expansion has been accepted by both committees.

Mary Ann Scroggins expressed her concern that the Foundation and Zoo might lose sight of major capital projects by focusing on smaller, less expensive projects. Firmin Alexander stated the Zoo Foundation should have an on-going yearly capital program and the list developed by Ed Kohn is a beginning to that approach. After developing a larger constituency, the Foundation proposes to hold a major drive for major projects. Stan Nelson added that the Foundation must make its public aware that the Foundation raises funds for major and minor capital projects and that, while the Foundation is currently soliciting smaller amounts of dollars, it will return with a major request.

Harold Webster expressed his concern that the Foundation has only \$39,000 on which to operate during the next fiscal year. The Foundation will need a program based on real Zoo objectives to raise funds for its own programs; if the Zoo Board does not pass its own program, the Foundation may have problems raising funds in a timely manner. Mr. Webster suggested developing press kits, slide shows and other materials after the Zoo Board

has made its decisions on Zoo capital programs. Ed Kohn suggested the list of minor projects for which funds are needed be presented as a part of the total Zoo capital program. Phil Brain suggested the Zoo needed to have its entire master plan in evidence to raise funds; he added that the Zoo Foundation needs to raise even small amounts of funds rather than to stay "on hold."

Firmin Alexander stated the Zoo and Foundation have good plans for the future and reaffirmed the Zoo Board's need for and support of the Foundation. Mr. Alexander also noted the list of Zoo capital projects would be discussed by the Zoo Board on April 16th and would probably receive approval by the Zoo Board meeting on May 21st.

The meeting was adjourned at 5:10 p.m.



Minnesota Zoological Garden Foundation

1422 West Lake Street, Suite 303 • Minneapolis, Minnesota 55408 • Phone (612) 827-3661

3-18-81

CC: Divisional FK
gd

MEETING NOTICE

BOARD OF DIRECTORS

Thursday, April 9, 1981

3:00 P.M.

Conference Room A
Northwestern National Bank
7th & Marquette
Minneapolis

AGENDA

- I. Minutes of Meeting, February 26, 1981
- II. Reports
- | | |
|----------------------|--------|
| Financial | Boss |
| Executive Director's | Voigt |
| Interboard | Nelson |
| Task Force | Gray |
- III. New Business
- | | |
|----------------------------------|--------|
| MZG - Sustained Improvement Plan | Kohn |
| MZF - Annual Capital Program | Nelson |
- IV. SPECIAL PRESENTATION

"RAISING CAPITAL GIFTS
BETWEEN MAJOR CAPITAL CAMPAIGNS"

PHIL BRAIN

Vice President, Development,
Minneapolis YMCA

OFFICERS AND DIRECTORS:

STANLEY J. NELSON
President
Minneapolis
MARGEE KINNEY
Vice President
Wayzata
MALCOLM McDONALD
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General Director
Minnesota Zoological Garden

EXECUTIVE DIRECTOR:

ROBERT S. VOIGT

RSV/dm
3/16/81

MINNESOTA ZOOLOGICAL GARDEN FOUNDATION
EXECUTIVE COMMITTEE MEETING
February 26, 1981

A meeting of the Executive Committee of the Minnesota Zoological Garden Foundation was held on Thursday, February 26, 1981, at 3:00 p.m. in President Nelson's office, in the Midwest Plaza Building, 801 Nicollet Mall, Minneapolis.

Members present: Stanley Nelson, President; Malcolm McDonald, Vice President; Margee Kinney, Vice President; Connie DeLand, Chy Morrison, Harold Webster, Richard Gray.

Staff present: Robert Voigt, Executive Director; Deana Miller, Secretary

Others Present: Edward Kohn, General Director, Minnesota Zoological Garden

The meeting was called to order at 3:12 p.m. by President Nelson.

Harold Webster was introduced as a new member to the Foundation Board.

I. Minutes

The minutes of the January 29th Board Meeting were briefly discussed. As there were no corrections, the Minutes were accepted as presented.

II. Treasurer's Report

See Report attached to these Minutes.

III. Executive Director's Report

Bob Voigt referred to the "Situation Summary - Immediate Responsibilities" which had been mailed to the Board with the meeting notice.

Mr. Voigt directed the group's attention to the Calls and Contacts page. The following are selected for reporting:

Bremer Foundation: Contact is maintained with Valarie Lies regarding the commitment made by Bremer several years ago to give \$40,000 for a Zoo Study Center, which has not materialized. The suggestion before them now is that they consider transferring the gift to the Conference/Ski Center. This will be discussed at their meeting on 2/26 although there has been no formal request that the change be made.

Chamber of Commerce: Recently the Communications Committee of the Chamber held their meeting at the Zoo, had a tour and offered many suggestions and possibilities for marketing and joint opportunities for the Zoo and the Chamber. Overall, the experience had been very positive.

Republic Airlines: Contact with the Airlines has been regarding possible funding for the Steve Martin Bird Show. Republic has stated that it is not possible for them to fund the entire \$50,000 request. Ed Kohn reported that the Zoo has made the commitment to Steve Martin for the show and that they have done some internal shifting of budget items, thus coming up with part of the needed money, and that Dairy Queen has volunteered \$7,500 toward the event. This leaves a balance of \$17,500, which Republic has been offered the opportunity of picking up either in part or in its entirety.

Salet Memorial: Money has been received in the Foundation Office through Richard Salet, a former Foundation Board Member, in memory of his Mother.

Shaver Co. and St. Paul Foundation: On-going contact is maintained, for the purpose of keeping them current on our situation as well as the sharing of ideas.

Sperry-Univac: Annual contribution has increased to \$1,000.

Walker Art Center: Conversations have centered around their major campaign for \$5 million, half of which has been achieved, with about 60% of that amount coming from corporations.

Additional comments: Mention was made of the two new members to the Foundation Board, James P. Smith and Harold S. Webster. The Zoo Conference/Ski Center was dedicated on Saturday, February 14th, with Governor being present. Ed Kohn reported that he did ski with the Governor, who is impressed with the Zoo and has been making very positive comments since that day.

Bob Voigt also reported on his meeting with Dr. Yu Shu Xun of the Peking Botanical Garden and subsequent conversations with other Chinese students and their hopes for animal exchange.

Positive comments were made regarding the new Foundation newsletter ... the group liked Dick Gray's article, liked the pictures, felt that it was a good PR piece for the Foundation.

President Nelson referred back to the "Situation Summary", specifically that the "Governor did not include the Zoo in the 1981 capital package" is now a fact and that it is "Unknown whether Governor will or will not include Zoo in 1982 capital proposal.", which is of concern.

Ed Kohn stated that he and Jim Hetland have been involved in meetings with staff from the Governor's office and with the Appropriations Committee. The Governor's second proposal is not due until April 7th. The Governor is still undecided, but his recommendation should be in hand by the middle of March.

Regarding "Unknown status of specific legislator support - general attitude reported favorable." - There is the consensus that there has been a favorable change in the attitude on the part of the majority of legislators.

Ed Kohn reported that he has been recently made aware of a letter, on House letterhead, bearing five signatures, that has been sent to approximately forty large corporations, offering to sell them the Zoo. The letter apparently has been written by Ray W. Welker, Republican Representative from Montevideo. Mr. Welker is a member of the House Appropriations Committee, but the letter was not sent out on behalf of the Committee, nor was it authorized by the Committee. Mr. Kohn learned of the letter on February 23rd, from a corporation who had received one. The gist of the letter is - 'since things are tough, let's look at all the obligations and possible options; and asks if there are any takers to buy the Zoo.' The other four signers of the letter are: Dean Johnson (Republican) from Willmar, Gary W. Laidig (Republican) from Stillwater, Tom Berkelman (Democrat) from Duluth, and David Battaglia (Democrat) from Two Harbors.

The question was raised as to what response Mr. Kohn is preparing regarding the letter in light of the meeting on Wednesday a.m. (3/4/81) with the House Appropriations Committee. Dick Gray felt that he should be very positive, approach it from the angle that Mr. Welker has a good idea, and that we should seriously look at all the details through the assignment of a Committee to research the idea. The approach might be that "yes, we'll take it, but you (the State) will have to phase out gradually."

Mr. Kohn stated that the Zoo's operating budget is approximately \$6 million per year and that the Zoo is at 50% funding subsidy. He felt that in order to feel comfortable stating "we'll take the Zoo" that we would need to be prepared to double revenue, or to have a plan which would insure the raising of \$6 million per year.

Dick Gray feels that seeing we anticipate minimal support from the State now (likely only the \$3 million operating budget) that we will have to go to the private sector for the additional \$3 million for expansion anyway. If we go to the State and say 'yes, we'll take the Zoo - but you will have to phase out of it -- at the rate of \$x per year (on a sliding scale) above operating expense for x years - and then we'll take over'. He also suggested that we could consider "chopping the Zoo into sections" and then talking to larger corporations, giving them the option of funding one section, and putting their name on that section. Mr. Gray also suggested the possibility that the Welker letter could backfire, and that the Zoo could end up with more money from the State. Mr. Kohn feels confident that the leadership of the Legislature will "put down" Mr. Welker's approach. He also pointed out the rationale of the public subsidy - which is 'the Zoo provides a public service'. Margee Kinney feels that whatever this letter and the subsequent publicity does do, it will make our job easier. Dick Gray commented that (re: legislators) people outstate just don't care about the Zoo, they are so far away from it that they get no real benefit.

In response to a questions as to whether he was 'scared to see the Zoo go private', Mr. Kohn stated that there are only two zoos that operate without public subsidy, and that they are 'scratching'. He feels that it is important that there be a balance between public and private; that fees would need to be increased substantially now just to keep up with the 50% revenue. Stan Nelson raised the question as to how we could meet inflation, raise operating costs and do expansion as well. Dick Gray wondered if the attitudes of the people towards the Zoo would change if it went private. It was pointed out that a major difference between the Minnesota Zoo and other zoos in the nation, is that Minnesota is a STATE zoo, where other zoos deal with a community or smaller area.

Harold Webster asked Ed Kohn, that based on his experience with the Legislature, did he think that the Welker letter would get much support. Mr. Kohn feels that there is the possibility that the letter could generate a good amount of publicity, but doubts that there would be must support. Mr. Webster reaffirmed Mr. Gray's earlier emphasis that the Kohn/Hetland team should go positively to their scheduled meeting with the Legislature on Wednesday.

Stan Nelson feels that the State needs to keep "selling" in mind. He also reviewed that at the last Board meeting, with the idea that there would be no or minimal capital support from the State that 'we must do something' and an ongoing program, with a set dollar figure was to be developed. In order to do this, the Zoo has prepared a wants/needs list.

IV. Zoo Report - Capital Improvement Needs List

Ed Kohn and his staff have put together a 'shopping list' of capital improvements and additional exhibits that could be used as a basis for an "ongoing campaign". Totals of improvements and items range from \$2,000 to \$300,000. (see attached list) Mr. Kohn stated that this list has just been compiled and has not yet been presented to the Zoo Board for their approval. He reviewed the list briefly with the group, stating that no priority of order has been set. The entire list totals \$2 million.

After the review of the list, President Nelson asked the group the following: "Does this equate what we had in mind?" and "Could we go out and 'sell' packages like this?"

Malcolm McDonald responded that he felt we were 'way ahead of where we were'. Both Chy Morrison and Margee Kinney felt "yes", it would be easy to go out with this list.

Some of the items that appeared to gain positive support was the addition of an animal exhibit near the entrance area - the adding of new trails - a Timberwolf exhibit (the only other timberwolf exhibit is in Holland) - a prairie dog exhibit - and a Lesser Panda (which is red - related to the giant panda and which would be delightful to watch). (It was further suggested that the lesser panda exhibit would be most appropriate for the new entrance area exhibit.)

There was discussion on whether 'large chunks of money' or smaller chunks are more saleable varied. Some felt that smaller ones could be just a bit easier to sell.

The consensus of the group was that the 'shopping list' is a good one and that we now have something concrete to work with as we make our plans to follow through.

VI. Committee Reports

A. Dick Gray's Task Force:

Mr. Gray has made contact with several individuals, not related to the Zoo, to serve on this Task Force. He read a letter which is being mailed to the prospective members, stating the purpose and the task. Hopefully, 15 to 20 individuals will accept. Because of the schedules of the individuals approached, the timeline has needed to be adjusted somewhat, with the report now scheduled for the end of April/beginning of May. One of the suggestions Mr. Gray has for the Task Force is a meeting at the Zoo - possibly at 6:00 a.m. to feed the tigers! (certainly an exciting way to capture someone's ongoing involvement and fascination of the Zoo!)

The attached Capital Improvement and Enrichment Program was distributed and there was a brief moment to glance through it with comments made on the amount of the goal, the pyramid, illustration of gifts needed to achieve a \$1 million goal, the 'gift clubs', why people give, and the proposed teams.

The comment was made that Mr. Kohn's 'shopping list' of \$2 million could be the goal for the first two years. President Nelson raised the slim possibility of getting a few large contributors and meeting the goal. He also emphasized the need to resolicit, to expand the contacts, and the importance of Board involvement and participation, as well as the need for manpower to do this.

Mr. Voigt talked about the necessity for commitment within the Board and feels that we can build teams within the Board, and to bring in friends. He emphasized the importance of involving both himself and Ed Kohn and other appropriate Zoo staff as contacts are being made.

President Nelson raised the question as to how we reach the multitude of the lower level of donors. Mr. Voigt said that it would probably be a mail solicitation as there would not be enough people to do it on a one-to-one basis. Mr. Nelson also pointed out that we would need a list of the corporations, their size, who the contact person is, and, if possible, their previous giving record. There is also the need for a promotional piece. The new Zoo film was also mentioned as a viable resource. Harold Webster raised the question about previous givers, and if they had the understanding that if they gave money to the Zoo once, they would not be asked again. Consensus was that there would be some who would have that feeling but most of them have been presented a current picture of the Zoo's total development plan.

President Nelson mentioned that Margee Kinney's Special Events Committee and Malcolm McDonald's Individual Gifts Committee should get together and possibly they would come up with some other ideas. He then asked for the thoughts of the group. Chy Morrison thinks it is o.k., but wonders if we should start before Dick Gray's Task Force gets going. The Task Force report is due by May and it was felt that we should already be well underway shortly thereafter, so we will continue to prepare, complete planning, line up the teams, and be ready to move.

In response to the question as to when is a good time to ask a corporation for a donation, Harold Webster responded that most large organizations like you to come early with a request. Most operate on a calendar year, with October/November being the months that the budget is finalized and therefore, July-August is a good time to get your requests in.

Ed Kohn addressed the possibility of identifying specific exhibits by the donors and that with the list that he just presented, that is a possibility. It was stressed that this should be 'optional' as some corporations might not want their name on a specific exhibit.

We were also reminded that the operating dollars still come from the State and that as we make our contacts we should be clear in our request.

Ed Kohn has some concern about setting a goal of \$1 million per year. He wonders if a lesser amount would be better. Mr. Kohn feels that it take so much energy to do big exhibits, for example, that very little is left over for the little things and then they, therefore, do not get done. He feels that we need to do two or three major exhibits, multi-million dollar tasks, to complete the Zoo; and that a yearly drive/goal of one million dollars might greatly jeopardize the completion of the Zoo. Chy Morrison then suggested that maybe we should consider a goal of \$500,000 yearly. Bob Voigt suggested that we might set the \$2 million (shopping list) goal - with no time frame - just go until we get it. Mr. Kohn feels that if we could get \$500,000 a year and just keep going, always gearing up for the BIG drive in the future, that might be better.

President Nelson stated that the next Board meeting is scheduled for March 26th and that at the meeting the Board will need to make the decision as to the amount of the goal - whether \$500,000, \$1 million, or ?. We will also develop our strategy, setting the plans, lining up the teams; so that when Dick Gray's Task Force Report is ready, we are ready to go.

President Nelson, after polling the availability of the remaining members, requested that Bob Voigt search for a new day for the next Board meeting. The new date will be shared with the Board as soon as possible.

The meeting was adjourned at 5:12 p.m.

MINNESOTA ZOOLOGICAL GARDEN FOUNDATION
 Summary of Receipts and Disbursements
 January 31, 1981 - Seventh Month

	<u>Current Month</u>	<u>FY 1981 to Date</u>	<u>FY 1981 Budget to Date</u>
Receipts:			
Contributions (Schedule 1)	\$38,131.50	\$118,438.00	\$ 88,900.00
Net Special Events (Sch. 2)	-0-	497.20	-0-
Interest (Schedule 3)	9,097.66	60,207.90	26,661.00
Other Income (Schedule 4)	<u>626.02</u>	<u>8,602.01</u>	<u>7,150.00</u>
TOTAL RECEIPTS:	\$47,855.18	\$187,745.11	\$122,711.00
Expenditures:			
Administrative Expenses (Sc. 5)	\$ 7,722.60	\$ 62,218.01	\$ 74,058.00
MZG Expenditures Paid (Sc. 5)	-0-	13,576.77	10,000.00
MZG Capital Project Expenditures (Sc. 5)	<u>100,000.00</u>	<u>690,604.64</u>	<u>922,000.00</u>
TOTAL EXPENDITURES:	\$107,722.60	\$766,399.42	\$1,006,058.00
*Excess of Receipts Over Disbursements	(\$59,867.42)	(\$578,654.31)	
Cash and Invested Assets - Beginning of Period (1/1/81)	\$565,419.83	\$1,084,206.72	
Cash and Invested Assets - End of Period (1/31/81)	<u>\$505,552.41</u>	<u>\$ 505,552.41</u>	



Minnesota Zoological Garden Foundation

1422 West Lake Street, Suite 303 • Minneapolis, Minnesota 55408 • Phone (612) 827-3661

TO: Board of Directors
FROM: Bob Voigt, Executive Director
DATE: February 26, 1981

Subject: THE MINNESOTA ZOO FOUNDATION'S

Proposed

Ongoing (Annual ?)

Sustaining

CAPITAL IMPROVEMENT AND ENRICHMENT PROGRAM

(for Fiscal Year 1982, 1983 and 1984)

OFFICERS AND DIRECTORS:

STANLEY J. NELSON
President
Minneapolis
MARGEE KINNEY
Vice President
Wayzata
MALCOLM McDONALD
Vice President
North Oaks
DEAN McNEAL
Secretary
Mound
W. ANDREW BOSS
Treasurer
St. Paul

FIRMIN ALEXANDER
Apple Valley
ANTHONY L. ANDERSEN
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WALLACE C. DAYTON
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CONNIE DeLAND
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D. STEPHEN FARLEY
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South St. Paul
CHY MORRISON
Wayzata
DAVID W. ONAN, II
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President
Minnesota Zoological Society
JAMES L. HETLAND
Chairman
Minnesota Zoological Board
EDWARD KOHN
General Director
Minnesota Zoological Garden

EXECUTIVE DIRECTOR:

ROBERT S. VOIGT

I. THE GOAL:

- A Goal of \$1,000,000 is required for the 1981-82 Zoo's annual Capital Building Program. It must be met through gifts and grants from our community which recognizes the educational benefits, enjoyment and service provided to our State and region by the Minnesota Zoological Garden.
- A \$1,000,000 goal this year represents a continuation of belief that the commitments made during the past five years are an indication of initial dedication to help accomplish the Zoo's long term building plan. These contributions reflect a partnership of the public sector and private sector working together to achieve these goals.
- Investment in the Zoo's ongoing and long term building program is an investment in the future. The Minnesota Zoo is a strong addition to an already impressive cultural community. Collectively, our community participates in the planting and harvesting of cultural resources that makes our region a good place to live.
- The goal for 1982-1983 is one million dollars.
- The goal for 1983-1984 is one million dollars.

- . The following process keeps repeating itself, building on experience, modifying as necessary, and expanding when and where opportunities develop.

II. THE DONOR BASE:

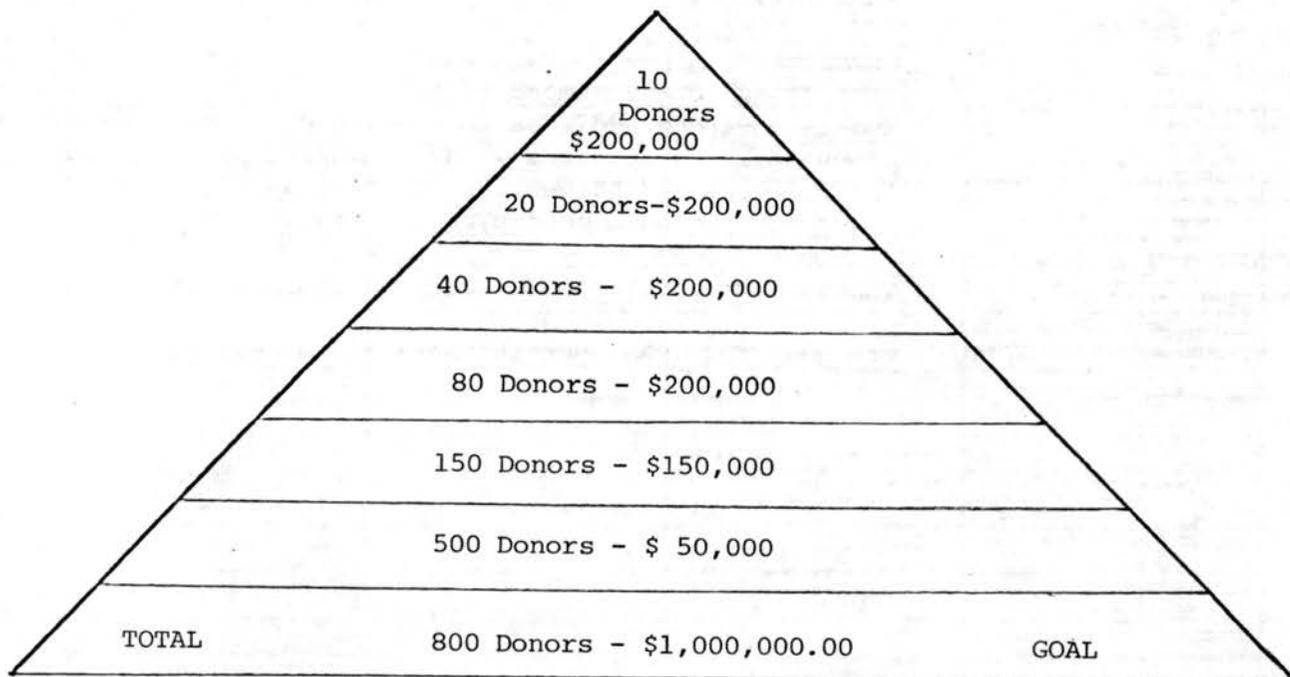
- . To achieve this proposed goal, we have several options available to us - all must be established to some extent; the variations depend upon the commitment that members of the Foundation Board of Directors will make to achieve this goal:
 - . Resolicit the established donor base - raise the level of contributor interest and increase generosity.
 - . Expand the donor base - through increased volunteer efforts, board members, committees, programs, projects, mass-mailings, etc.
 - . Board Members do it! or leave it up to the staff! or preferred, a combination of both!

III. LONG TERM:

Objectives should really be to increase the number of donors, increase constantly the number of prospects, increase the volunteer and staff efforts to make significant contacts and tell the story, and increase levels and amounts of giving for the Zoo.

IV. BROADEN THE BASE:

The traditional pyramid must be used again to illustrate the concept of building and expanding the donor base. This example is shown to provide a numerical and graphic statement of what might apply to our current investigation:



An illustration of gifts needed to achieve a \$1 million goal:

Estimated Minimum # of Prospects	Donors	Gift Range	Collective Totals	Annual Capital Fund Gift Club	Donor Benefits
30	10	\$20,000 - up	\$200,000	Preservationist	to be determined
60	20	10,000 - 20,000	\$200,000	Curator	"
120	40	5,000 - 10,000	\$200,000	Collector	"
240	80	2,500 - 5,000	\$200,000	Guarantor	"
600	150	1,000 - 2,500	\$150,000	Builder	"
800	200	500 - 1,000	\$ 50,000	Donor	"
1200	300	100 - 500		Contributor	"
			<u>\$1,000,000</u>		
3050	800				

IV. LEVELS OF COMMITMENT

The above illustration attempts to show the minimum number of separate donors who are needed to achieve an annual goal of one million dollars. Variations are certainly possible - and the curve may be skewed depending upon unknown and unpredictable reactions from the prospective donor constituency.

- . It is entirely possible that a much larger segment of our community will be needed in order to achieve this financial goal.
- . If a smaller dollar amount is chosen, the number of prospects and eventual contributors may remain the same because of policies of giving usually relate to the size of the dollar goal sought.
- . Legislative decisions and/or indications may also influence attitude and results.

VI. SOLICITATION:

People give to People.

People give because they are asked.

People give because they are informed.

People give because they believe they are needed.

People give because they identify with the program and are in agreement with the cause.

People give to a well run and successful program.

People give because they want to give - not because they have to.

People give because their contribution makes a difference.

Corporations and Foundations are really individuals defining and expressing organizational policies and giving to other organizational goals.

Individuals continue to give because they are continually recognized and reassured of their decision.

People give because the future looks bright and promising.

People give because there is something in it for them!

VII. PROCESS:

- . The first (top) four levels of solicitation (Preservationist, Curators, Collectors and Guarantors Club) must be accepted by the Board of Directors for their individual contact, cultivation and closing the sale. All levels must be considered and contacted according to ability and timing.
- . All levels of prospecting, all potential constituents, all opportunities for building the donor base should be recognized by all Board members as a primary responsibility.
- . Each opportunity for building up a prospective donors interest towards a financial contribution to the ongoing capital development program must be seized!
- . Every contact should be reported to Foundation staff so that appropriate records can be maintained for every potential donor.
- . All activities are a base for future efforts towards both the ongoing program as well as long term goals.
- . Recognition programs must be established.

VIII. BUILDING A TEAM

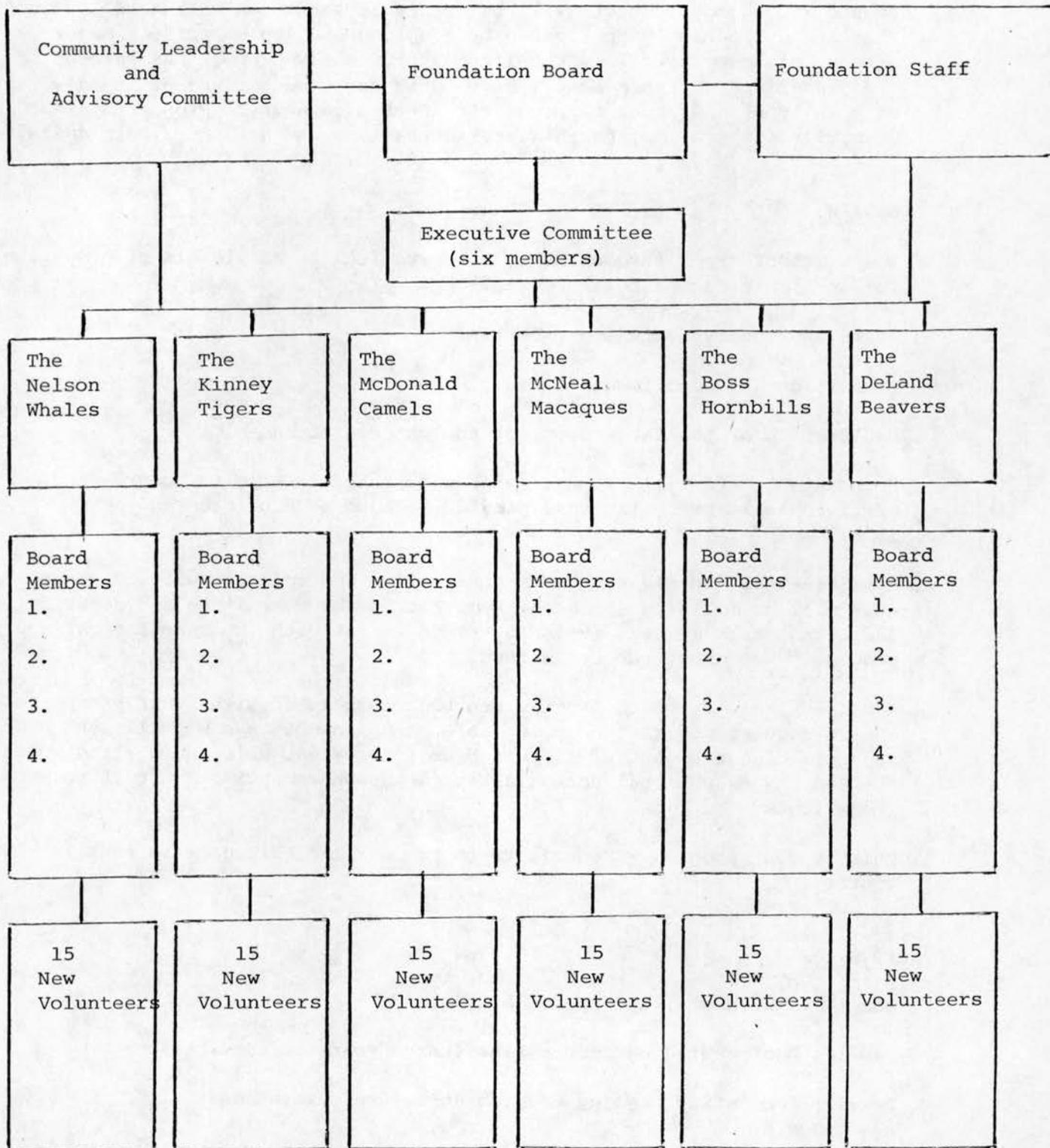
- . Each Foundation Board Member will be asked to build a personal support team of three (3) new volunteer associates who will assist in the development program. Training on product and process will occur before any and all solicitation.
- . Each Director's Team (total of 4 persons) will be asked to select from a prepared (by Foundation staff) list of most likely corporate and foundation prospects in each of the donor levels as categorized, a target of 15 prospects for subsequent contact.

i.e. 30 Board Members (Teams)
x 15 prospects each 4 member team
450 contacts (more, if interested!)

- . This number of potential contacts is the number of prospects previously identified in the top four categories of the proposed donor pyramid...see illustration!. The potential dollar gifts amount to \$800,000.
- . This goal is attainable!

Proposed Program Structure (Teams)

Each Foundation officer will be asked to chair an Action Committee to which each board member will assist in the implementation of this program -- i.e.:



- . The balance of \$200,000 must be secured by ancillary programs designed to reach out to other identifiable prospects at the dollar level of \$100.00 up to \$2,500.00. The previous illustration suggests that maybe around 2600 good prospects will be needed to secure an estimated \$200,000. This segment can only be reached by adopting and implementing a major direct mail campaign along the line as previously proposed and presented. Individualized approaches will have to be designed because of the diversity of both types and sizes of prospects in this category. Prospects are primarily corporation, businesses, foundations and selected individuals.

IX. OVERVIEW:

- . Board member experience needs to be drawn from in all levels of preparing for and implementing this program!
- . Ideas and involvements are essential!
- . Dedication and commitment - a must!
- . Realization of the large scope of the process is basic!
- . Foundation staff will prepare materials, schedule efforts, coordinate, participate in presentations, provide back-up at each step and help in all ways!
- . A major effort involving board members time and contacts will be needed - this will be modified (reduced) somewhat by the recruiting and securing additional team members (volunteers) to assist with the specific calling program. We cannot succeed without it!
- . I believe this proposed program can be accomplished with fewer prospects and subsequent donors than comparable campaigns because we will seek and secure a higher amount of support from interested, able and willing sources. The Zoo has exceptional potential and needs an exceptional effort to obtain these funds.
- . This is your program - Peers give to peers - the ball game is back in your court!

X. NEXT STEPS

- . Adopt Proposed Goal and Approach.
- . Develop Zoo's Building target list (three years if possible)
- . Develop Foundation Ongoing Program structure, timing and assignments.

- . Secure community leader as chairperson...and others as identified.
- . Conceive and design support materials
 - describe needs (logical)
 - provide justifications (financial, visitors, etc.)
 - printing of documentation (attractive, inviting)
- . Foundation defining budgets to accomplish goals and securing operating funds - and campaign funding as applicable.
- . Develop Donor Club Concept - benefits - etc. - "add some fun and sizzle to the task"
- . Refine Prospect lists - build on present base - add Board members referrals.
- . Board members recruit team/associates - volunteer members of the Annual sustaining drive.
- . Personalize the process for participants - make it exciting for all involved. What's in it for them? Value important to Solicitation Success!
- . Promotion - Public Relations - Community Awareness - Reporting - determine extent!
- . Timing important - crucial - ask to consider!
- . Community Comparisons - Zoo comparisons - Valuable!
- . Develop Cultivation events.
- . Develop Recognition events.
- . Make it fun!
- . Make it happen!

TIMELINES/ACTIVITIES

March, 1981	To be determined through Discussion of Proposal -
April, 1981	And, agreement among the Board members
May, 1981	of individual commitments of <u>time</u> and <u>effort</u> to accomplish goal -
June, 1981	Tasks generally defined ...
etc.	Individual participation necessary Responsibility and Involvement are basis of success.

RSV/dm

PRELIMINARY PROJECT LIST
FOR SUSTAINED IMPROVEMENTS PLAN

Type	Activity	Trail	Comments	Cost Estimate
1. Trail Enhancement	a. Trail labs	All	Extension of zoolab concept to all trails	\$ 50,000
	b. Nature trails	New trail		100,000
	c. Nature center	Nature	At Nature Trail head - utilizes Discovery Center Building	25,000
	d. Beaver pond interpretive theater	MN		15,000
	e. Elevated exhibit viewing platforms	Northern	e.g. Musk ox	150,000
	f. Lake arena	Discovery	Included in Phase I capital request: FY 82	75,000
				Total-----
2. New Exhibits	a. Seabird exhibit	Ocean	adjacent to whales	125,000
	b. MN diurnal woodland exhibits	MN	to include reptiles, squirrels, birds	17,500
	c. Mink/muskrat	MN	replaces present saw-whet owl exhibit	17,500
	d. Black bear	MN		300,000
	e. MN small animals	MN	to include shrews, voles, mice, gophers, small reptiles and amphibians	25,000
	f. White-tailed deer	MN		100,000
	g. Prairie dogs	Northern		15,000
	h. Badger	Northern		20,000
	i. Northern woodland waterfowl	Northern, Nature		30,000

Type	Activity	Trail	Comments	Cost Estimate
	j. Lesser panda	Tropics		\$ 50,000
	k. Plaza seasonal exhibits	Tropics		75,000
	l. Asian reptiles	Tropics		35,000
	m. Tidal pool	Ocean	replaces present camouflage exhibit	7,500
	n. Giant pacific octopus	Ocean	replaces present barnacle exhibit	5,000
	o. Koi pond	Discovery	replaces existing indigenous waterfowl pond	35,000
	p. Timber wolf	Northern	included in Phase II capital request: F.Y. 83, 84	250,000
	q. Caribou*	Northern		300,000
			TOTAL -----	<u>\$1,407,50</u>
3. Exhibit Improvements	a. Nocturnal lighting	Tropics, MN		27,000
	b. Beaver well	MN	permit maintenance of fish in the beaver pond exhibit	17,500
	c. Dead tree replacement	MN		7,500
	d. Lighting - MN aviary	MN	permit maintenance of plants	2,000
	e. Extend leopard trees	Tropics	Spotted and Clouded leopard trees	35,000
	f. Reflectors--Tropics skylights	Tropics		15,000
	g. Chevrotain exhibit modifications	Tropics		10,000
	h. Traveling sprinklers	Northern	improved pastures	5,000
			Total -----	<u>\$119,00</u>

*One half support requested from LCMR

SF:ad
2/26/81



Minnesota Zoological Garden Foundation

1422 West Lake Street, Suite 303 • Minneapolis, Minnesota 55408 • Phone (612) 827-3661

ce Divisius
2/26/81 pm

MEETING NOTICE

OFFICERS AND DIRECTORS:

STANLEY J. NELSON
President
Minneapolis
MARGEE KINNEY
Vice President
Wayzata
MALCOLM McDONALD
Vice President
North Oaks
DEAN McNEAL
Secretary
Mound
W. ANDREW BOSS
Treasurer
St. Paul

EXECUTIVE COMMITTEE

Thursday, February 26, 1981

3:00 p.m.

President Nelson's Office
1930 Midwest Plaza Building
801 Nicollet Mall
Minneapolis

AGENDA

FIRMIN ALEXANDER
Apple Valley
ANTHONY L. ANDERSEN
St. Paul
WALLACE C. DAYTON
Minneapolis
CONNIE DeLAND
Minneapolis
D. STEPHEN FARLEY
St. Paul
LOUIS I. GELFAND
Minneapolis
HERBERT GOLDENBERG
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RICHARD G. GRAY, SR.
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WAYNE E. PETERSEN
Minneapolis
HAZEL REINHARDT
Minneapolis
GORDON ROSENMEIER
Little Falls
MARY ANN SCROGGINS
Afton
JOHN E. TILTON
Hopkins

- | | | |
|------|---|--------|
| I. | Minutes of Board Meeting, January 29, 1981 | |
| II. | Treasurer's Report | Boss |
| III. | Executive Director's Report | Voigt |
| IV. | Zoo Report - Capital Improvement Needs List | Kohn |
| V. | Foundation Proposal - Ongoing Sustaining
Capital Improvement Drive | Nelson |
| | A. Program | |
| | B. Budget | |
| VI. | Committee Reports | |
| | A. Task Force | |
| | B. Interboard | |
| | C. Aquarium | |
| | D. Other | |

EX-OFFICIO MEMBERS:

ROBERT L. BONAWITZ
President
Minnesota Zoological Society
JAMES L. HETLAND
Chairman
Minnesota Zoological Board
EDWARD KOHN
General Director
Minnesota Zoological Garden

EXECUTIVE DIRECTOR:

ROBERT S. VOIGT

RSV/dm
2/20/81



Minnesota Zoological Garden Foundation

1422 West Lake Street, Suite 303 • Minneapolis, Minnesota 55408 • Phone (612) 827-3661

TO: Members of the Board

FROM: Bob Voigt

DATE: February 19, 1981

SUBJECT: Situation Summary - Immediate Responsibilities

I. GIVENS:

- A. The Foundation's planning and programming effort this past year was directed towards a major capital campaign-consultants, feasibility study, Zoo staff defining, architects planning, Zoo Board approving, proposals to the Governor and the Legislature, Foundation strategies and structures to provide private sector capital support (Total package \$21 million; proposed funding ration of State 2:1 private)
- B. Governor did not include Zoo in 1981 capital package.
- C. Unknown whether Governor will or will not include Zoo in 1982 capital proposal.
- D. Unknown status of specific legislator support - general attitude reported favorable.
- E. Foundation Board tabled proposed 6 year Capital Plan until state leadership established. (1-29-81)
- F. Foundation Board previously placed on hold other proposals for related types of fund raising and constituent development programs.
- * G. Foundation Board approved (1-29-81) the establishment of an "Ongoing Sustaining Capital Improvements and Enhancement Drive" - with selected targets to be determined by General Director Ed Kohn and the Minnesota Zoological Board.

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Minnesota Zoological Garden

EXECUTIVE DIRECTOR:

ROBERT S. VOIGT

II. NEEDS:

- A. To develop and prioritize the Zoo's capital improvement needs for the next several years. Develop a Project Oriented Statement of Need. Initial definition is with Ed Kohn and Zoo staff. Jim Hetland and the Zoo Board to review and approve - the costs of these improvements to become the Foundation goal. Options: i.e., divide up Northern Trail into smaller segments; or, new construction projects; other areas for development of private sector support (i.e. programs, materials, etc.). The basic data for seeking contributions will need to include information on exhibits, construction costs (estimates) and schedules, benefit statements, effects on operations, visitor benefits, and other information as related a series of project descriptions within a major case statement on the total Zoo picture.
- B. To convince the public that the Zoo is in the same category as the Walker, Guthrie, Orchestra, Science Museum, Art Institute, etc. (Dick Gray's Task Force considering issue during March and April, 1981).
- C. To broaden base of potential support - build constituency - gain momentum for long term future - appeal to groups, clubs and organizations throughout the state as well as individuals, corporations and foundations. (ongoing Foundation P.R.).

III. FOUNDATION TASKS:

- A. Delineate program to accomplish goal in I-G.
 1. Secure needs stated in II-A....identify a series of projects!
 2. Implement decisions from III-B....develop a series of programs!
- B. Determine:
 1. Board commitment (policy) (goals)
 2. Committee assignment, participation, calls and contacts, follow-up, etc. (program)
 3. Staff assistance, and/or direct cultivation and solicitation. (Research) (data base) (Responsibilities)
 4. Orientation update. (Zoo developments)
 5. Training (approaches and processes)
 6. Schedules - timelines - measurements.
 7. Budgets (funding of operations)
 8. Supporting activities
 9. New Board members
 10. New committees and volunteers
 11. New programs and approaches

- C. Consider proposed Founding Fund - (trusts or pooled income fund - special projects).
- D. Inter-Board committee assignment to consider relationships and coordinate long-term planning, organizational responsibilities and relationships.
- E. Other intermediate and long term program planning proposals for the Foundation.

IV. DISCUSSION (DECISION - ?)

- A. Foundation Executive Committee Meeting
3:00 p.m.
Thursday, February 26, 1981
President Nelson's Office
1930 Midwest Plaza Building
Minneapolis
- B. Next steps to be determined.

RSV/dm

CALLS AND CONTACTS
1/22/81 - 2/19/81

Bremer Foundation	Lies	Voigt
Bush Foundation	Doermann	Gelfand
Campbell-Mithun, Inc.	Knops	Rosebear
Como Zoo	Fletcher	Voigt
Corporate Report	Larson	Voigt
Daffidils Garden Club	Garlington	Rosebear
Department of Natural Resources	Wechler	Rosebear
Freshwater Foundation	Rosillion	Voigt
Gruenerwald, William		Voigt
Brian Hawes Memorial	Hawes	Voigt
Hennepin Lake Improvement Association		Rosebear
Jeffrey Lamb Memorial		Voigt
Executive Assistant to Senate Majority Leader, Executive Director of Rules and Administration Committee		
Lunds, Inc.	Christensen	Voigt
MIDA	Lund	Voigt
Midwest Radio & TV	Trucker	Voigt
Minneapolis Chamber of Commerce Communications Committee	Doar	Voigt
Minneapolis Chamber of Commerce Staff discussions	Bailey, Mona, et al	Voigt, Kohn
Minneapolis YMCA	McGrew, Olsen	Voigt
Minnesota Horticultural Society	Gilbert	Voigt
Minnesota Rubber, Inc.	Ray	Rosebear
Munsingwear, Inc.	Carlson	Voigt
Northwest Area Foundation	Hanson	Voigt
Northwestern National Bank of Minneapolis	Butt	Rosebear
Northwestern National Life Insurance Co.	Webster, Eisen	Voigt
Peking Botanical Garden	Ingraham, Smith	Voigt
Philadelphia Zoo	Yu Shu Xun	Voigt, Kohn, Wachter, Friedman
Republic Airlines	Schultz	Rosebear
Salet, Lee Memorial	May, Talmadge	Voigt, Gibson
St. Paul Educational Cooperative Service Unit	R. Salet	Voigt
St. Paul Foundation	Galbraith	Rosebear
Shaver Co.	Verret, Harris	Voigt
Skarnes, R.F.	Currie	Voigt
Sperry - Univac	Nichols	Voigt
SuperAmerica	Englebrecht	Rosebear
Swifka, Mrs. Thomas		Rosebear
Walker Art Center	Borrmann	Voigt
Williams Steel Co.	Puffer	Voigt

PROGRAM HIGHLIGHTS

1. Jim Hetland, Chairman of the Minnesota Zoo Board, appointed two new members of the Foundation Board:

James P. Smith, Executive Vice President
NWNL Reinsurance Co.
P.O. Box 20
Minneapolis, Minnesota 55440 372-5303

Harold S. Webster, Vice President - Public Relations
Northwestern National Bank of Minneapolis
Seventh and Marquette
Minneapolis, Minnesota 55480 372-7043

2. The Zoo Conference Center was dedicated on Saturday, February 14, 1981. Governor Quie attended. The building was part of the Zoo's Short Range Development Program funded through the Foundation.
3. Foundation's Annual Newsletter was mailed to 10,537 persons.
4. Minneapolis Chamber of Commerce meetings and tours occurred with Foundation Staff participating.
5. Beluga Books distributed to recent major donors to Foundation.
6. Ongoing Capital Sustaining Drive schedule being developed - with supporting case statement, research, and related materials.
7. Planning occurring on Foundation "hand out" statement for general distribution.
8. Ongoing cultivation with prospects - communication with major donors to date - PR as applicable - joint programming discussed - ongoing administration - board communication - community activities.

MINNESOTA ZOOLOGICAL GARDEN FOUNDATION
Operating Budget

	Actual, Estimated and Proposed						Totals 1st 6 yrs.	Proposed:			NOTES:
	FY 1976	FY 1977	FY 1978	FY 1979	FY 1980	Estimated 1981		1982	1983	1984	
<u>RECEIPTS:</u> (1)											
1. Private Sector - Individual Gifts Corporate Gifts Foundation Grants	\$ 97,113	\$185,520	\$695,240	\$386,811	\$255,412	\$130,566	\$1,750,662	\$200,000	\$350,000	\$500,000	(Goal - (An'l pledges \$500,000)
2. Public Sector - Federal, State, etc. (None)	None	--	--	--	--	--	--	--	--	--	(Zoo/State)
3. Self-Generated Interest Operating Grants	\$ 764	\$ 90,221	\$ 30,473	\$124,673	\$153,594	\$ 43,600	\$ 443,325	\$ 15,003 98,000	\$ 8,323 116,000	\$ 8,241 131,000	345,000 ÷ 3 = 115.0 yr. needed
TOTALS	\$ 97,877	\$275,741	\$725,713	\$511,484	\$409,006	\$174,166	\$2,193,987	\$313,003	\$474,323	\$639,241	
<u>EXPENDITURES</u>											
1. Operating Budget	\$ 21,346	\$ 52,766	\$ 73,330	\$ 82,607	\$ 89,954	\$ 99,110	\$ 419,113	\$111,003	\$124,323	\$139,241	(12% increase/yr)
2. Disbursements to Zoo	--	--	--	\$158,374	\$534,266	\$944,167	\$1,636,807	\$200,000	\$300,000	\$400,000	(proposed)
TOTAL	\$ 21,346	\$ 52,766	\$ 73,330	\$240,981	\$624,220	\$1,043,277	\$2,055,920 (3)	\$311,003	\$424,323	\$539,241	
Income/Operating Expense Ratio (2)	5:1	5:1	10:1	6½:1	4:1	2:1	5:1	3:1	4:1	5:1	(Goals)

- NOTE 1. All gifts and grants received by the Foundation for the Zoo have either been disbursed 100% for the Zoo or held in segregated accounts for the Zoo.
2. Income/Expense ratio based upon all funds received - for the Zoo and for the Foundation.
3. Fund Balance 6/30/81 of \$138,067; Restricted for Zoo - \$113,855; Foundation Reserve - \$24,242.



Minnesota Zoological Garden Foundation

1422 West Lake Street, Suite 303 • Minneapolis, Minnesota 55408 • Phone (612) 827-3661

cdunnis

Kent RSP

Goal

Thurs 9 Apr

TO: Board of Directors
FROM: Bob Voigt, Executive Director
DATE: February 26, 1981
Subject: THE MINNESOTA ZOO FOUNDATION'S

OFFICERS AND DIRECTORS:

STANLEY J. NELSON
President
Minneapolis
MARGEE KINNEY
Vice President
Wayzata
MALCOLM McDONALD
Vice President
North Oaks
DEAN McNEAL
Secretary
Mound
W. ANDREW BOSS
Treasurer
St. Paul

Proposed
Ongoing (Annual ?)
Sustaining

CAPITAL IMPROVEMENT AND ENRICHMENT PROGRAM

(for Fiscal Year 1982, 1983 and 1984)

FIRMIN ALEXANDER
Apple Valley
ANTHONY L. ANDERSEN
St. Paul
WALLACE C. DAYTON
Minneapolis
CONNIE DeLAND
Minneapolis
D. STEPHEN FARLEY
St. Paul
LOUIS I. GELFAND
Minneapolis
HERBERT GOLDENBERG
Minneapolis
RICHARD G. GRAY, SR.
Minneapolis
KATHY GRETSCHE
North Oaks
REUEL HARMON
Inver Grove Heights
KENNETH M. KNOPF
Minneapolis
JOHN C. MCKAY
South St. Paul
CHY MORRISON
Wayzata
DAVID W. ONAN, II
Wayzata
JOSEPH T. O'NEILL
St. Paul
WAYNE E. PETERSEN
Minneapolis
HAZEL REINHARDT
Minneapolis
GORDON ROSENMEIER
Little Falls
MARY ANN SCROGGINS
Afton
JOHN E. TILTON
Hopkins

I. THE GOAL:

*will grow
500,000
estimate*

- A Goal of \$1,000,000 is required for the 1981-82 Zoo's annual Capital Building Program. It must be met through gifts and grants from our community which recognizes the educational benefits, enjoyment and service provided to our State and region by the Minnesota Zoological Garden.
- A \$1,000,000 goal this year represents a continuation of belief that the commitments made during the past five years are an indication of initial dedication to help accomplish the Zoo's long term building plan. These contributions reflect a partnership of the public sector and private sector working together to achieve these goals.
- Investment in the Zoo's ongoing and long term building program is an investment in the future. The Minnesota Zoo is a strong addition to an already impressive cultural community. Collectively, our community participates in the planting and harvesting of cultural resources that makes our region a good place to live.
- The goal for 1982-1983 is one million dollars.
- The goal for 1983-1984 is one million dollars.

EX-OFFICIO MEMBERS:

ROBERT L. BONAWITZ
President
Minnesota Zoological Society
JAMES L. HETLAND
Chairman
Minnesota Zoological Board
EDWARD KOHN
General Director
Minnesota Zoological Garden

EXECUTIVE DIRECTOR:

ROBERT S. VOIGT

*I question whether
1,000,000/yr could be sustained
over time and still allow major drives
at multi-million level p-d people
500,000/yr as a steady diet
flaw was for less time
We will discuss further
at next Fed. I. R. mtg
Ed*

- . The following process keeps repeating itself, building on experience, modifying as necessary, and expanding when and where opportunities develop.

II. THE DONOR BASE:

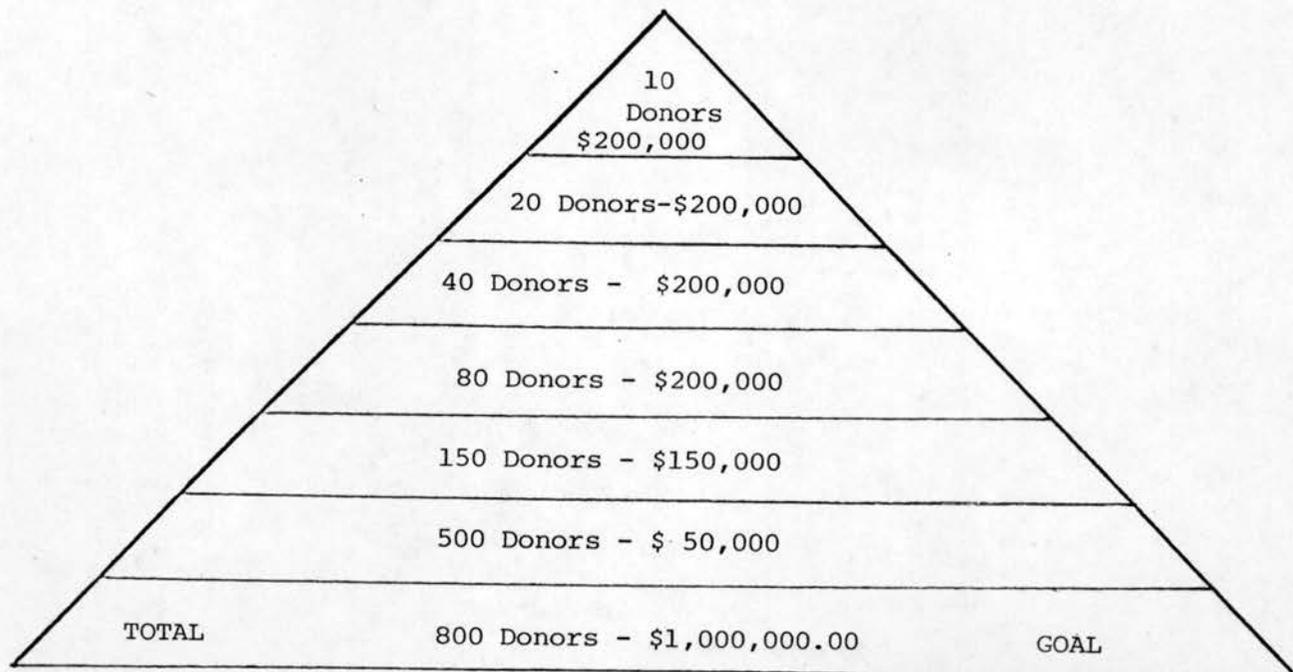
- . To achieve this proposed goal, we have several options available to us - all must be established to some extent; the variations depend upon the commitment that members of the Foundation Board of Directors will make to achieve this goal:
 - . Resolicit the established donor base - raise the level of contributor interest and increase generosity.
 - . Expand the donor base - through increased volunteer efforts, board members, committees, programs, projects, mass-mailings, etc.
 - . Board Members do it! or leave it up to the staff! or preferred, a combination of both!

III. LONG TERM:

Objectives should really be to increase the number of donors, increase constantly the number of prospects, increase the volunteer and staff efforts to make significant contacts and tell the story, and increase levels and amounts of giving for the Zoo.

IV. BROADEN THE BASE:

The traditional pyramid must be used again to illustrate the concept of building and expanding the donor base. This example is shown to provide a numerical and graphic statement of what might apply to our current investigation:



An illustration of gifts needed to achieve a \$1 million goal:

<u>Estimated Minimum # of Prospects</u>	<u>Donors</u>	<u>Gift Range</u>	<u>Collective Totals</u>	<u>Annual Capital Fund Gift Club</u>	<u>Donor Benefits</u>
30	10	\$20,000 - up	\$200,000	Preservationist	to be determined
60	20	10,000 - 20,000	\$200,000	Curator	"
120	40	5,000 - 10,000	\$200,000	Collector	"
240	80	2,500 - 5,000	\$200,000	Guarantor	"
600	150	1,000 - 2,500	\$150,000	Builder	"
800	200	500 - 1,000	\$ 50,000	Donor	"
1200	300	100 - 500		Contributor	"
			<u>\$1,000,000</u>		
<u>3050</u>	<u>800</u>				

IV. LEVELS OF COMMITMENT

The above illustration attempts to show the minimum number of separate donors who are needed to achieve an annual goal of one million dollars. Variations are certainly possible - and the curve may be skewed depending upon unknown and unpredictable reactions from the prospective donor constituency.

- . It is entirely possible that a much larger segment of our community will be needed in order to achieve this financial goal.
- . If a smaller dollar amount is chosen, the number of prospects and eventual contributors may remain the same because of policies of giving usually relate to the size of the dollar goal sought.
- . Legislative decisions and/or indications may also influence attitude and results.

VI. SOLICITATION:

People give to People.

People give because they are asked.

People give because they are informed.

People give because they believe they are needed.

People give because they identify with the program and are in agreement with the cause.

People give to a well run and successful program.

People give because they want to give - not because they have to.

People give because their contribution makes a difference.

Corporations and Foundations are really individuals defining and expressing organizational policies and giving to other organizational goals.

Individuals continue to give because they are continually recognized and reassured of their decision.

People give because the future looks bright and promising.

People give because there is something in it for them!

VII. PROCESS:

- . The first (top) four levels of solicitation (Preservationist, Curators, Collectors and Guarantors Club) must be accepted by the Board of Directors for their individual contact, cultivation and closing the sale. All levels must be considered and contacted according to ability and timing.
- . All levels of prospecting, all potential constituents, all opportunities for building the donor base should be recognized by all Board members as a primary responsibility.
- . Each opportunity for building up a prospective donors interest towards a financial contribution to the ongoing capital development program must be seized!
- . Every contact should be reported to Foundation staff so that appropriate records can be maintained for every potential donor.
- . All activities are a base for future efforts towards both the ongoing program as well as long term goals.
- . Recognition programs must be established.

VIII. BUILDING A TEAM

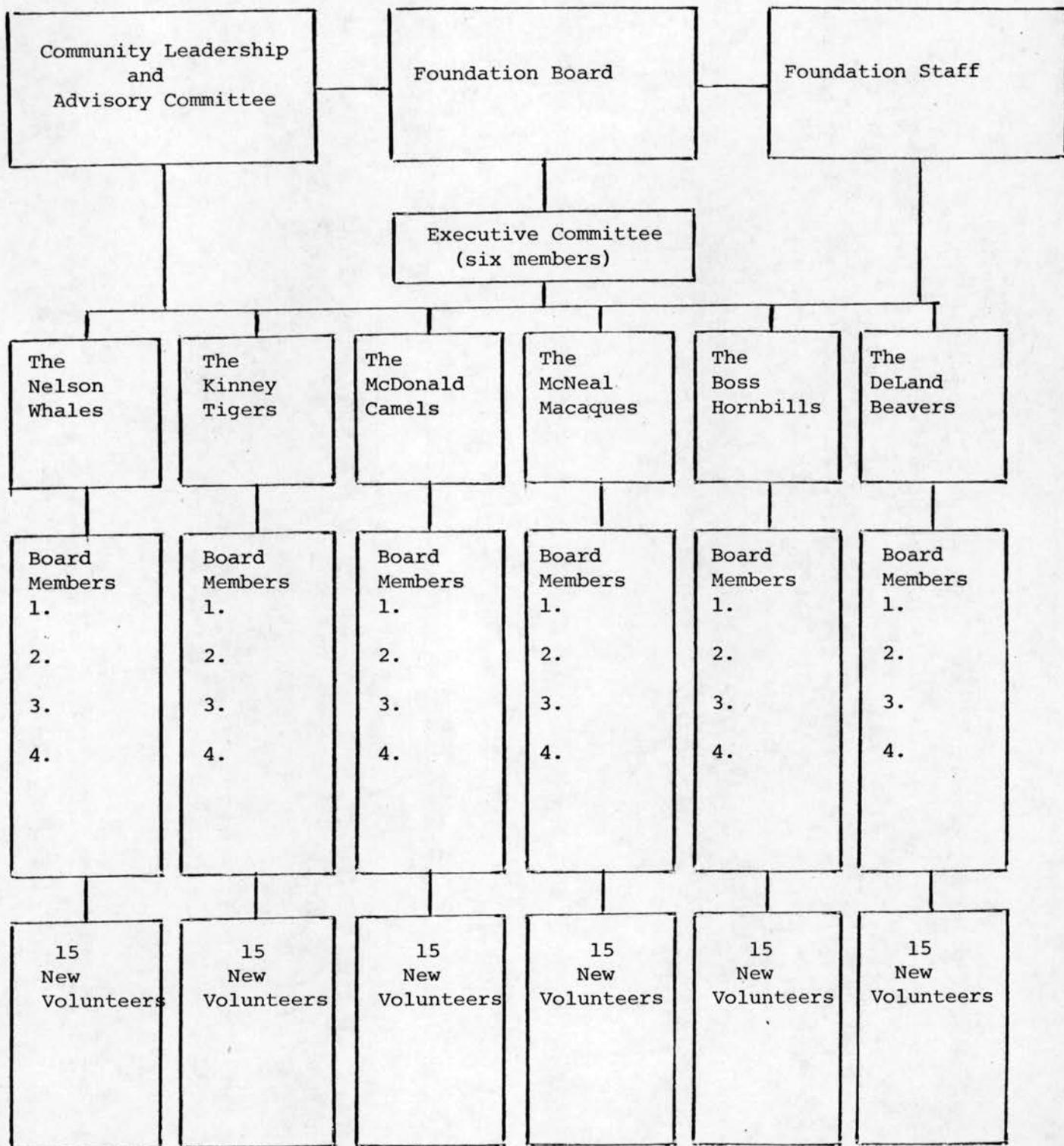
- . Each Foundation Board Member will be asked to build a personal support team of three (3) new volunteer associates who will assist in the development program. Training on product and process will occur before any and all solicitation.
- . Each Director's Team (total of 4 persons) will be asked to select from a prepared (by Foundation staff) list of most likely corporate and foundation prospects in each of the donor levels as categorized, a target of 15 prospects for subsequent contact.

i.e. 30 Board Members (Teams)
x 15 prospects each 4 member team
450 contacts (more, if interested!)

- . This number of potential contacts is the number of prospects previously identified in the top four categories of the proposed donor pyramid...see illustration!. The potential dollar gifts amount to \$800,000.
- . This goal is attainable!

Proposed Program Structure (Teams)

Each Foundation officer will be asked to chair an Action Committee to which each board member will assist in the implementation of this program -- i.e.:



- . The balance of \$200,000 must be secured by ancillary programs designed to reach out to other identifiable prospects at the dollar level of \$100.00 up to \$2,500.00. The previous illustration suggests that maybe around 2600 good prospects will be needed to secure an estimated \$200,000. This segment can only be reached by adopting and implementing a major direct mail campaign along the line as previously proposed and presented. Individualized approaches will have to be designed because of the diversity of both types and sizes of prospects in this category. Prospects are primarily corporation, businesses, foundations and selected individuals.

IX. OVERVIEW:

- . Board member experience needs to be drawn from in all levels of preparing for and implementing this program!
- . Ideas and involvements are essential!
- . Dedication and commitment - a must!
- . Realization of the large scope of the process is basic!
- . Foundation staff will prepare materials, schedule efforts, coordinate, participate in presentations, provide back-up at each step and help in all ways!
- . A major effort involving board members time and contacts will be needed - this will be modified (reduced) somewhat by the recruiting and securing additional team members (volunteers) to assist with the specific calling program. We cannot succeed without it!
- . I believe this proposed program can be accomplished with fewer prospects and subsequent donors than comparable campaigns because we will seek and secure a higher amount of support from interested, able and willing sources. The Zoo has exceptional potential and needs an exceptional effort to obtain these funds.
- . This is your program - Peers give to peers - the ball game is back in your court!

X. NEXT STEPS

- . Adopt Proposed Goal and Approach.
- . Develop Zoo's Building target list (three years if possible)
- . Develop Foundation Ongoing Program structure, timing and assignments.

- . Secure community leader as chairperson...and others as identified.
- . Conceive and design support materials
 - describe needs (logical)
 - provide justifications (financial, visitors, etc.)
 - printing of documentation (attractive, inviting)
- . Foundation defining budgets to accomplish goals and securing operating funds - and campaign funding as applicable.
- . Develop Donor Club Concept - benefits - etc. - "add some fun and sizzle to the task"
- . Refine Prospect lists - build on present base - add Board members referrals.
- . Board members recruit team/associates - volunteer members of the Annual sustaining drive.
- . Personalize the process for participants - make it exciting for all involved. What's in it for them? Value important to Solicitation Success!
- . Promotion - Public Relations - Community Awareness - Reporting - determine extent!
- . Timing important - crucial - ask to consider!
- . Community Comparisons - Zoo comparisons - Valuable!
- . Develop Cultivation events.
- . Develop Recognition events.
- . Make it fun!
- . Make it happen!

TIMELINES/ACTIVITIES

March, 1981	To be determined through Discussion of Proposal -
April, 1981	And, agreement among the Board members
May, 1981	of individual commitments of <u>time</u> and <u>effort</u> to accomplish goal -
June, 1981	Tasks generally defined ...
etc.	Individual participation necessary Responsibility and Involvement are basis of success.

RSV/dm

MINNESOTA ZOOLOGICAL GARDEN FOUNDATION

Board of Directors Meeting
January 29, 1981

Minutes

A meeting of the Board of Directors of the Minnesota Zoological Garden Foundation was held on Thursday, January 29, 1981, at 3:30 p.m. in the Board Room, IDS Group of Companies, 1000 Roanoke Building, Minneapolis.

Members Present: Stanley Nelson, President; Malcolm McDonald, Vice President; Firmin Alexander, Connie DeLand, Stephen Farley, Louis Gelfand, Richard Gray, Chy Morrison, Gordon Rosenmeier.

Staff Present: Robert S. Voigt, Executive Director; Kathryn Rosebear, Administrative Assistant; Deana Miller, Secretary.

Others Present: James Hetland, Chairman, Minnesota Zoological Board; Edward Kohn, General Director, Minnesota Zoological Garden; Karla Williams, Executive Director, Minnesota Zoological Society.

The meeting was called to order at 3:43 p.m. by Stan Nelson, presiding.

I. Zoo Report

Ed Kohn reported on the Governor's budget recommendations and legislative activities regarding the Zoo's requests for operating and capital support. Capital support for Zoo improvements has not been included in the Governor's first recommendations. A second bill will be submitted in March and the Zoo still may be considered for recommendation at that time. The chances for state action on capital support seem remote during this session but action during the next session is still a possibility. Should the Zoo be included in the second recommendation and appropriations, funds for Zoo capital projects would not be committed until April, 1982.

Mr. Kohn reported that he and Jim Hetland had completed eight meetings with legislative leadership. They have been received cordially. The only possible Zoo issue receiving attention at this point is the request to increase the admissions pricing structure. Authority to increase adult admission prices from \$3.00 to \$3.75 and all other admissions by 25 cents has been requested. Legislators have suggested that the Zoo Board regain authority to set its own pricing structure.

Stan Nelson asked how recent legislative recommendations and decisions affected the Foundation's development program. Mr. Kohn responded that the Zoo and Foundation must wait for a decision on inclusion of the Zoo in the second series of capital requests to be prepared by March 1, 1981. Stan Nelson noted that, even if the Zoo is included in the future capital funding bill, the Foundation will need other programs, strategies and funds for the interim period.

II. Task Force

Stan Nelson reported that the concept of a task force of business people proposed by Dick Gray had been discussed and recommended at meetings of the Foundation's Executive Committee and the Public Relations Advisory Committee. He asked Dick Gray for a progress report.

Dick Gray stated that his concept was to form a group of business leaders independent of the Zoo to review the Zoo and its programs, consider the Zoo as a community problem, brainstorm solutions and alternative solutions and take action towards a more positive relationship between the Zoo and this community.

Mr. Gray also reported that the Freshwater Biological Foundation Executive Committee, of which he is a member, has considered the need for a freshwater aquarium in the state and has determined that the Zoo would be an appropriate site for the aquarium. In its planning for its next five-year, \$5 million program, Project Fountainhead, the Freshwater Foundation has committed some funds towards the aquarium project. Mr. Gray suggested that, rather than beginning the aquarium project in 1986-87 as currently planned, the project schedule should be advanced.

Jim Hetland asked Mr. Gray, on behalf of the Freshwater Foundation, to begin the process of formalizing the joint project with a request to the Zoo Board.

Malcolm McDonald noted that the Freshwater Foundation is an example of a private, non-profit organization raising money for state projects; he questioned whether other non-profit organizations, such as garden clubs or 4H clubs, might also be involved in the Zoo. Dick Gray noted that the Freshwater Foundation is considered a primary example of the private sector working with the public sector on mutually beneficial projects.

III. Foundation Report

- A. Six Month Pre-Campaign Proposal
- B. Six Year Development Program Proposal

On the basis of reports mailed prior to the meeting and referred to at this meeting, Stan Nelson asked the Foundation Board whether the Foundation should plan to attempt fund-raising on behalf of the Zoo as proposed.

Bob Voigt stated that materials had been assembled to outline a six-month Foundation program leading to a pre-campaign. A timeline prepared by staff included tasks for each Foundation committee leading to a pre-campaign solicitation period scheduled for May and June, 1981. A series of steps have been proposed leading to the solicitation period. If, on May 1, all variables have not been concluded as needed, the solicitation phase would not be started or another type of selected target approach could be substituted.

Stan Nelson added that the Foundation Board had initially visualized a major campaign which is no longer possible. He suggested the Board now consider earlier recommendations to broaden the base of potential support and build a constituency -- essentially a smaller start to

the capital fund-raising which could gain momentum in the future. Dick Gray stated that, within the last three months, the Zoo has received excellent justification for its efforts in the Minnesota Poll which indicated the Zoo was the top attraction in Minnesota. Stan Nelson also noted that Ed Kohn and Jim Hetland have now confirmed and prioritized their program for the Zoo and the Foundation must be responsive to their requests.

Jim Hetland stated that initially the Foundation had determined, on the basis of information received through the Shaver Feasibility Study, that it should wait for public sector funding prior to beginning a capital campaign. Now it appears too many negative factors would result if the Foundation were to halt fund-raising until the public sector provides partial funding.

Firmin Alexander stated that the capital campaign goal was very specific but organizations such as the Zoo also have periodic needs which must be funded. Mr. Alexander suggested the Foundation implement a sustaining annual drive to meet smaller periodic needs, adding that the Shaver Report addressed the possibility of a major fund-raising effort rather than a sustaining capital program. Malcolm McDonald added that the Zoo could define its needs in terms of projects and funding of these projects would also have appeal to groups and clubs throughout the state.

Lou Gelfand stated the Foundation must convince the public the Zoo is in the same category as the Guthrie Theater, Walker Art Center and Minnesota Orchestra where annual gifts are expected every year. The need to change public response to the Zoo is also the primary purpose of Dick Gray's Task Force. Mr. Gelfand suggested that a major part of the Task Force orientation include the results of the Minnesota Poll.

In response to a question from Stan Nelson, Steve Farley agreed the timing was inappropriate for a major capital drive. He stated the Zoo seems to have a marketing problem and suggested scheduling events which would have a broader appeal than "just animals."

Stan Nelson asked the Board whether it would consider implementation of the proposed six month plan to raise funds for selected Zoo projects. Ed Kohn suggested the Foundation not consider fund-raising for capital maintenance which is covered by state appropriations. Firmin Alexander suggested Mr. Kohn and the Zoo staff define and prioritize the Zoo's capital improvement needs for the next several years and that the cost of those improvements become the Foundation's goal. Stan Nelson requested that Bob Voigt meet with Ed Kohn to discuss capital needs.

Bob Voigt restated Stan Nelson's question regarding action to be taken on the Foundation's decision to develop a six-year program in response to the Zoo's request to the legislature. Jim Hetland stated that the Foundation's response was included in the Zoo's legislative proposal which has not received the approval of the Governor or the legislature at this time.

It was the Board's conclusion that no action on the six-year proposal could occur at this time. The Foundation response to the question of a \$7 million capital campaign was tabled.

Connie DeLand moved that the Foundation approve an on-going, sustaining capital improvements and enhancement drive with selected targets to be determined by Ed Kohn and the Minnesota Zoological Board. The motion was seconded by Chy Morrison. Motion Carried Unanimously.

C. Approval of Operating Plan and Foundation Funding Proposal

Bob Voigt reported that the Foundation would need to begin seeking funds for its own operational budget. A summary of the proposed case statement was given each Board member.

The proposed case statement included information on most questions and requirements of major funding prospects. The budget was included in the Six Year Development Program proposal. Appropriate revisions in goals and programs will be made based on today's decisions.

Several Board members questioned why Board action was necessary to begin raising operational funds for the Foundation. Bob Voigt explained that many funding agencies require statements of Board support in proposals submitted for their consideration.

K Dick Gray moved that the Foundation President and Executive Director be authorized to act on behalf of the Foundation Board to secure grants to cover the Foundation's operating budget for the 1982, 1983 and 1984 fiscal years. The motion was seconded by Chy Morrison. Motion Carried Unanimously. *for selective support*

The meeting was adjourned at 5:01 p.m.



Minnesota Zoological Garden Foundation

1422 West Lake Street, Suite 303 • Minneapolis, Minnesota 55408 • Phone (612) 827-3661

OFFICERS AND DIRECTORS:

STANLEY J. NELSON
President
Minneapolis
MARGEE KINNEY
Vice President
Wayzata
MALCOLM McDONALD
Vice President
North Oaks
DEAN McNEAL
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WALLACE C. DAYTON
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CONNIE DeLAND
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D. STEPHEN FARLEY
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LOUIS I. GELFAND
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EX-OFFICIO MEMBERS:

ROBERT L. BONAWITZ
President
Minnesota Zoological Society
JAMES L. HETLAND
Chairman
Minnesota Zoological Board
EDWARD KOHN
General Director
Minnesota Zoological Garden

EXECUTIVE DIRECTOR:

ROBERT S. VOIGT

TO: Members
Board of Directors
Minnesota Zoological Garden Foundation

FROM: Stanley J. Nelson
President

DATE: January 26, 1981

SUBJECT: Proposed 6 Year Task Plan

The Minnesota Zoological Board approved a 6-year Capital Expansion Plan at the Zoo Board Meeting on December 11, 1980.

The Foundation Executive Committee met with the Zoo Board members on December 16th to first discuss a Foundation approach to seek private sector support.

On December 19, 1980, a projected cash flow target was prepared based on discussions from prior meetings.

On December 22, 1980, an office memorandum was delivered by Ed Kohn to Wayne Burggraaff, Commissioner, Department of Finance, for official notice to the State of Minnesota. This statement suggested a multi-phase approach to future Zoo capital building programs...and, most important was a private funding goal.

The Foundation Executive Committee met on January 13, 1981 in order to consider a strategy for an immediate 6 month plan of action. This proposed strategy has been previously mailed to each board members. (Bring this to the January 29th Board Meeting.)

NOW - the full meeting of the Board of Directors will consider the enclosed material at the Board Meeting scheduled for Thursday, January 29th, 3:30 p.m., Board Room, IDS Group of Companies, 1000 Roanoke Building, Minneapolis.

Please study the enclosed and be prepared to discuss:

- Schedule A: Zoo 6 year Capital Expansion Plan
- Schedule B: Foundation's 10 year Program Plan
- Schedule C: Foundation Task Plan
- Schedule D: Foundation Operating Budget
- Schedule E: Foundation Projected Cash Flow Chart

Decision will be made - your participation is needed!

SJN/dm
encs.

f. Steven Farley

December 22, 1980

MINNESOTA ZOO 6-YEAR CAPITAL EXPANSION PLAN

All Values Expressed in 1982 Dollars (current value x 1.224)

PROJECT PHASE - COMPOSITION	BIENNIUM REQUESTED			Schedule A
	FY 1982-83	FY 1984-85	FY 1986-87	TOTAL
Tundra I - Polar Bear, Walrus, Arctic Fox, Shorebirds, Seabirds, Station Platform, Restrooms, Access pathways/bridges	\$3,935,000			
Outdoor Amphitheater - Lakeside Seating for 700 Visitors	65,000			
Asian Large Mammals I - Orangutan, Rhino, Elephant*		\$4,500,000		
Tundra II - Caribou, Wolf, Taiga Predators, Visitor Services		3,000,000		
Freshwater Aquarium - Site Preparation & Utilities		500,000 ¹		
Asian Large Mammals II - Gaur, Swine, Jackals, Nilgai, Black Buck*			\$3,000,000	
Alpine I - Grizzly Bear, Mountain Goat, Red Panda*			3,000,000	
TOTAL PROJECT COSTS (1982 Dollars)	\$4,000,000	\$8,000,000	\$6,000,000	\$18,000,000²
Funding Source - State Capital Budget Request	\$3,000,000	\$5,330,000	\$4,000,000	\$12,330,000
Private Fundraising Goal	1,000,000	2,670,000	2,000,000	{5,670,000
Ratio (Private:State)	(1:3)	(1:2)	(1:2)	{plus aquarium ¹
Dollar Values Inflated to Year of Request	\$4,000,000	\$9,400,000	\$8,190,000	\$21,590,000
(1984-85 - Current value X 1.438) State Request	\$3,000,000	\$6,270,000	\$5,460,000	\$14,730,000
(1986-87 - Current value X 1.671) Private Request	1,000,000	3,130,000	2,730,000	6,860,000

¹The Freshwater Aquarium is now under study as a project to be primarily privately funded. The only state funding requested is for general preparation and to bring utilities to the site. The balance of \$4.5 million would be sought from the private sector.

²Projects planned following 1987 include Alpine II, Major Animal Holding Facilities, and additional Visitor Services. These projects are estimated at \$6,000,000 (1982 dollars) and comprise the balance of the Minnesota Zoo Completion Plan for the 1980's.

*Representative Species

DISCUSSION DRAFT:

January 29, 1981

MINNESOTA ZOO FOUNDATION 10 YEAR CAPITAL DEVELOPMENT PROGRAM

Based On:

MINNESOTA ZOO 6 YEAR CAPITAL EXPANSION PLAN

(December 22, 1980)

Schedule B

All Values Expressed in 1982 Dollars (current value x 1.224)

MINNESOTA ZOOLOGICAL GARDEN BIENNIUM
REQUEST TO LEGISLATURE

PROJECT PHASE - COMPOSITION	FY 1980-81	FY 1982-83	FY 1984-85	FY 1986-87	FY 1988-89	TOTAL
Short Range Development Program - Bison, Wapiti, Exhibit modifications, tiger maternity, Macque, Conference Center, Graphics	\$ 1,522,000					
Tundra I - Polar Bear, Walrus, Artic Fox, Shorebirds, Seabirds, Station Platform, Restrooms, Access pathways/bridges		\$ 3,935,000				
Outdoor Amphitheater - Lakeside Seating for 700 visitors		65,000				
Asian Large Mammals I - Orangutan, Rhino, Elephant*			\$ 4,500,000			
Tundra II - Caribou, Wolf, Taiga Predators, Visitor Services			3,000,000			
Freshwater Aquarium - Site Preparation & Utilities			500,000 ¹			
Asian Large Mannals II - Gaur, Swine, Jackals, Nilgai, Black Buck*				\$ 3,000,000		
Alpine I - Grizzly Bear, Mountain Goat, Red Panda*				3,000,000		
TOTAL PROJECT COSTS (1982 Dollars)	\$ 1,522,000	\$ 4,000,000	\$ 8,000,000	\$ 6,000,000		\$19,522,000²
Funding Source - State Capital Budget Request		\$ 3,000,000	\$ 5,330,000	\$ 4,000,000		\$12,330,000
Private Fundraising Goal	\$ 1,522,000	1,000,000	2,670,000	2,000,000		(7,192,000 ¹
Ratio (Private:State)		(1:3)	(1:2)	(1:2)		(plus aquarium ¹
Dollar Values INFLATED to Year of Request(MZG 6 yr.plan)		4,000,000	9,400,000	8,190,000		21,590,000
1984-85 - current value x 1.438) State Request ³	-0-	3,000,000	6,270,000	5,460,000		14,730,000
1986-87 - current value x 1.671) Private Request ³	\$ 1,522,000	\$ 1,000,000	\$ 3,130,000	\$ 2,730,000	\$ 1,300,000	\$ 9,682,000

¹ The Freshwater Aquarium is now under study as a project to be primarily privately funded. The only state funding requested is for general preparation and to bring utilities to the site. The balance of \$4.5 million would be sought from the private sector.

² Projects planned following 1987 include Alpine II, Major Animal Holding Facilities, and additional Visitor Services. These projects are estimated at \$6,000,000 (1982 dollars) and comprise the balance of the Minnesota Zoo Completion Plan for the 1980's.

³ Cash Flow - preceded by Capital Campaign, Grants and Pledges.

* Representative Species

MZG BIENNIUM REQUESTS TO LEGISLATURE
 (presented December 22, 1980)

	FY 1980-81	FY 1982-83	FY 1984-85	FY 1986-87	FY 1988-89
1. Planning, implementation and evaluation of Pre-Campaign as outlined in "6 Month Plan"	_____				
2. Planning - Six Year Program					
A. Recruit Chairman	_____	_____			
B. Review and establish annual \$ goals	_____	_____	_____	_____	
C. Recruit & train leadership	_____	_____			
D. Train affiliate organization Board members	_____	_____	_____	_____	
E. Determine staffing needs, budgets, funding	_____	_____			
F. Designate & research primary prospect groups	_____	_____	_____	_____	
G. Designate & research all prospect groups	_____	_____	_____	_____	
3. Organization - Six Year Program					
A. Review & update case statement	_____	_____	_____	_____	
B. Set schedules & timetables; secure funding	_____	_____	_____	_____	
C. Rate prospects	_____	_____			
D. Prepare & print brochures, mat'ls, manuals	_____	_____			
E. Develop supplemental fund-raising programs, i.e., direct mail, special events (maintain)	_____	_____	_____	_____	
4. Capital Campaign, Fall 1982 (& on-going)					
A. Appeal event	_____	_____	_____	_____	
B. Solicit Board	_____	_____			
C. Assign prospects	_____	_____			
D. Prospect cultivation	_____	_____	_____	_____	
E. Prospect solicitation	_____	_____	_____	_____	
5. Support Activities - Six Year Program					
A. Donor acknowledgement	_____	_____	_____	_____	
B. Leadership recognition	_____	_____	_____	_____	
C. Evaluation	_____	_____	_____	_____	
6. Planning - Freshwater Aquarium					
A. Define joint project	_____	_____			
B. Review & establish annual \$ goals	_____	_____			
C. Recruit & train leadership	_____	_____			
D. Determine staffing needs, budget, funding	_____	_____			
E. Designate & research primary prospect groups	_____	_____			
F. Designate & research all prospect groups	_____	_____			

MZG BIENNIUM REQUESTS TO LEGISLATURE
 (presented December 22, 1980)

	FY 1980-81	FY 1982-83	FY 1984-85	FY 1986-87	FY 1988-89
7. Organization - Freshwater Aquarium					
A. Review and update case statement		_____	_____		
B. Set schedules & timetables		_____	_____		
C. Rate prospects		_____	_____		
D. Prepare & print brochures, mat'ls, manuals		_____	_____		
8. Solicitation, Freshwater Aquarium					
A. Appeal event			_____	_____	
B. Solicit Board			_____	_____	
C. Assign prospects			_____	_____	
D. Prospect cultivation			_____	_____	
E. Prospect solicitation			_____	_____	
9. Freshwater Aquarium Solicitation- Conclusion					
A. Donor acknowledgement			_____	_____	
B. Leadership recognition			_____	_____	
C. Evaluation			_____	_____	
10. Deferred Giving Program					
A. Determine long-range deferred giving program and staffing needs	_____	_____	_____	_____	
B. Determine and develop program & needs			_____	_____	
C. Hire full-time Deferred Giving Officer			_____	_____	
D. Recruit & train Deferred Giving Committee		_____	_____	_____	
E. Prepare & print brochures, mat'ls, manuals			_____	_____	
F. Designate primary prospect groups			_____	_____	
G. Develop cultivation/solicitation format			_____	_____	
H. On-going cultivation/solicitation			_____	_____	
I. On-going evaluation			_____	_____	

January 29, 1981

Same period of time as the MZG Biennium Request
to the Legislature

Schedule D

FOUNDATION OPERATING BUDGET ¹	FY 1980-81	FY 1982-83	FY 1984-85	FY 1986-87	FY 1988-89	
<u>RECEIPTS: (Potential)</u>						
Contributions - Restricted MZG	\$ 367,000 (80)	\$ 333,000 (82)	\$1,000,000 (84)	\$ 734,000 (86)	\$ 733,000 (88)	Not extended
Unrestricted MZGF	143,500	132,000	176,000	205,000	N/A	beyond 1989
Other ²	N/A	N/A	165,000	837,000	831,000	for projected
Restricted MZG	130,600 (81)	666,000 (83)	867,000 ² (85)	600,000 (87)	866,000 (89)	cash flow ...
Unrestricted MZGF	43,700	134,000	191,000	220,000	N/A	
Other ²	N/A	N/A	498,000	1,000,000	500,000	
TOTAL (On Biennium Basis)	\$ 684,800	\$1,265,000	\$2,897,000	\$3,596,000	\$2,930,000	
<u>EXPENDITURES:</u>						
Operating Costs: Management, salaries, printing, publishing, communication, etc. (1987 \$ value = current x 1.671)	\$ 85,300 (80)	\$ 110,000 ¹ (82)	\$ 154,000 ³ (84)	\$ 187,000 (86)	N/A	
	99,100 (81)	122,000 (83)	174,000 (85)	200,000 (87)	N/A	
Project Fees (Other non-reoccurring) (10% +)	12,400 (80)	22,000 (82)	22,000 (84)	18,000 (86)	N/A	
	9,800 (81)	12,000 (83)	17,000 (85)	20,000 (87)	N/A	
TOTAL: (On Biennium Basis)	\$ 206,600	\$ 266,000	\$ 367,000	\$ 425,000	N/A	
<u>DISTRIBUTION TO MZG BUILDING PROGRAM:</u>	\$ 619,000 (80)	\$ 130,000 (82)	\$ 666,000 (84)	\$ 867,000 (86)	\$ 600,000 (88)	
	903,000 (81)	333,000 (83)	1,000,000 (85)	734,000 (87)	733,000 (89)	
	\$1,522,000	\$ 463,000	\$1,666,000	\$1,601,000	\$ 1,333,000	\$ 6,585,000
Other ²	N/A	N/A	165,000	1,335,000	1,831,000	3,331,000
	\$1,522,000	\$ 463,000	\$1,831,000	\$2,936,000	\$ 3,164,000	\$ 9,916,000

¹ Does not include campaign costs (would be included in campaign budget proposed for 1982)² Presuming Freshwater Interpretive Center drive 1984 (3 year impact on cash flow) Full budget not included - presume special funding & operating program³ Foundation establish Deferred Giving Program 1984 (or sooner ?)

1-6-81

Executive director and trustees bear cooperative responsibilities

To the Editor: Tom Dunn raised an important issue in his Star Opinion Page column, "Trustees of not-for-profit groups should take responsibilities" (Dec. 12). Indeed, board members do have a responsibility for the safe-keeping of a non-profit organization. However, I disagree that this responsibility is theirs alone. It rests equally with the executive director.

Upon selecting an executive director, the board members place a certain trust and responsibility in this person. They trust that he will translate their ideas and good intentions into a workable plan to achieve the organization's goal. In developing the plan, the director must identify the most efficient steps or programs to accomplish this. With these programs laid out and approved, the board members then entrust a responsibility to the executive di-

rector to see that they are implemented to achieve success.

In other words, the executive director is entrusted to develop a workable method and then given responsibility for the day-to-day operations. This responsibility includes reporting all developments to the board so they can carry out their responsibility of guiding the organization's overall growth and development.

In short, the organization's safe-keeping requires the cooperative efforts and commitment of both the board and director. It begins during the initial planning stage and must be reaffirmed at each successive planning period.

Perhaps fewer non-profit organizations would fold (the "cholera scare," as defined by Dunn) if the board and the director gave more attention during these planning stages to establishing, not simply a common goal but more importantly, common definitions of (a) what the organization is; (b) what it should be in the future; (c) how this development will occur; and (d) where responsibility lies for implementing, administering and guiding the organization to successfully achieving its goal. The common definitions must be agreed to and clearly spelled out in the organizational plan.

Because it is often difficult to reach a consensus on each of these, because of individual definitions held by each board member and the director, many organizations gloss over the necessary task and attempt to develop a plan. But because there are still many individual definitions, the plan (which is the foundation of how the organization is going to operate and achieve its goal) is interpreted and implemented differently by each.

Thus, without successfully establishing

common definitions, implementing an organizational plan is risky at best. And if the plan fails the organization's chances of folding are increased.

Therefore, board members and the director share responsibility for developing

and implementing a detailed organizational plan built on common definitions. This is the key to successful safekeeping of non-profit organizations.

I highly recommend that more time be spent during the planning process to estab-

lish common definitions, which increases understanding and decreases the chances of failure.

—Robert L. Thomas
Minneapolis

RECOMMENDED OUTLINE
THE MINNESOTA ZOOLOGICAL GARDEN FOUNDATION'S
CASE STATEMENT FOR SUPPORT

- I. Cover letter
 - A. Summary of Proposal - Foundation's Objectives -
Significance to Zoo's long term development objectives -
private sector support for public sector agency -
 - B. Capsule Budget
 - 1. Use of Funds Requested (schedule B) to develop matching
funds program and participate in the Zoo's future capital
expansion proposal.
 - 2. Period of time (schedule C) (first three years of a six
year program)
 - 3. Cost of Foundation Program (schedule D)
 - 4. Results obtainable (schedule E)
 - C. Individualized as appropriate to specific foundation or funding
source.
 - D. Signed by President Nelson and other Board members known
to funding organization.

- II. Description of Foundation
 - A. Historical
 - 1. Established by Zoo Board
 - 2. Needs/Goals adopted
 - 3. Summary of activities
 - 4. Financial history - Revenues and Expenditures -
Contributions to Zoo - Application of Funds
 - B. Current and projected goals
 - 1. Zoo Board activities and proposals
 - 2. Legislative Requests
 - 3. Foundation decisions (Results of 1-29-81 meeting)

- III. Description of Zoo
 - A. Historical
 - 1. Grass Roots effort - Como/Society
 - 2. Citizens League (1966)
 - 3. Metro Council (1967)
 - 4. Legislative Action (1969)

5. State Funding (1973)
 6. Construction (1974-78)
 7. Operating Program (1978 - Current)
- B. Financial
1. Construction Budgets and Results of Operations
 2. Attendance
 3. Return to State
 4. Projections (as available)
 5. General Fund - Appropriations
 6. State Audits, etc. Reports
- C. Description of Board - Function - Purpose
1. Members
 2. Committees
 3. Others
 4. Governor appointed, etc.
- IV. Case for Planned Project - 6 Year Building Program -
- A. Statement - Description of Northern Trail Extension - The Tundra Community - Zoo documentation
 - B. Positive aspects
 - C. Zoo Financial Estimates - Cost
 - D. Zoo Financial Estimates - Operating budget
 - E. State of Minnesota Request process
- V. Justification
- A. Expanded opportunities for visitors
 - B. Enlarged Exhibit concepts
 - C. Improved Educational programs
 - D. Philosophical goals
 - E. Statewide service
- VI. Documentation of the Need
- A. Statistical representation of trends - ? -
 - B. Projected visitor increases - growth potential
 - C. Space - dispersals - available support services

- D. Investments in place to date on which to expand
- E. Tourism/Recreation
- F. Surveys - visitor attitudes and desires - meeting the needs -

VII. Endorsement of Need

- A. By those in the Zoo -
 - 1. Board
 - 2. Staff
- B. By members of the Community
 - 1. Donors
 - 2. Individuals
 - 3. Chamber of Commerce
 - 4. Prospects
 - 5. Community leaders
- C. By those outside of the community
 - 1. AAZPA - Zoo organizations -
 - 2. Other Zoo People
 - 3. Other Individuals - National - ? -

VIII. Visual materials - provide -

- A. Architectual Plans
- B. Proposed exhibit description
- C. Maps, brochures, pictures
- D. Films
- E. Graphs and Charts
- F. Future problems anticipated - surrounding area developments - etc.
- G. Other information as requested

- IX. Detailed Budget of Foundation Program
 - A. Including how estimated, additions, options, etc.
 - B. Projected sources of funds
 - C. Anticipated operating and maintenance costs of Foundation's Development plans
 - D. Application of funds received to meet Zoo's building program

- X. The Amount Requested (i.e. \$225,000 over 3 years)
(75,000 - 1982) (75,000 - 1983) (75,000 - 1984)
 - A. Basics for request
 - B. Multiplier Effect
 - 1. Motivate state
 - 2. Opportunity for individual gifts
 - 3. Planning for future support
 - 4. Basis for deferred gift consideration
 - 5. Private sector participator in public sector development -
 - 6. Examples from current charts (schedule D)

- XI. Credentials
 - A. Zoo - AAZPA, etc.
 - B. Foundation - NSFRE, etc.

- XII. Personalities - Leadership - Responsibilities
 - A. Zoo Board - names, affiliations, etc.
 - B. Foundation Board - names, affiliations, etc.
 - C. Administrative Staff - both organizations
 - D. Person Responsible to administer requested funds

XIII. Current Financial Information (Foundation)

- A. Most Recent Audit
- B. Summary of prior years

XIV. I.R.S. Documentation

- A. Non profit status 501(c)3
- B. Not a private foundation

XV. Other as Determined Applicable

- A. Statement that applicant will spend funds solely for purpose stated in application, and make such reports as are required by the grantor.
- B. A clear indication that this application has been reviewed and approved by the Zoo Foundation Board of Directors - a formal resolution.
- C. Minnesota Zoological Society - history - purpose - relationship - administration -
- D. Comparison to other Zoos - Foundation study - information available from MZG.
- E. Attendance comparison - local cultural programs
- F. Minnesota Poll - Results - public interest
- G. Testimonial letter - Chairman Zoo Board
Testimonial letter - Governor
Testimonial letter - Others ...



Minnesota Zoological Garden Foundation

1422 West Lake Street, Suite 303 • Minneapolis, Minnesota 55408 • Phone (612) 827-3661

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Minnesota Zoological Garden

EXECUTIVE DIRECTOR:

ROBERT S. VOIGT

TO: Jim Hetland
Ed Kohn ✓

FROM: Bob Voigt R

DATE: January 14, 1981

The two enclosed charts are ideas which were discussed by the Zoo Foundation's Executive Committee yesterday.

These proposals are an attempt to get the Foundation going on a Six Month Pre-Campaign effort which will be based upon a presumed favorable report from the Legislature and a presumed favorable report from Dick Gray's Task Force.

While there were no quick conclusions, the recommendation was that this proposal be presented to the full Foundation Board at a very early date and to move ahead with the implementation concept which is proposed through April. Whether or not the pre-campaign effort begins in May and June will depend upon the results and other information that is assembled during the interim.

We at the Foundation would welcome your reaction to this proposal and look forward to your participation at the next full scheduled Foundation Board Meeting. However, any comments during the interim would be greatly appreciated.

RSV/dm
attachments

Discussion Draft
January 13, 1981

GIFT RANGE FOR A \$7 MILLION CAMPAIGN (1982)

PRE-CAMPAIGN (1981)

	<u>Gift Range</u>	<u>i.e. Campaign No. of Commitments</u>	<u>No. of Prospects</u>	<u>Gift Totals</u>	<u>Prospects for Mini-list</u>	<u>Commitment</u>	<u>Amount</u>
Strategic Gifts	\$ 700,000	2	5		3	1	700,000.
	\$350,000-700,000	3	10		7	2	700,000.
	\$100,000-350,000	10	40	<u>\$ 2,750,000</u>	15	3	300,000.
Major Gifts	\$ 40,000-100,000	50	150		25	4	160,000.
	\$ 10,000- 40,000	60	180		25	5	100,000.
	\$ 2,500- 10,000	75	225	<u>\$ 2,750,000</u>	25	5	40,000.
General Gifts	\$ 1,000- 2,500	200	400		0	0	0
	\$ 500- 1,000	400	800	<u>\$ 350,000</u>	0	0	0
		<u>800</u>			<u>100</u>	<u>20</u>	<u>\$2,000,000</u>
Direct Mail	\$ 100- 500	1,000	2,000		0		
	under 100	<u>11,000</u>	?	<u>\$ 1,150,000</u>	0		
		<u>12,000</u>		<u>\$ 7,000,000</u>			

Discussion Draft
January 13, 1981

GIFT RANGE FOR A \$7 MILLION CAMPAIGN (1982)

PRE-CAMPAIGN (1981)

	<u>Gift Range</u>	<u>i.e. Campaign No. of Commitments</u>	<u>No. of Prospects</u>	<u>Gift Totals</u>	<u>Prospects for Pre-Campaign</u>	<u>Commitment</u>	<u>Amount</u>
Strategic Gifts	\$ 700,000	2	5		3	1	700,000.
	\$350,000-700,000	3	10		7	2	700,000.
	\$100,000-350,000	10	40	<u>\$ 2,750,000</u>	15	3	300,000.
Major Gifts	\$ 40,000-100,000	50	150		25	4	160,000.
	\$ 10,000- 40,000	60	180		25	5	100,000.
	\$ 2,500- 10,000	75	225	<u>\$ 2,750,000</u>	25	5	40,000.
General Gifts	\$ 1,000- 2,500	200	400		0	0	0
	\$ 500- 1,000	400	800	<u>\$ 350,000</u>	0	0	0
		<u>800</u>			<u>100</u>	<u>20</u>	<u>\$2,000,000</u>
Direct Mail	\$ 100- 500	1,000	2,000		0		
	under 100	<u>11,000</u>	?	<u>\$ 1,150,000</u>	0		
		<u>12,000</u>		<u>\$ 7,000,000</u>			

SHORT RANGE DEVELOPMENT PROGRAM

DIVISION OF RESTRICTED/UNRESTRICTED FUNDS
AVAILABLE FROM MINNESOTA ZOO FOUNDATION
 December 31, 1980

	UNRESTRICTED FUNDS		NORTHERN TRAIL FUNDS		OTHER RESTRICTED FUNDS	
	CURRENT BUDGET	EXPENDED/OBLIGATED	CURRENT BUDGET	EXPENDED/OBLIGATED	CURRENT BUDGET	EXPENDED/OBLIGATED
PUBLIC SPACE	\$117,025	\$89,960	\$268,100	\$242,942	\$ -0-	\$ -0-
STAFF SPACE	37,261	36,801	-0-	-0-	-0-	-0-
OCCUPATIONAL MODIFICATION	171,400	131,157	57,777	57,777	100	100 MN Exhibits
EXHIBITS	92,959	39,580	557,033	494,922	2,165	2,165 Tiger, Aviary
GRAPHICS	73,014	72,573	24,000	23,853	-0-	-0-
EQUIPMENT	19,037	19,037	20,263	20,263	-0-	-0-
HORTICULTURE	-0-	-0-	-0-	-0-	-0-	-0-
ANIMAL ACQUISITION	44,603	42,499	30,500	29,000	6,989	6,989 Animal Acq.
SUB-TOTAL	\$555,299	\$431,607	\$957,673	\$868,757	\$9,254	\$9,254
OTHER PROGRAM COMMITMENTS						
Emer. Equipment Fund	\$60,000	\$46,710				
Ojibway Art Program	7,345	7,982				
TOTAL	\$622,644	\$486,299	\$957,673	\$868,757	\$9,254	\$9,254
FOUNDATION FUNDS AVAILABLE	\$651,532*		\$981,683**		\$31,628	
Committed (Current Budget)	622,644		957,673		9,254	
Uncommitted	\$ 28,888		\$ 24,010		\$22,374	

*Includes \$137,345 from 1977 and 1978 Zoo Walks.

**Includes \$49,091 from 1979 Zoo Walk.

Committee	Proposals under Consideration	January 1981	February 1981	March	April	MAY	June	July
<p>Board of Directors Executive Committee</p> <p>Members: Stan Nelson, Pres. Margee Kinney Malcolm McDonald Dean McNeal Andy Boss Connie DeLand</p>	<p>Six-Month Plan Six-Year Plan Intergroup-Engels/Reinhardt. Report to Board - 1-8-81 Recommendations -Shaver Study -Maysack Study.</p> <p>All proposals listed below (and more)</p>	<p>Six-Month Plan Approval & Commitment. Identify prospects for MZGF funding. Define future financial needs. Nominating Committee-reconsider contacts & Board additions. New Committee assignments. Assign 3 Board members to Intergroup Committee. Legislative input-Yes or No? Approve concept of Six-Year Plan. Coordinate with/Report to Zoo Board Legislature</p> <p>Monthly Meetings Jan.</p>	<p>Identify key prospects-research potential and rate. Contacts - MZGF funding. Continue Board expansion. Intergroup Committee Engels/Reinhardt Report-Feb. 1</p> <p>Approve structure of Six-Year Plan</p> <p>Monthly Meeting Feb.</p>	<p>Assign prospects. Set pre-campaign \$ goal. Contacts - MZGF funding. Continue Board expansion. Intergroup Committee.</p> <p>Review direction of Six Year Plan.</p> <p>Monthly Meeting Mar.</p>	<p>Contacts with assigned prospects. Contacts - MZGF funding. Intergroup Committee</p> <p>Review direction of Six-Year Plan.</p> <p>Monthly Meeting Apr.</p>	<p>Six-Month Plan Cultivation and Solicitation</p> <p>Review and approve FY82 budget and objectives.</p> <p>Review direction of Six-Year Plan.</p> <p>Monthly Meeting May</p>	<p>6/30 Evaluate program success; report.</p> <p>Final approval-Six Year Plan</p> <p>Monthly Meeting June</p>	<p>Follow-up - Acknowledgments</p> <p>7/31 Final date for MZGF funding Evaluation</p> <p>MZGF Board Report to Zoo Board. Donor Recognition Start on Six Year Plan and related planning sessions.</p> <p>Monthly Meeting July</p>
<p>Capital Campaign Committee:</p> <p>Members: Stan Nelson, Chr. Connie DeLand Reuel Harmon Chy Morrison Dave Oman Tony Andersen Dean McNeal Wayne Petersen Andy Boss</p>	<p>Six-Month Plan. Six-Year Plan - Capital Campaign 1982</p> <p>"How to Zero In.." 4-8-80</p> <p>"Capital Campaign Ideas" 5-2-79</p> <p>"Long Range Development Program" 9-77</p>	<p>Six Month Plan Approval & Commitment.</p> <p>Initial consideration of long-term proposal</p> <p>Monthly Meeting Jan.</p>	<p>Identify key prospects-potential & rate.</p> <p>On-Site Zoo Orientation</p> <p>Monthly Meeting Feb.</p>	<p>Assign key prospects. Development training</p> <p>Monthly Meeting Mar.</p>	<p>Contact with assigned prospects. Review FY82 committee budget.</p> <p>Monthly Meeting Apr.</p>	<p>Six-Month Plan Cultivation and Solicitation</p> <p>Review calls.</p> <p>Monthly Meeting May</p>	<p>Review calls.</p> <p>Monthly Meeting June</p>	<p>Follow-up.</p> <p>Final Committee Report.</p> <p>Monthly Meeting July</p>
<p>Public Relations Advisory Committee</p> <p>Members: Dick Gray, Chr. Lou Gelfand Joe O'Neill</p>	<p>Dick Gray Task Force 1-6-81</p> <p>Minda Legislative Proposal 12-4-80.</p>	<p>Dick Gray Proposal Approval and Commitment: Selection of Task Force membership. Definition of objectives. Definition of format.</p> <p>Monthly Meeting</p>	<p>Task Force February 15</p> <p>Identify key prospects for Six Month Plan, research potential and rate.</p> <p>On-Site Zoo Orientation.</p> <p>Monthly Meeting</p>	<p>Assign key prospects. Development Training.</p> <p>Monthly Meeting</p>	<p>Task Force: Apr. 15. Final Written Report.</p> <p>Contact with assigned prospects. Review FY82 Committee budget.</p> <p>Upon conclusion of effort, consider media events, press releases, etc.</p> <p>Monthly Meeting</p>	<p>Six Month Plan Cultivation and Solicitation</p> <p>Review Calls</p> <p>Monthly Meeting</p>	<p>Review calls.</p> <p>Monthly Meeting</p>	<p>Follow-up.</p> <p>Monthly Meeting</p>
<p>Individual Gifts Committee</p> <p>Members: Malcolm McDonald, Chr. Wallace Dayton John McKay Gordon Rosenmeier Mary Ann Scroggins John Tilton Steve Farley Hazel Reinhardt</p>	<p>Six-Month Plan. Annual Giving Proposal 10-8-80.</p> <p>Deferred Gifts.</p>	<p>Six Month Plan Approval and Commitment</p> <p>Monthly Meeting</p>	<p>Identify key prospects-research potential & rate</p> <p>On-Site Zoo Orientation</p> <p>Monthly Meeting</p>	<p>Assign key prospects. Development Training.</p> <p>Monthly Meeting</p>	<p>Contact with assigned prospects. Review FY82 committee budget. Reconsider Annual Giving Program, Deferred Giving Proposals.</p> <p>Monthly Meeting</p>	<p>Six Month Plan Cultivation and Solicitation</p> <p>Review Calls</p> <p>Monthly Meeting</p>	<p>Review calls</p> <p>Monthly Meeting</p>	<p>Follow-up</p> <p>Monthly Meeting</p>
<p>Special Events Committee</p> <p>Members: Margee Kinney, Chr. Kathy Gretsch Ken Knopf Firmin Alexander Herb Goldenberg</p>	<p>Six-Month Plan. Small Group Cultivation Program.</p>	<p>Six Month Plan Approval and Commitment. "Yes" or "No" on Small Group Cultivation Program--format, objectives, part of Six Month Plan? Tours, meetings, events? Other?</p> <p>Monthly Meeting</p>	<p>Identify key prospects - research potential & rate</p> <p>On-Site Zoo Orientation</p> <p>Monthly Meeting</p>	<p>Assign key prospects. Development Training</p> <p>Monthly Meeting</p>	<p>Contact with assigned prospects. Review FY82 committee budget.</p> <p>Monthly Meeting</p>	<p>Six Month Plan Cultivation and Solicitation</p> <p>Review Calls</p> <p>Monthly Meeting</p>	<p>Review calls.</p> <p>Monthly Meeting</p>	<p>Follow-up</p> <p>Recognition Event of Board Effort.</p> <p>Monthly Meeting</p>
<p>Foundation Staff</p> <p>Bob Voigt Kathryn Rosebear Deana Miller</p>	<p>All of the above. Business as usual ...</p>	<p>Refine case statement. Write capital funding proposal. Write proposal for Foundation funding. Newsletter printed and mailed. Meetings with committee chairs-assist all committees. Prepare & propose future plans, objectives & budgets (for approval if possible) Develop gift range chart & list of prospects. Schedule On-Site Zoo Orientation.</p>	<p>New promotional materials, brochures & envelopes. Prepare, update Key prospect lists Assist committees in final "100" selection. Assist in contacts for MZGF funding Assist Dick Gray Task Force. On-Site Zoo Orientation-Zoo Info- for all MZGF Board members. Present MZGF funding proposal to Prime sources. Schedule training sessions</p>	<p>Assist in Committee meetings. Provide support materials. Assist in contacts for MZGF funding. Assist Dick Gray Task Force.</p> <p>Development Training-MZGF info- for all MZGF Board members.</p>	<p>Assist in committee meetings. Provide support materials. Assist in contacts for MZGF funding. Assist Dick Gray Task Force. Committee budget preparation for May final approval of FY82 budget.</p>	<p>Assist in Six Month Plan calls on prospects</p>	<p>Follow-Up.</p> <p>Prepare final reports.</p>	

MINNESOTA ZOOLOGICAL GARDEN FOUNDATION

EXECUTIVE COMMITTEE MEETING

January 13, 1981

Minutes

A meeting of the Executive Committee of the Minnesota Zoological Garden Foundation was held on Tuesday, January 13, 1981, at 3:00 p.m. in Stanley J. Nelson's office, 1930 Midwest Plaza Building, Minneapolis.

Members Present: Stanley Nelson, President; Dean McNeal, Secretary; Connie DeLand.

Board Members Present: Richard G. Gray, Sr., Chy Morrison.

Staff Present: Robert Voigt, Executive Director; Kathryn Rosebear, Administrative Assistant.

The meeting was called to order at 3:10 p.m. by Stan Nelson, presiding.

I. Treasurer's Report

The Financial Statement for the month ending December 30, 1980, was presented by Bob Voigt. Mr. Voigt reported that total income received to date was higher than projected due primarily to the recent high interest rates on investments. Expenses to date are lower than projected as the Zoo has been drawing funds for the Short-Range Development Program later than originally projected. To date, the Foundation has paid more than \$1,124,871 towards the Short-Range Development Program.

Responding to a question from Dean McNeal, Bob Voigt also stated that no additional increase in the request for Short-Range Development Program funds to cover inflationary factors is expected. The Foundation has already approved two increases in the Short-Range Development Program budget.

Connie DeLand moved to accept the Treasurer's Report. The motion was seconded by Chy Morrison. Motion Carried Unanimously.

II. Executive Director's Report

The Executive Director's Report was presented by Bob Voigt, who referred to the written report (attached).

Bob Voigt reported that he had met with Jack Bailey, the new Executive Vice President and General Manager of the Minneapolis Chamber of Commerce. Mr. Bailey is interested in promotion of the Zoo through Chamber programs. Other meetings were held with several individuals interested in serving on the Zoo Board and Foundation Board. Meetings with members of Republic Airlines and several other local airlines were held to discuss potential funding of the Steve Martin Bird Show.

Responding to a question from Dean McNeal, Mr. Voigt stated that John Tilton temporarily withdrew his proposal for Zoo Board consideration of alternate ownership and/or management of the Zoo.

Bob Voigt also reported that the Minnesota Legislative Auditor is currently conducting a financial and compliance audit of the Minnesota Zoo. As a part of that audit, the legislative auditors will review financial and legal relationships with Zoo support organizations.

III. 1982-83 Capital Budget Request

Stan Nelson called attention to a memo from Ed Kohn to Commissioner Wayne Burggraaff of the Minnesota Department of Finance outlining a phased capital budget request which included both private and public sector funding of the Zoo's next development phase (attached). The Zoo Foundation's Executive Committee met with members of the Zoo Board on December 19, 1980, to provide input into the proposed phasing of private sector Zoo support.

Bob Voigt reported that this six year building proposal had originally developed in response to a request for capital proposals from Wayne Burggraaff last spring. The revised proposal was approved by the Minnesota Zoological Board at their meeting with the Foundation on December 19, 1980. It was also reviewed by the Governor's office and the Minnesota Department of Finance in December, 1980. Meetings with the House Appropriations Committee and the Senate Finance Committee are scheduled during the upcoming week.

Stan Nelson commented that legislative support for Zoo capital construction is unknown and questioned whether the Foundation should go ahead with a smaller capital goal, continue with plans for a major capital drive against all recommendations, or work to develop capital support through various fund-raising programs. Any approach would need state leadership and a positive report and emotional commitment from Dick Gray's Task Force.

IV. Committee Reports

A. Public Relations Advisory Committee

Dick Gray reported that, at a January 5th meeting of the Public Relations Advisory Committee, a decision had been made to go ahead with the formation of his proposed Task Force of business people. Mr. Gray has proposed bringing together a group of people from the community who are in a position to be problem-solvers for their own companies and who might assist the Zoo in determining appropriate future directions. The Task Force will convene for a period of six weeks during late February, March and early April with a report by the end of April.

Mr. Gray commented that the results of committee efforts and its recommendations should not be prejudged or predisposed. The purpose of the Task Force is to gain community involvement and dedication; the Zoo should be a respected organization in the community.

Stan Nelson noted that, in a meeting earlier this month with Hazel Reinhardt and Bob Engels, Ms. Reinhardt had stated that Zoo annual attendance is likely to stay at approximately one million visitors annually if the experiences and research of other zoos are correct. Modest increases in attendance have been projected but the one million annual visitors figure seems more realistic.

Dick Gray stated that to mount a minor campaign would be as much work as beginning a major campaign and suggested the Foundation only go to major

local givers once for their contributions. Stan Nelson explained that the decision to begin a minor campaign or wait for better timing on a major campaign was an important consideration currently facing the Foundation Board. He added the Engels/Reinhardt recommendations on interorganizational and intraorganizational relationships would include some drastic revisions to current operations. Major suggestions include turning the Zoo Board into a broad policy group, working through committees to better coordinate action and recommendations, and establishment of a new Intergroup Committee to consider the establishment of an umbrella organization for the Foundation and Society. Jim Hetland has requested three Foundation Board members to serve on an Intergroup Committee to consider approaches to coordinating the work of the Zoo, Foundation and Society.

Bob Voigt added that other recommendations in the Engels/Reinhardt report which was given verbally at the Zoo Board meeting on January 8, 1981, included giving more authority and responsibility to the Zoo Board Chairman, eliminating the Executive Committee and developing strong operating committees in its place, including three standing committees titled Visitor Services, Operations, and Finance and Audit, and designating the Finance and Audit Committee the liaison to the Foundation and the Society. A final written report will be completed by February 1, 1981, and discussion of recommendations is scheduled for the Zoo Board meeting in February.

- B. Cultivation - Special Events
- C. Annual Giving

Bob Voigt reported that no further action had been taken on the Small Group Cultivation Program under consideration by the Special Events Committee or the Annual Giving Program under consideration by the Individual Gifts Committee.

V. Foundation Programs

A. Options

Bob Voigt presented a six-month fund-raising plan as a beginning to tie into the Zoo's proposal for a Six Year Building Program. Foundation funding for current and future programs was also included.

The plan, outlined in a flow chart (attached), suggested a pre-campaign aimed at lead gifts. The test would provide a response to the Zoo Board's request, offer Foundation Board members a chance to get involved in the Zoo's and Foundation's programs, and test the thesis of the Shaver Feasibility Study and other capital fund-raising studies.

A Gift Range Chart outlining gift levels for the entire \$7 million campaign was circulated to members. Mr. Voigt explained that, to raise \$7 million, one or two commitments at the ten percent level would be needed and two to three commitments at the five percent level would be needed. Two to three times as many prospects as gifts received would need identification. Also, the Foundation would need to identify substantially more potential givers for smaller gifts. In total, approximately 2,000 prospects would need solicitation to gain 800 gifts totalling \$6 million. The last \$1 million is estimated to require more than 11,000 personal gifts and would best be reached by a direct mail approach and other requests in the

usual annual giving or special request approach.

The pre-campaign has been proposed to "test the waters" with major corporations and foundations, to build awareness of future Zoo goals in the community, and to offer a reaction from the private sector to the Minnesota legislature.

Discussion of the concept of a pre-campaign solicitation period followed. Dean McNeal expressed his concern that a pre-campaign might conflict with the efforts of the Task Force proposed by Dick Gray. Chy Morrison noted, however, that the purpose of the pre-campaign was to establish direction for the Foundation and ultimately keep the Foundation "alive." Bob Voigt noted that the Foundation is currently operating on interest income and that additional funding for operations will be necessary for the next fiscal year.

Stan Nelson expressed his opinion that the pre-campaign could serve as a psychological lead-in to a major campaign if all responses, including legislative action and the recommendations of the Dick Gray Task Force, were positive. Dean McNeal stated that major corporations and foundations may refuse this request for funds from the Foundation and ask Foundation representatives to return with another request when all plans for a major campaign are complete.

In response to the timeline presented, Connie DeLand stated that the proposed zoo orientations and training sessions for Board members were needed and not directly related to the implementation of the pre-campaign.

Discussion followed on the need for a person to head the Capital Campaign. It was suggested that an appropriate individual might be located from within Dick Gray's Task Force. Other divisional leaders might also emerge.

Stan Nelson suggested a special Board meeting be held in late January to consider the Six Month Proposal and update all Board members. He asked Foundation staff to contact Board members to set a meeting date the last week of January.

The meeting was adjourned at 4:55 p.m.

MINNESOTA ZOOLOGICAL GARDEN FOUNDATION
 Summary of Receipts and Disbursements
 December 31, 1980 - Sixth Month

	Current Month	FY1981 to Date	FY1981 Budget to Date
Receipts:			
Contributions (Schedule 1)	\$21,868.50	\$81,556.50	\$ 83,900.00
Net Special Events (Sch.2)	-0-	497.20	-0-
Interest (Schedule 3)	10,754.31	51,110.24	24,982.00
Other Income (Schedule 4)	118.90	6,725.99	5,900.00
TOTAL RECEIPTS:	\$32,741.71	\$ 139,889.93	\$ 114,782.00
 Expenditures:			
Administrative Expenses(S.5)	8,494.07	54,495.41	\$ 66,443.00
MZG Expenditures Paid (S. 5)	327.92	13,576.77	10,000.00
MZG Capital Project Expenditures (S. 5)	103,565.50	590,604.64	792,000.00
TOTAL EXPENDITURES:	\$ 112,387.49	\$ 658,676.82	\$ 868,443.00
 *Excess of Receipts Over Disbursements			
	(79,645.78)	(518,786.89)	
 Cash and Invested Assets - Beginning of Period (12/1/80)			
	645,065.61	1,084,206.72	
 Cash and Invested Assets - End of Period (12/31/80)			
	565,419.83	565,419.83	

CALLS AND CONTACTS
12-5-80 to 1-12-81

American Airlines	Fredrickson	Voigt
Andersen, Katherine		Voigt
Auto Club, Minnesota	Nicholson	Voigt
Bermel Smaby	Mark Smaby	DeLand
Braniff Airlines	Neece	Voigt
Chadwick Foundation	Dayton	Voigt
Dain Bosworth Inc.	Friswold	Voigt
Eastern Airlines	Thon	Voigt
Fingerhut, Inc.	Moran	Voigt
First Bank Foundation	Brandt	Voigt
Fobes, Mrs. Dorothy		Voigt
Goldman, Mr. and Mrs. Arnold		Voigt
Graco Foundation	Murphy	Voigt
Keller, Mr. and Mrs. Steve		Voigt
Kahn, Donald and Phyllis		Voigt
Lamb, Jeffrey Memorial	(76)	Voigt
Mardag Foundation	Verette	Voigt
Medtronics, Inc.	Van Eckhout	Voigt
Minneapolis Chamber of Commerce	Bailey	Voigt
Minneapolis Public Schools	Green	DeLand
Minneapolis Tribune	Wright	Voigt
National City Bank Foundation	Hartman	Voigt
Northwestern National Bank, Mpls.	McHugh	Voigt
	Gillette	Voigt
	Webster	Voigt
	Eisen	Voigt
Northwestern National Life Insurance Company	Pearson	Voigt
	Finsness	Voigt
	Ingraham	Voigt
	Smith	Voigt
Peat, Marwick, Mitchell	Dalton	Voigt
Republic Airlines	May	Voigt
	Talmadge	Voigt
United Airlines	Spaulding	Voigt
WCCO Radio	Haeg	Voigt

ACTIVITY HIGHLIGHTS

Newsletter planning - content - estimates - mailing
 John Tilton's organizational proposal - Intergroup discussion
 ISIS payment request - Flesness
 Ed Kohn (several) regarding state budget requests, etc.
 Video film - proposed changes
 Engels/Reinhardt Committee discussion
 Northwestern Bank Mpls., regarding checking account
 Shaver Co. - update Currie et al
 Society regarding Animal Sponsorship proposal
 Foundation's 6 Month Plan Proposal
 Foundation's 6 Year Plan Concept
 Dye Family Foundation - share office space
 Verne Porter - Mooney & Associates
 Zoo Education Department funding request
 Jim Weiler regarding Zoo lobbying
 PR Advisory Committee
 Renewed Post Office permits in Minneapolis
 Legislative Auditor request - discussions
 Zoo Board Report
 Operational business as usual
 Governor's Office - Budget Review - Board Appointments



Minnesota Zoological Garden Foundation

1422 West Lake Street, Suite 303 • Minneapolis, Minnesota 55408 • Phone (612) 827-3661

MEETING NOTICE

OFFICERS AND DIRECTORS:

STANLEY J. NELSON
President
Minneapolis
MARGEE KINNEY
Vice President
Wayzata
MALCOLM McDONALD
Vice President
North Oaks
DEAN McNEAL
Secretary
Mound
W. ANDREW BOSS
Treasurer
St. Paul

FIRMIN ALEXANDER
Apple Valley
ANTHONY L. ANDERSEN
St. Paul
WALLACE C. DAYTON
Minneapolis
CONNIE DeLAND
Minneapolis
D. STEPHEN FARLEY
St. Paul
LOUIS I. GELFAND
Minneapolis
HERBERT GOLDENBERG
Minneapolis
RICHARD G. GRAY, SR.
Minneapolis
KATHY GRETSCHEK
North Oaks
REUEL HARMON
Inver Grove Heights
KENNETH M. KNOPF
Minneapolis
JOHN C. MCKAY
South St. Paul
CHY MORRISON
Wayzata
DAVID W. ONAN, II
Wayzata
JOSEPH T. O'NEILL
St. Paul
WAYNE E. PETERSEN
Minneapolis
HAZEL REINHARDT
Minneapolis
GORDON ROSENMEIER
Little Falls
MARY ANN SCROGGINS
Afton
JOHN E. TILTON
Hopkins

EX-OFFICIO MEMBERS:

ROBERT L. BONAWITZ
President
Minnesota Zoological Society
JAMES L. HETLAND
Chairman
Minnesota Zoological Board
EDWARD KOHN
General Director
Minnesota Zoological Garden

EXECUTIVE DIRECTOR:

ROBERT S. VOIGT

EXECUTIVE COMMITTEE

Tuesday, January 13, 1981

3:00 P.M.

President Nelson's Office
1930 Midwest Plaza Building
Minneapolis

AGENDA

- I. Treasurer's Report
- II. Executive Director's Report
- III. MZG 1982-83 Capital Budget Request
- IV. Committee Reports
 - A. Capital Program Proposal
 - B. P.R. Advisory
 - C. Cultivation - Special Events
 - D. Annual Giving
- V. Foundation Programs
 - A. Options
 - B. Funding Sources - Budgets
 - C. Recommendations
- VI. Other

R. Voigt

DEPARTMENT Minnesota Zoological Garden

Office Memorandum

TO : Wayne S. Burggraaff, Commissioner
Department of Finance

DATE: December 22, 1980

FROM : Edward Kohn
General Director



PHONE: 432-9010 x300

SUBJECT: MINNESOTA ZOO 1982-83 CAPITAL BUDGET REQUEST: PHASING AND PRIVATE CONTRIBUTION

At the December 8, 1980 Governor's Capital Budget meeting before Lt. Governor Wangberg and Department of Finance staff, I was asked (1) to identify a phasing approach to our \$6.9 million Northern Trail Completion request, and (2) to identify what portion of funding would be sought from the private sector.

(1) Phasing: We have established, accordingly, a multi-phase approach to zoo capital progress covering the forthcoming and subsequent three bienniums. This proposed phasing would enable, during the 1982-83 biennium, construction of Tundra I: the central Tundra Community exhibits of Polar Bear/Walrus, arctic fox, shorebirds, and seabirds, at a total project cost of \$4,000,000 (including the lakeside amphitheater). Construction of the remaining Tundra Community features (Tundra II: caribou, wolf, taiga predators, and visitor services areas) would be deferred until the subsequent 1984-85 biennium.

Such phasing would allow, at a slower pace than contained in our original request, the significant steps of master plan completion and exhibits growth that is of primary importance in order to secure a sound basis of service to both new and repeat visitors.

Attached you will find a multi-year strategy for the zoo incorporating a phasing approach for the major planned animal exhibit projects that we identified in the hearing and have previously identified in the six-year project summary submitted to the Department of Finance in May, 1980. When expressed in terms of 1982 value dollars, \$24,000,000 applied over the four bienniums of the 1980's would achieve a good platform for effective service by the Minnesota Zoo.

We have also identified the operating cost for each of the two Tundra Community phases. The operating budget, in current dollar values, for Tundra I is estimated at \$373,800 which represents a 7% increase over the zoo's current operating level.

12/24/80
EK

(2) Private Funding Goal: On December 8 I was asked to what extent the private sector would seek to participate in the zoo's future capital expansion. At that time, a dollar amount or percentage representing this segment was not available. Subsequently, both the Minnesota Zoological Board and the Minnesota Zoological Foundation Board have concurred in recommending a formula whereby, through the total program, the private sector's goal would be to seek to provide up to one-third of the zoo's future capital needs.

Please note that this 1:2 fundraising ratio represents an overall multi-year goal. For the FY 82-83 project need of \$4,000,000, and considering the time lag between private pledges and actual cash flow, the maximum private contribution would be \$1,000,000. Thus, the Minnesota Zoo's FY 82-83 Capital Budget request to the State is pared down to \$3,000,000 for Phase I of the Northern Trail Completion Tundra project and the outdoor amphitheater.

Wayne S. Burggraaff, Commissioner
December 22, 1980
page 2

The basis for an overall estimate of private to public support of 1:2 resides in several considerations. The corporate sector is already a prime contributor to the State Zoo through taxes upon it. (The public Lincoln Park Zoo in Chicago is completing an \$18,000,000 capital improvement plan based, with the same reasoning, on \$12,000,000 from the public sector and \$6,000,000 from the private.) Secondly, the benefits of the Minnesota Zoo distribute more strongly to a broader state-wide base than may be customary for 1:1 support of more localized services.

Expressed in 1982 values the private sector's target portion of the \$24,000,000 capital plan would be \$8,000,000, in comparison with public funding of \$16,000,000. If success should be gained in private funding of the freshwater aquarium at \$5,000,000 the overall private contribution to the State could reach 2:3.

This revised request would let us step ahead in completing the building of the Minnesota Zoo authorized by the Legislature eight years ago.

I hope that these responses are appropriate to the need. Please call on me for whatever additional support may be helpful.

EK:gd

Att.

cc: Lt. Gov. Lou Wangberg
Norm Dybdahl
Dwight Pedersen
O. J. Doyle

December 22, 1980

MINNESOTA ZOO 6-YEAR CAPITAL EXPANSION PLAN

All Values Expressed in 1982 Dollars (current value x 1.224)

BIENNIUM REQUESTED

PROJECT PHASE - COMPOSITION	FY 1982-83	FY 1984-85	FY 1986-87	TOTAL
Tundra I - Polar Bear, Walrus, Arctic Fox, Shorebirds, Seabirds, Station Platform, Restrooms, Access pathways/bridges	\$3,935,000			
Outdoor Amphitheater - Lakeside Seating for 700 Visitors	65,000			
Asian Large Mammals I - Orangutan, Rhino, Elephant*		\$4,500,000		
Tundra II - Caribou, Wolf, Taiga Predators, Visitor Services		3,000,000		
Freshwater Aquarium - Site Preparation & Utilities		500,000 ¹		
Asian Large Mammals II - Gaur, Swine, Jackals, Nilgai, Black Buck*			\$3,000,000	
Alpine I - Grizzly Bear, Mountain Goat, Red Panda*			3,000,000	
TOTAL PROJECT COSTS (1982 Dollars)	\$4,000,000	\$8,000,000	\$6,000,000	\$18,000,000 ²
Funding Source - State Capital Budget Request Private Fundraising Goal Ratio (Private:State)	\$3,000,000 1,000,000 (1:3)	\$5,330,000 2,670,000 (1:2)	\$4,000,000 2,000,000 (1:2)	\$12,330,000 (5,670,000 plus aquarium ¹)
Dollar Values Inflated to Year of Request	\$4,000,000	\$9,400,000	\$8,190,000	\$21,590,000
(1984-85 - Current value X 1.438) State Request (1986-87 - Current value X 1.671) Private Request	\$3,000,000 1,000,000	\$6,270,000 3,130,000	\$5,460,000 2,730,000	\$14,730,000 6,860,000

¹The Freshwater Aquarium is now under study as a project to be primarily privately funded. The only state funding requested is for general preparation and to bring utilities to the site. The balance of \$4.5 million would be sought from the private sector.

²Projects planned following 1987 include Alpine II, Major Animal Holding Facilities, and additional Visitor Services. These projects are estimated at \$6,000,000 (1982 dollars) and comprise the balance of the Minnesota Zoo Completion Plan for the 1980's

*Representative Species

TUNDRA COMMUNITY ANNUAL OPERATING COSTS

<u>Expense</u>	<u>Phase I</u>	<u>Phase II</u>	<u>Total</u>
Salaries/Fringe	\$142,700	\$117,200	\$259,900
Utilities	125,000	40,000	165,000
Animal Feed Supplies	58,500	25,000	83,500
Animal Management Supplies	14,600	6,300	20,900
Facilities Maintenance Supplies	<u>33,000</u>	<u>11,000</u>	<u>44,000</u>
Total (current dollar value)	\$373,800	\$199,500	\$573,300

1. 4 zookeepers
 2 engineers
 2 building & grounds workers
1 general repair worker
 9 Full-time equivalent

2. 2 zookeepers
 1 engineer
 1 general repair worker
3 Visitor Services personnel
 7 Full-time equivalent

Attractions: More people say they have visited the Minnesota Zoo

Think of the high-profile, leisure attractions in Minnesota, and familiar names jump to mind—like the Twins and Vikings and Guthrie Theater and Walker Art Center and the Minnesota Orchestra.

Yet, among more than a dozen such institutions listed in a survey by the Minnesota Poll, the Minnesota Zoological Garden in Apple Valley drew the most response—people who said they'd visited it recently.

That's the same zoo that has drawn criticism for everything from animals who used to stay out of sight to a monorail that hasn't paid its own way to internal staff turmoil.

The poll found that a third of the 1,200 adults in its sample reported attending the zoo in the past year. Next came people who said they'd gone to either a Minnesota Twins baseball game or a

Minnesota Kicks soccer contest. After that were folks who said they attended either a Vikings football game or a North Stars hockey game.

The accompanying table shows how the attractions compare in the proportion of poll responses, in attendance and in ticket prices.

The 2½-year-old zoo, like the other attractions, showed a propensity to attract people in their 20s and 30s who are relatively well educated and relatively well off.

But the zoo did draw a higher proportion of women than any of the others (35 percent), whereas the Twins, Kicks, North Stars and Vikings attracted slightly higher proportions of men (34 to 36 percent) than the zoo did (33 percent).

Attractions/4F

\$150,000 given to Walker

St. Paul Companies, Inc., has given the Walker Art Center \$150,000 over three years to support its capital campaign. The money is to be used for program development, building improvement, acquisitions and construction of a public park. The organization also gave \$100,000 to the Landmark Center in St. Paul to support its capital campaign. Bethel College and Metropolitan State University also received grants of \$50,000 and \$47,000 respectively from the organization.

Star - 11/29

12/20/80

Dayton Hudson Foundation approves local arts grants

The Dayton Hudson Foundation Board of Trustees has approved \$564,700 in grants to eight local arts institutions.

The organizations receiving grants included the Minnesota Orchestral Association, \$139,300; the Minneapolis Society of Fine Arts, \$135,300; the Guthrie Theater, \$113,800, and Walker Art Center, \$78,200.

The board also approved an additional \$1.25 million in grants to 98 organizations in 17 states served by the Dayton Hudson Corp.

Twenty-eight of those grants, totaling \$423,806, went to community, educational and arts programs in Minneapolis and St. Paul. The United Foundation of Metro Detroit-Urban Progress Fund received \$326,500, the largest grant outside Minnesota.

Star and Tribune Foundation gives \$187,000 to HRA

12-31-80

The Minneapolis Housing and Redevelopment Agency has received a \$187,384 contribution from the Minneapolis Star and Tribune Foundation in support of land assembly for the downtown stadium. The money was part of \$732,884 in grants awarded by the foundation to several non-profit community agencies.

Walker Art Center received the second largest grant, \$125,000. Other groups receiving grants were Augsburg College, \$70,000; the Guthrie Theater Foundation, \$50,000; Hennepin Center for the Arts, \$50,000; Minneapolis Society of Fine Arts, \$40,000; Twin Cities Public Television, \$33,000; United Way of the Minneapolis Area, \$31,000; the Humphrey Institute of Public Affairs, University of Minnesota Foundation, \$25,000; Pulitzer Prize Committee, \$25,000, and the Elliot Park Neighborhood Improvement Co., \$21,000.

The remaining money was payment toward pledges made in previous years.

Minnesota attractions	Minn. Poll*	Attendance	Prices
Minnesota Zoological Garden	34%	958,000 for 365 days, 1979-80	Free to \$3 since Oct. 1979
Minnesota Twins (baseball)	29%	769,206 for 73 home dates in 1980	\$2.50-\$6.50 in 1980
Minnesota Kicks (soccer)	29%	309,921 for 17 outdoor games in 1980 64,242 for 8 indoor games in 1979	\$3.50 to \$7, outdoor, 1980 \$3 to \$5, indoor, 1979
Science Museum of Minnesota	25%	700,000 for about 335 days, 1979-80	\$1 to \$2, exhibits; \$3 to \$4, Omni-theater; \$3.50 to \$4.50 combination
Minnesota Vikings (football)	25%	367,259 for 8 home games, 1980	\$10, \$12
Minnesota North Stars (hockey)	25%	523,773 for 40 home games, 1979-80 regular season	\$5 to \$12, 1979-80
Walker Art Center	22%	643,545 in 1979-80 (Includes 225,179 at Picasso exhibit for about 310 days)	Free (50¢ to \$2 for Picasso exhibit)
Minneapolis Institute of Arts	18%	402,892 for 312 days in 1979-80 (includes 122,028 attending films)	50¢, \$1, 1979-80
Guthrie Theater	18%	333,544 for 307 regular performances, 1979-80	\$5.45 to \$10.45 in 1979-80
University of Minnesota Football	16%	259,488 for 6 home games, 1980	\$4 to \$10
Basketball	16%	245,649 for 16 home games, 1979-80	\$5 to \$6, 1979-80
Hockey	16%	120,958 for 20 home games, 1979-80	\$4 to \$5, 1979-80
Minnesota Orchestra (Orchestra concerts only)	14%	358,529 for 126 concerts in 1979-80 (includes 48,105 for 10 Nutcracker performances and 29,000 for 8 free concerts)	\$3 to \$11 in 1979-80 for regular performances
St. Paul Chamber Orchestra	3%	126,861 for 1979-80 season	\$5 to \$10

*Proportion who said they attended in the past year.

The Minnesota Poll tried to find out who attends sports or cultural events in the Twin Cities by compiling a list of attractions representing a spectrum of activities and asking who attended them in the past year. Not every attraction was listed, even though some draw hundreds of thousands of people annually—such as the Como Park Zoo in St. Paul or the Children's Theater in Minneapolis.

Attractions

From/1F

Here are some other ways the zoo outperformed its competitors for Minnesotans' time and money:

■ The zoo attracted more people in every age group than the other attractions on the list.

■ The zoo drew half of all poll respondents in the Twin Cities area—10 percentage points more than for any other attraction. It also drew a quarter of all outstate respondents, edging out the Twins/Kicks as the leading attraction statewide.

■ Although about one-third of all adults said they visited the zoo, the big draw was among those with children. In the metro area, 50 percent of all parents said they attended, compared with 46 percent of outstate parents.

■ Minnesotans with young children were particularly attracted—parents from 30 to 39 years old: Half the state's adults in that category took their kids to see the beluga whales in Apple Valley. In the metro area, 62 percent of the parents in that age bracket attended. (Outstate, 63 percent of parents under 30 went to the zoo.)

■ Among childless adults, those under 30 were most attracted—41 percent.

Looking at all the attractions on the list, women more than men were attracted to the two orchestras, the Guthrie and the art museums. But the sports events and the science museum attracted a greater share of the men.

By age group, adults under 30

showed up most often at the professional sports events. They also showed up at the Guthrie in greater proportion than other age groups, but to a lesser degree than at Metropolitan Stadium or Metropolitan Sports Center.

With few exceptions, attendance at sports events dropped sharply after age 50. But the age-related decline was slight at cultural events. The most popular attraction for those over 65 was, once again, the zoo; 16 percent of senior citizens said they attended in the past year.

Proportionately, people with college educations and those who earned \$35,000 or more a year were the greatest patrons of nearly every attraction on the list. But those categories are relatively small; fewer than one-fourth of the sample had college degrees, and fewer than one-tenth earned \$35,000 or more a year. It's likely, therefore, that the same people attended many of those events, perhaps recognizing each other at ball games, symphony concerts and art exhibits.

Although metro-area residents outnumbered others at every attraction on the list, the gap was narrowest at sports events; generally speaking, sports were a bigger draw for outstate Minnesotans than museums and orchestras were.

(Last July, the Minnesota Poll took a special look at how the state felt about baseball. Forty-eight percent of the 1,200-member sample called themselves baseball fans. Nearly all of that group said they were Twins fans as well, but only 40 percent said they were *strong* Twins fans.

(In accord with the latest findings, one-fourth of all men were strong Twins rooters, compared with fewer than one-fifth of all women. And

nearly half of all men said they attend at least one Twins game a year, compared with fewer than one-fourth of the women.

(By age group, nearly four of 10 senior citizens were strong Twins fans, compared with fewer than two out of 10 among those under 40. But the proportion who attended more than one game a year was fairly steady among all age groups.

(For fans attending more than once, income didn't seem to make much difference; the proportion was about the same from nearly all income groups. But for those attending their token game per season, income was more of a factor; the more money people earned, the more likely they were to go to the Met once per summer.

(Among all adults, the greatest proportion predicted the Twins would finish fourth in their seven-team division last season. Strong fans were most optimistic that the Twins would finish third. Who was right? Thanks to a late-season winning streak, the Twins finished in third place, 19½ games out of first. They won 77 games and lost 84.

(People who called themselves strong fans were most likely to speak favorably about Twins owner Calvin Griffith. A strong majority said he was a good businessman, compared with fewer than 40 percent of the entire sample.

(The gap was smaller, though, when people were asked what kind of job Griffith does with the Twins. Fourteen percent of the entire sample said he does a good job, 28 percent said a medium job and 18 percent said a poor job. Among strong fans, 24 percent said Griffith does a good job, 36 percent said a medium job and 21 percent said a poor job.)

Capital Campaign Basics Promise High Visibility

For an organization to conduct a well-supported, successful capital campaign, there's more required than a willing spirit and an institutional need. Dedicated volunteers, an enthusiastic constituency, professional advice and a detailed feasibility study before a campaign is launched are the necessary components.

By DAVID B. HANAMAN
Alta Bates Foundation

The capital campaign has been referred to by some as the "moral equivalent of war." Most everyone agrees that a capital campaign is an effort to raise a specific dollar goal for a specific objective within a specified period of time.

For a social agency it could be a head-quarter's building; for a YM/YWCA, it could be a new gymnasium, or a new swimming pool; for the Boy Scouts and Girl Scouts, it could be a new camp; for a hospital, it could be a major piece of equipment or a major addition.

Guy Sickler of the American City Bureau has outlined the four basic ingredients of a successful campaign. Those four ingredients are: (1) a salable product, (2) an informed constituency, (3) dedicated enthusiastic leadership, and (4) a workable campaign plan. As you begin to build a plan for your capital campaign, it is necessary to keep these four ingredients in mind.

Salable Product

A salable product is often referred to as the case. The case of a capital campaign, the salable product, must demonstrate a product that will fulfill a need within the community that your organization serves. That need must be documented and you must be able to prove it. The need cannot be based on some ego trip of the trustees, directors, or administration.

There must be some marketing research. Not in terms of whether or not the product is salable, but whether or not the product is really needed. Henry Kaiser of World War II ship building fame owns a company, the Kaiser Sand and Gravel Company, which has emblazoned on the side of its cement trucks an excellent definition of marketing research—"Find a need and fill it."

Once you have ascertained that the product for which you want to raise money is really needed in your community or your service area, then you have to make sure that it is a salable product; that it is something that people will buy; that it is something to which people will give their money.

As far as determining whether or not you have a salable product, you have to determine what it is about that product or that objective that makes it appealing to your giving constituency.

That leads to the second item—an informed constituency. What is your marketplace as far as your product is concerned? Who are your potential donors, are they knowledgeable, and are they informed about your particular organization?

Some organizations have a built-in constituency. The university or college has its alumni, a church has its membership. But in building a plan for a capital campaign, you really must determine your marketplace. In not every instance is your product going to be salable to an entire community.

How well informed is your constituency? How good are your public relations? How much do people know about your organization? How many people are involved in your organization? What contacts have the members of your constituency had with the organization?

Don't confuse an informed constituency with publicity and good media coverage. The questions: how do people view your organization; do they consider it well-managed, well-run, financially viable; do they have confidence in your organization; do they trust its leadership; are of utmost importance to your donors.

Dedicated Leaders

The third fundamental of a successful capital campaign is a dedicated leadership. Any fund raiser will tell you, "There is no substitute for dedicated leadership"—leaders who are enthusiastic, believe in the

organization, are willing to work hard for it, and give to it.

The question is, do you have dedicated, enthusiastic, hard-working leaders? Where are those leaders if you don't have them? Can they be attracted to your organization?

Campaign Plan

A campaign plan, which puts all of the other three ingredients together in an organized effort to reach the goal is the final ingredient. Guy Sickler used to say, "It doesn't have to be the best campaign plan in the world, but it has to be a plan that is workable."

The minute you start talking about a capital campaign for any organization, the question always arises about the use of professional counsel. Before you begin to build your campaign plan, you may want to consider seriously the use of professional fund raising counsel to conduct a feasibility study. The feasibility study not only helps determine the probability of success but certainly will indicate what planning must be done by the organization in advance of any capital campaign effort.

Having the feasibility study done by professional fund raising counsel has one clear and distinct advantage. It brings outside, objective input into your study and into your planning. And it brings thousands of other campaign experiences to bear on your particular situation.

You can do your own feasibility study; but you run the risk of having the conclusions colored by your own prejudices, your own enthusiasm for the project; and you may do an awful lot of wheel spinning trying to come up with the modus operandi for the study.

All reputable and ethical fund raising firms are able to conduct a professional feasibility study. The cost of doing such a study will vary depending on the length of time involved and necessary expenses, all of which will be budgeted in advance. But if you do decide to use professional fund raising counsel in conducting your feasibility study, select them with great care. Ask for references, and check out those references, preferably by telephone.

Prior to joining Alta Bates Foundation in 1970, David B. Hanaman was director of development at Monmouth College in Illinois where he was responsible for directing all fund development programs including annual and capital campaigns. Previously, he was senior counsel for the American City Bureau/Beaver Associates where he assisted in fund raising efforts which produced a total of \$60 million for hospitals. Mr. Hanaman is a fellow of the National Association for Hospital Development and a recipient of the Harold J. Seymour Award.



This giving period can be used as an evaluation process for evaluating prospects as well as a sight-raising tool in a capital campaign.

If you have a feasibility study and then decide to have a campaign with professional counsel providing the direction, in all probability the firm that did your feasibility study is also going to direct your campaign. It's true, you are under no obligation to hire the same professional counsel for your campaign as you hire for your feasibility study; but if the fund raising firm has done the feasibility study they're going to have an inside track on getting the job of directing your campaign. Another common question of those organizations contemplating a major capital campaign is whether we need to hire an outside professional fund raising firm to direct our capital campaign if we have an in-house fund raising counsel or a development director.

Professional Advice

Any institution contemplating a capital campaign effort would be well advised to employ professional fund raising counsel for the direction for that capital campaign.

There are several very distinct reasons for doing so: (1) It will clearly separate your capital campaign effort from your other ongoing development activities; (2) It will establish a definite time frame for the completion of the campaign; (3) It will give you a definite budget at the beginning of the campaign as to what your expenditures will be in the campaign effort; (4) It will bring outside expertise gained from many other capital campaign efforts to your particular problem; (5) It will give it a new authority to your fund raising effort.

Although strange but true, your leadership, particularly your trustees, will believe an outside fund raising professional sooner than they will believe their own staff. The outside consultant comes in, studies the situation, tells the board what they should do, and they do it, even though the conclusions the outside consultant has reached may be exactly the same conclusions that you as the staff development director has reached previously.

Lastly, employing an outside professional saves you the time and expense of adding temporary people to your staff to conduct the capital campaign.

At what point does it become cost-effective to consider hiring outside professional fund raising counsel based on the size of the goal, is a common question. Jack Schwartz of American Association of Fund Raising Counsel, notes that, "Going back to cost effectiveness, a small goal in today's world such as \$2 million or \$3 million is going to cost a considerable amount more in percentage than a much larger goal will. I don't think any institu-

GIFT RANGE CHART CONSIDERATIONS (PYRAMID)

A. Gift Distribution

8 to 10 Gifts Should Provide	35 - 45% of Gift Total
80 to 100 Gifts Should Provide	35 - 45%
Rest of Gifts	Rest of Funds Required

B. Top Strategic Gifts

Top Gift Should Equal 10% of the Goal
Next Two Gifts Should Equal 5% of the Goal

C. Typical Gift Range for a Campaign with a Goal of \$1 Million

	Gift Range	No. of Required	No. of Prospects	Gift Totals
	\$100,000+	1	5	
STRATEGIC GIFTS	50,000-99,000	2	10	
	25,000-49,000	6 (9)	24 (39)	\$400,000
MAJOR GIFTS	\$10,000-24,900	15	60	
	5,000-9,900	20	60	
	2,500-4,900	45	135	\$400,000
GENERAL GIFTS	1,000-2,499	150	300	
	Below \$1,000	-	-	\$200,000

Prospect to Donor Relationship: 5 to 1 at Top of Chart, Dropping to 1-1/2 to 1 at Bottom of Chart.

tion should engage in a capital program where projected costs would be much higher than 15%."

Any preliminary discussions you may hold with a professional fund raising firm will quickly determine whether or not the cost of professional fund raising counsel will be cost-effective. In any case, if you are contemplating a capital campaign effort, you should have some early discussions with professional fund raising firms. Only one word of caution: Be sure you deal with reputable and ethical fund raising firms.

A few inquiries among your contemporaries or among institutions and organizations within your geographic area that may have gone through a capital campaign will help you determine those firms with whom you may want to begin some preliminary discussions.

You must also develop a prospect file. A prospect is only a suspect until a link is established. Just because Jane Doe is the

wealthiest person in your community does not necessarily mean she is a prospect for your campaign. If Jane Doe has had absolutely no involvement, no connection, however remote, with your organization, or if no one on your roster of leadership people has an entree to Jane Doe, then until some link, either personal or organizational is established with Jane Doe, Jane Doe is only a suspect regardless of how much money she might have.

Another step in the whole process is to locate and determine the pace-setting gifts. The old 80-20 rule which basically says that 80% of your funds in a capital campaign will come from 20% of the donors is a premise most rely upon. There are variations on this theme—some people say that 80% of the money will come from the top 100 donors—the point being that there must be some pace-setting big gifts. A common rule of thumb is that the largest gift in the campaign should represent about 10% of the goal. Nonetheless, when your

HARVARD UNIVERSITY				
Size of Gift	Needed		Received	
	Approximate No. Donors	Approximate Amount	No. Donors	Amount
\$10,000,000 & up	1	\$10,000,000	None	None
\$5,000,000-9,999,999	2	12,000,000	None	None
\$1,000,000-4,999,999	7	10,000,000	15	\$30,127,000
\$100,000-999,999	110	29,000,000	115	27,144,000 - 69%
\$50,000-99,999	100	5,000,000	45	2,867,000 - 73%
\$10,000-49,999	500	9,000,000	53	79,704,000 - 84%
\$5,000-9,999	400	3,000,000	519	3,119,000
\$1,000-4,999	1,500	2,000,000	3,408	5,743,000
Less than \$1,000	20,000	2,500,000	23,124	3,814,000
Group-gift donors	--	--	3,933	255,000
Totals	22,620	\$82,500,000	31,696	\$82,775,000

THE CARLETON EXPERIENCE (An Investment in Leadership)		
SCALE OF GIFTS \$19,500,000 CAPITAL GIFTS CAMPAIGN		
No. of Gifts	Range of Gifts	Amount
1	\$3,500,000 or higher	\$ 3,500,000
1	2,500,000 - 3,499,999	2,500,000
2	1,000,000 - 2,499,999	2,000,000
3	750,000 - 999,999	2,250,000
5	500,000 - 749,999	2,500,000
12	Commitment gifts	\$12,750,000 - 65%
8	250,000 - 499,999	2,000,000
10	100,000 - 249,999	1,000,000
15	50,000 - 99,999	750,000
33	Leadership gifts	\$ 3,750,000 - 85%
20	25,000 - 49,999	500,000
30	20,000 - 24,999	600,000
40	15,000 - 19,999	600,000
50	10,000 - 14,999	500,000
140	Major gifts	\$ 2,200,000
	Other gifts	800,000
	TOTAL	\$19,500,000

leadership sees the range of gifts necessary for success. they may try to convince donors that the gift they may have been thinking about is not going to be big enough and they're going to have to upgrade themselves.

For years in fund raising we have lived with a one for five rule, and it's still valid. In essence, it means no one solicitor should be asked to contact more than five prospects nor any one leader be asked to enlist more than five workers. To determine the

Two examples of a pyramid of giving which visually demonstrates where the money is going to come from and the importance of the 80-20 rule in both Harvard University and Carleton College in Minnesota.

size of your organization, you determine the number of prospects that you are going to solicit or need to solicit, you divide that by five, and that tells you how many solicitors you're going to need. Then you break that down into teams or divisions, keeping in mind that you are not going to ask one person to do more than contact five other people either to work or to give.

Most campaign organizations end up with a chairman, a steering committee, a prospect evaluation committee, and an audit committee to receive and audit the gifts. There is usually a corporate committee for soliciting corporate contributions, a business and professional committee, a clubs and organizations committee, a major individuals committee, a general solicitation committee, and occasionally, a foundations committee, although this may be combined with major individuals or sometimes combined with corporate gifts. Within those categories, an organization is built sufficiently large enough and well trained enough so that each worker solicits five prospects.

In any case, you have to tailor your organization to fit your market. Obviously, if you are dealing with a college campaign, you have to consider the alumni; if you are dealing with a hospital campaign, you have to consider the medical staff.

If you have the opportunity to take a course in marketing, I suggest you take it, if nothing more, to learn how to segment your publics into markets. Basically what you are doing is determining what publics you intend to reach with your campaign effort and then segmenting them; and once you have done that, you build an organization sufficiently large enough to reach each of the market segments.

Time Schedule

When you get down to planning the intensive capital campaign, you basically work backwards. You set a date for the actual completion of the campaign, and you back up from that and allow some time for clean up of unreported accounts, then you set up intervals of report meetings, and you back up further from that and determine when your kick-off meetings will be held, when your solicitor and leadership training meetings will be held, when your prospect selection meetings will be held, when your evaluation meetings will be held, and when your campaign planning meetings will be held. The intervals may vary anywhere from a week to months to even years, but it's necessary to have a

time schedule and to adhere to that time schedule religiously.

In summary a capital campaign is an effort to raise funds for a specific objective that has a specific dollar goal and to raise those funds within a specific time frame. Second, the basic ingredients of any successful campaign are: (1) a salable product, (2) an informed constituency, (3) dedicated and enthusiastic leadership, and (4) a workable campaign plan. Third, you should not enter into any capital campaign effort without first determining what your chances of success may be. Even though you think you may be capable of directing a fund raising campaign on your own, you should hold some discussions with professional fund raising counsel in assisting you with any feasibility studies or with the actual conduct of the campaign.

As you think about your campaign and ultimately get into a campaign, remember the 80-20 rule; and in determining the size of the campaign organization, you will need to keep in mind the five-for-one rule. Be aware of marketing strategies and how you segment markets in developing your campaign plan. And finally, develop your time schedule, start at the end and work backwards. ●

Agency Head Asks For Tighter Program Controls

Changes in federal fund raising programs are urged by a Congressional Subcommittee. Targeted is the Combined Federal Campaign (CFC), which is raising some \$80 million from 2.5 million federal employees and members of the military.

Four days of Congressional hearings are being held, led by Rep. Patricia Schroeder's (D-CO) Subcommittee on Civil Service. The subcommittee fired off a letter to the Office of Personnel Management (OPM), which oversees CFC campaigns via an executive order. It recommended some major revisions in campaign operations.

Six basic changes were recommended. One was that rank and file federal workers should be intimately involved in organizing and running the campaign. Secondly, the letter called for more information about charities participating in CFC which should be available to federal employees. Third, stiff new protections against coercion should be imposed to assure all donations are truly voluntary, the letter recommends. Legitimate charities, particularly those serving minority communities which have been excluded up to now, should be allowed to participate in the CFC, was the fourth provision. Federal workers should be told in advance which charities are going to get how much of their money when they do not designate their contributions to a single charity, was the fifth suggestion. And lastly, fiscal controls on money collected should be tightened.

Rep. Schroeder said that the letter represents a "reasonable balance between the views of established charities and those fighting for survival." She also noted that the proposals should put an end to the pervasive pressure frequently placed on federal employees to contribute.

The letter to the OPM director, Dr. Alan K. Campbell, also strongly endorsed the efforts of the federal government to encourage giving by civil servants. Morris K. Udall, William Clay, Jim Leach and James A. Courter signed the letter along with Rep. Schroeder. She requested that OPM report back to the subcommittee by March 15th and courses of action will be taken following the report.

In a separate letter to Elmer B. Staats, Comptroller General of the U.S., Rep. Schroeder outlined a two track accounting deduction system which surfaced during the hearings. Pledging and payroll deduction systems, along with a distribution for-

mula, results in a system, she reported to Staats, whereby the payroll office deducts donations and sends them to a central receipt office which gives the money to charities. One of the participating charities serves as a fiscal agent for distribution. This presents the appearance of a conflict of interest.

Schroeder recommends that the OPM require independent and disinterested fiscal agents be used. In separate letters to the Office of Management and Budget, Schroeder asked Inspector Generals or other officials monitoring the CFC for undue pressures, to make reports available to OPM and the subcommittee. The Merit Systems Protection Board also requested the establishment of procedures to handle complaints from the CFC.

National Committee on Responsive Philanthropy's Jim Abernathy, a stringent critic of the CFC, hailed the new recommendations.

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An Optimist's Challenge to the Independent Sector

Voluntary giving is threatened, but is more important than ever before

The voluntary sector is today *more critical* to America, and to America's future, than ever before in history. Why? Because this nation's needs, both international and domestic, are growing every day. And the other two sectors are not meeting those needs.

Energy. Housing. Health care. Inflation. Economic stability. Productivity. Industrial revitalization. The list goes on.

And at the same time that our needs are growing, our national resources are diminishing. Or, at least, more and more people are beginning to recognize that our resources are finite, not limitless, as they were thought to be for so long.

What's more, the effectiveness of some of America's "old solutions" to meet these needs is being called into question. People of every political persuasion have begun to challenge the notion that massive government programs can solve every social ill. Indeed, sometimes these challenges have come from the originators of the programs themselves.

Increasingly, as mounting needs collide with diminished resources, America is turning inward. America is searching out new sources to solve its

by **KENNETH N. DAYTON**

Executive Committee Chairman
Dayton Hudson Corp.
Minneapolis, Minn.

old problems, new answers to meet its critical needs. And, I submit, that's where the independent sector comes in.

If you look back in history, trouble brings with it a strange benefit: a sense of community that brings people together, makes them rely on each other, makes them work together for the common good.

Today, just as in Colonial times — when the sense of imminent danger forced people to share problems and solutions — I believe we are approaching that same sense of urgency, that sense of community.

I call it "communitarianism."

Call it what you will, I think many of America's needs are quite clear to the voluntary sector and we would like to help meet them. But we must persuade America that we're ready, willing and — with America's help — capable of the task.

So, this is a good time, indeed, for all of us in the Third Sector to take stock, not only of the task itself but of our own resources.

Voluntary Sector Threatened

Unfortunately "taking stock" is more pain than pleasure at this point, even for an optimist. I say that be-

cause despite growing needs, despite growing expectations of us, the voluntary sector is, itself, threatened and in jeopardy. At least, that's the conclusion I draw from the data on giving, including Bert Knauff's recent article in *Foundation News*.

As Bert points out, total giving *is* increasing. But not fast enough to keep up with inflation. And, what's really depressing, is that an ever-decreasing share of this nation's wealth is going to support the independent sector.

In fact, when total giving is computed as a percentage of gross national product, there's been a statistically significant downward trend. Giving averaged 2 percent of GNP in the first half of the 1970s, dropped to 1.9 percent in the second half, and was at 1.8 percent last year.

To add more clouds to this gloomy picture, corporate giving — one area where there's been real growth — has actually declined as a percent of pre-tax income. And that's despite a growth rate in corporate giving of over 12 percent in the past decade!

Even the sources of gifts are changing slightly from what has historically been the case. Because of changes in the tax law, formation of the kind of family foundations best exemplified by the Rockefeller Foundation is declining. Individual donors just aren't giving as they could and should.

Actually, sometimes I think that's a myth we're perpetuating, that private money for the Third Sector really has

This article originally was presented as a speech before the National Conference of the INDEPENDENT SECTOR, Oct. 21-24, in Washington.

TRUSTS & ESTATES / DECEMBER 1980

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to dry up. After all, there's infinitely more wealth today and it's more widely shared. Perhaps we're just not doing our job to stimulate individual giving.

But one factor is no myth. Private foundations, which are dependent on endowment funds, simply cannot keep up with inflation. No product to mark up. No costs they can pass on. And, because of the "pay-out" of their earnings, foundations just aren't able to grow with inflation.

Consequently, for the first time in history, corporations have now surpassed private foundations as the second biggest giver in the Third Sector. Individuals, of course, remain the biggest givers of all, as they always have been and always will be — but only if we all work on it.

Failures Pose Challenges

The failure of increased giving to keep pace with inflation, the failure of corporate giving to keep pace with rising pre-tax income, and the decline of gifts to private foundations all pose some very real challenges for this new organization, it seems to me.

Despite this I'm confident that Independent Sector has great potential for synergy, which is what we businessmen and women always look for in mergers. In business, however, we find that synergy happens more often in theory than it does in practice.

But I'm optimistic about our prospects in this case for one reason. Already Independent Sector is shaping up to be very goal-oriented. Already, during the process of setting its goals, the organization has begun responding to some of these difficult challenges.

It's clear that we're not in business to become another Washington-based service agency with a secretariat whose main interest is self perpetuation. Independent Sector has already set some important goals for itself. They're ambitious goals, and I applaud them. Here's what I find exciting about them.

All the five Independent Sector goals — public education, communication, research, effective management and government relations — are designed for only one purpose: to stimulate increased support for giving to the Third Sector.

Growth in Giving

The most recent draft of our long-range planning document states the goal in these words: "Measurable growth . . . as manifested by increased giving and volunteering."

That's the common purpose that brings us together, donors and donees alike. And that will be the glue that binds together this new organization and makes it an effective force for a bigger and stronger independent sector to help meet this nation's critical needs.

In my judgment, the measure of our success will be to increase total giving from 1.8 percent of our gross national product (where it slipped to last year), back up to 1.9 percent and then 2 percent. Eventually, how about 3 percent of GNP for the Third Sector?

But, if we are going to achieve that goal, we must start working together instead of competing with each other.

Those of us who are regularly solicited by non-profit organizations have heard the same familiar litany of needs and priorities, no matter what the organization.

Each area — the arts, education, health, you name it — each thinks it is *more* critical, *more* essential, *more* deserving. Everyone, in other words, is fighting for a bigger and bigger slice of the pie. But the trouble is, it's a diminishing pie.

Now, however, with the creation of this organization of both givers and solicitors — and with this organization's focus on measurable growth in total giving — I am optimistic that together we can all work to create a bigger pie.

It makes good sense. The fastest way to increase giving to any one segment is to increase *total* giving to the Independent Sector.

Concentrating on "pie size" rather than "slice size" is simply a more profitable way for each of us to be using our energies. If you will all do that, you will do far more for your particular field than if you try to increase its share.

Corporate Philanthropy

And, I submit, the fastest way to increase our pie size is to join forces and press for major — and *measurable* — increases in corporate philanthropy.

From my vantage point, America's corporations and America's voluntary sector are natural allies. Just as I pointed out earlier that our Third Sector is threatened by erosion because of inflation, it is no exaggeration to say that the free enterprise system is in jeopardy, too.

Public trust in American business is plummeting. The percentage of Americans having "a great deal of confidence" in corporate leadership has dropped dramatically, from 55 percent in 1966 to only 18 percent last year.

TRUSTS & ESTATES / DECEMBER 1980

How low can it go before they throw us all out?

Adverse legislation. Stringent regulations. Consumer retaliation. Harassment by unreasonable pressure groups. And the lower it goes, the more we get punished. Indeed, the private sector is virtually hobbled by costly, ineffective government regulation, all socially imposed because the public is displeased with our priorities and the way we conduct our businesses.

If American business does not act soon to check this mounting public criticism, it could do more than put pressure on our bottom line. Left unchecked, this movement could eventually alter the entire free-enterprise system which is so essential to the American way of life.

So, I firmly believe, business must be pushed to take steps now to redeem itself in the public's eyes. Business must be encouraged to quit blaming others for its low public ratings and meet the public's criticism head-on.

Business of Business

One very effective way to do that, I submit, is for Corporate America to enact a positive program of community philanthropy on a scale that will assure America the business of business is more than just making money. The business of business *really* is serving society.

At least, that's our business philosophy at Dayton Hudson Corporation. We believe that business exists for only one purpose: to serve society. Profit is the means and the measure of that service, but it's not the end.

We know from experience that business brainpower and expertise, combined with business dollars — either philanthropic or investment dollars — can effectively help meet society's needs. We've seen it work in Minneapolis and many other cities where Dayton Hudson companies operate.

If *more* businesses were to commit *more* dollars to *more* communities — and do it at the local level, where problems are best identified and best addressed — I am confident that this nation would soon solve many of the pressing problems that confront us.

It certainly behooves the independent sector, and all of us in Independent Sector, to help convince Corporate America that this increased commitment is in everyone's best interests — not the least its own.

America's corporations represent an under-tapped gold mine for the Independent Sector. Compared to its po-

tential, the corporate giving record is, I'm afraid, abysmal.

Despite the fact that 5 percent of pretax income is allowed by law as a tax deduction, the national average is below 1 percent. And even though I use the 1 percent "national average" figure myself I confess that I have real doubts about its accuracy.

Although we're all indebted to the conference board for its annual survey on corporate giving, and we'd be lost without it, consider the following facts from their most recent survey:

Only 26 of the firms listed among the top 50 contributors even divulge

their percentage at all. And only 11 of the top 50 are at 1 percent or above. So, I find it quite difficult to extrapolate a 0.9 percent "national average" out of that data. Unless, of course, the small businesses are contributing significantly more on a percentage basis than the giant corporations of America! Indeed, I suspect this actually is the case.

And, going back to the Filer Commission Report, which found that only 20 percent of all corporations make any contributions at all, we must be making our projection from an awfully small sample. So, mentally I cross my

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fingers every time I use that "1 percent national average" statistic because, obviously, I'm not yet convinced that it is a valid figure.

The point I'm trying to make is this: Business falls so far short of its potential where philanthropy is concerned, increasing corporate giving ought to be a top priority. And that includes *all* businesses, large as well as small, public as well as private, national as well as local. Being a national corporation can no longer be an excuse for not giving to local causes!

Achievable Goal

If my major challenge to this organization and this conference is to focus its efforts on increasing corporate philanthropy, then my second challenge follows quite naturally: Let's set a tough but achievable goal.

For starters, I suggest that Independent Sector set its sights on a new standard for corporate giving in the 1980s: 2 percent as a "natural average" by the end of the decade. (That, incidentally, was the goal set by the Filer Commission for 1980!)

Considering the current national average and considering the total lack of progress since the commission report, admittedly that's an ambitious goal. But now that Independent Sector is on the scene, I am convinced we have a mechanism to push for that goal, and that it is achievable.

I hasten to point out, however, that 2 percent should be just a beginning. Our ultimate goal should be, of course, the maximum allowed by law as a federal tax deduction: 5 percent of federally taxable income.

It is a very ambitious goal, but Dayton Hudson's been doing it for 35 consecutive years now. So, maybe we're proof that it can be done. Indeed, 5 percent has become the standard in Minnesota where corporate contributions are concerned. Forty-five companies belong to the "Five Percent Club" of the Greater Minneapolis Chamber of Commerce. Another 15 belong to the "Two Percent Club." And we see signs of a national movement underway.

Louisville has started its own Five-Percent Club with 35 members the first year. Seattle has launched a Two-Percent Club. And two percent is also in the planning stages in both Kansas City and Phoenix. To add to the list, Detroit, Baltimore, Oakland and, most recently, Dallas all have the idea under consideration.

As a very practical first step in

launching a national campaign to achieve a 2-percent national average by 1990, I propose that Independent Sector ask other national organizations to become partners with us in the effort — and with the federal government, of course. Several obvious potential partners come to mind: the U.S. Chamber of Commerce, the Business Roundtable, the Conference Board, the National Association of Manufacturers, all would be effective partners in a national campaign.

If we make a concerted effort nationwide, I'm optimistic that Independent Sector can achieve its ambitious goals — even this last one of increasing the national average of corporate philanthropy to 2 percent no later than 1990.

Reasons for Optimism

Why am I optimistic? Well, I think the signs are everywhere that corporate philanthropy — particularly 5 percent — is an idea whose time has come. From personal experience, the signs are certainly there.

My friends at the Minneapolis Chamber of Commerce tell me that calls from other cities are increasing, requesting information about forming "five-percent clubs" or "two-percent clubs." Calls are also increasing from other corporations to our Dayton Hudson Foundation, asking for guidance in starting up (or improving) corporate giving programs.

On a more personal note, requests for me to speak on "five percent" are coming in, I can tell you, at a rate greatly exceeding my personal tolerance for the speaking circuit. Furthermore, Five-Percent giving is beginning to receive national recognition. Just recently, Dayton Hudson accepted the American Symphony Orchestra League's Golden Baton award on behalf of the Five-Percent Club. And we were among the winners on the 1980 Touche Ross New Perspectives Award, being cited for our corporate-giving policies.

Other national signs reinforce my optimism. John Simon's work at Yale University, researching not just corporate philanthropy, but the entire non-profit sector, is an important sign that we've come of age.

The success of Lawrence Wein, who's been called the "Lone Ranger of Corporate Philanthropy," reflects more than reaction to his stockholder resolution demanding higher giving. It often brings to light — and brings to life — inside movements to increase

corporate philanthropy already underway.

I take particular encouragement from the increased emphasis on professionalism in corporate-giving staffs around the country. We can, indeed, create a bigger pie because we're demonstrating every day that we're learning to create a better pie.

A National Solution

In my view, never before in our history has a national crisis been so perfectly matched with a national solution.

To reiterate, increased philanthropy is the voluntary sector's best hope of surviving — and thriving — in the 1980s. It is the free-enterprise system's best hope of protecting its very franchise to do business. And, I firmly believe, it is America's best hope of marshalling *all* its resources, in partnership, to address the serious problems that confront us as a nation.

Increased corporate philanthropy is, indeed, an idea whose time has come. How fortunate it is that the formation of this particular organization, at this crucial time, offers all of us an opportunity to help meet the challenge, an opportunity to become part of the renaissance of American spirit. □



Kenneth N. Dayton is chairman of the executive committee of the Dayton Hudson Corporation, Minneapolis. He joined Dayton's department store in 1946 and was elected vice president in 1948 and executive vice president in 1965. Dayton was elected president of the newly founded Dayton Hudson Corporation in 1969 and was named chief executive officer in 1970. He served as chairman of the board from 1974 to 1977, when he assumed his present position.

Dayton is a director of Northwest Bancorporation and the Minnesota Orchestral Association. He is a trustee of the Mayo Foundation, the Minneapolis Foundation and the Rockefeller Foundation.



For the Organization With No Fund-Raising Program

HOW TO START A FUND-RAISING PROGRAM FROM SCRATCH...OR...

SHOULD WE EVEN TRY?

—by William F. Balthaser*

This is the first of two FRI Bulletins written to help the organization that doesn't have any current fund-raising program, but thinks it should consider one. Granted, not many FRI subscribers are apt to be in that boat. But they are extremely apt to be approached for advice by such organizations. Here are ideas that may help with that advice.

There are four steps your organization should take to come to grips with a decision on whether or not a fund-raising program is for you. The first two steps simply involve asking yourself some questions. The third step requires you to seek limited outside help. The final step is the one in which you make your decision.

1

Assemble some basic facts about fund-raising and your organization — past and present. For example, did your organization have a fund-raising program at one time — one that's no longer active? (Institutional fund-raising programs tend to rise and then crumble and become almost forgotten. It usually has to do with the arrival or departure of some staff person. Perhaps your organization actually has been through several fund-raising cycles like this.) Or, perhaps you once had a capital fund-raising campaign run by a consulting firm. Maybe you have or once had some group of "members" or "friends" who pay annual dues. Maybe some member of your staff raises (or once did raise) funds to support his or her own projects.

If any such forgotten or unrecognized fund-raising lurks in your organization's background, find out all you can about it. Why? Two reasons. It may be that you actually have some sort of fund-raising program going on right now, despite your belief to the contrary. And maybe all you have to do is fan the embers a bit to make it more profitable. Perhaps, if you once had a program, the donors (and the records of those donors) are still around somewhere. If you can find out who they are, you may be able to revive their interest in your organization. Presto! You have a constituency. And if any fund-raising has gone on at all in your past, a fund-raising consultant can use the old gift records to help determine what kind of future fund-raising potential your organization may have.

2

Next, ask yourself if your organization has the basic elements that make fund-raising possible. Is it a nonprofit organization, tax exempt? Is it doing something that a reasonable number of people think is beneficial to some segment of society? (Not, has it once done something that people think was beneficial, but is it doing something now that people think is beneficial?) Could you identify most of those people by name if you worked very hard on it? Do those people as a group probably control enough wealth to provide significant support, if sufficiently motivated to give it? If your answers to these questions are all positive, you probably have a fighting chance of raising some money.

more.....

*William F. Balthaser, editorial director of the Fund-Raising Institute, is a former development officer for Haverford College and for the Albert Einstein Medical Center.

Another question: Does your organization know what it would do with the extra money if it ever raised it? If your answer is "spend it on the current program," your fund-raising potential doesn't advance very far. But if your answer describes interesting, significant-sounding new programs, your potential has just jumped ahead tremendously. It shows that your organization may be planning its future, and this makes fund-raising much easier. It's almost impossible to raise funds for what your organization has done; it's a little easier to raise funds for what you're doing now, but it's easiest to raise funds for the exciting things you're going to do!

3 Now, if your answers to all these questions leave you feeling optimistic, what next? Well, you're now ready to ask for some professional advice. Do not try to get that advice free of charge. The job is too important for that; the potential is too profitable; the risk is too high. Now is a crucial time to invest a few hundred or a few thousand dollars. Find a consultant who will give you up to a week's time for a fee. Perhaps an organization similar to yours already has a successful fund-raising program, and their development officer will help you out. Perhaps there's a free-lance consultant who's qualified to advise you — not to "sell" you a capital fund-raising campaign, but rather simply to advise you on questions like the following.

- What is your fund-raising potential?
- Who are the sources of that potential apt to be — what individuals and organizations?
- What activities are necessary for you to realize that potential? (Those activities will probably involve identifying and building a fund-raising constituency, cultivating the interest of the potential donors in that constituency, and eventually, soliciting their support.)
- What is a reasonable plan for launching and carrying on those activities?
- What is a timetable for that plan?
- Who — what specific persons — will execute the plan, and how?
- What are conservative dollar-estimates of the funds you are apt to raise in each of the first five years of such a fund-raising program?
- What are generous estimates of the costs of the same proposed program, broken down into fairly fine detail?

4 Now, the ball's back in your court. But this time you're equipped to handle it. Here's the final question you ask yourself (and your board as well): "Is the gift income that's apt to result worth all the work and expense?" Search your institutional soul deeply on this question, and if you decide in favor of fund-raising, be positive that you have the genuine commitment of both your staff and your volunteer leadership. All too often, an organization will decide to launch a fund-raising program, because it is an intellectually obvious thing to do. But after the program has been rolling for a short while, it falls flat on its face, because the necessary emotional commitment wasn't ever there. The staff is horrified to find they're expected to spend a significant amount of time on the fund-raising program. (This detracts from their ability to help stray dogs, or whatever your organization's cause is. And it's the dogs they're interested in working with, not the donors.) Or the board is horrified to learn that they're expected to cough up a large portion of the major gifts and solicit most of the rest. (Logical? Yes, but not something they're about to do.) So the program dies. To repeat? Get an enthusiastic commitment from everyone involved. And you'd better believe that everyone will eventually be involved some way or another.

What kind of program is your consultant apt to recommend? The second and final Bulletin in this series (February 1981) will answer that question.

PRIVATE SECTOR TARGETS: (Proposed)

	GOAL PLEDGES (3)		(2)	PROJECTED CASH FLOW												
	Foundation	Other		6/30/81	6/30/82	6/30/83	6/30/84	6/30/85	6/30/86	6/30/87	6/30/88	6/30/89	6/30/90	6/30/91		
1981 - 82 (1)	1,000,000	-	1,000,000	--	333,000	333,000	334,000									
1982 - 83	1,000,000	-		2,500,000			333,000	333,000	334,000							
1983 - 84	1,000,000	500,000	3,200,000					333,000	333,000	334,000						
1984 - 85 (1)	600,000	1,000,000		3,200,000					200,000	200,000	200,000					
1985 - 86	600,000	1,000,000	3,100,000							200,000	200,000	200,000				
1986 - 87	600,000	1,000,000		3,100,000						200,000	200,000	200,000				
1987 - 88 (1)	1,000,000	500,000	1,600,000							333,000	333,000	334,000				
1988 - 89	1,000,000	-		1,600,000									333,000	333,000	334,000	
1989 - 90	600,000	-	600,000												200,000	200,000
1990 - 91	600,000	-		600,000												
	<u>\$8,000,000</u>	<u>\$4,000,000</u>			<u>\$333,000</u>	<u>\$666,000</u>	<u>\$1,165,000</u>	<u>\$1,365,000</u>	<u>\$1,571,000</u>	<u>\$1,600,000</u>	<u>\$1,564,000</u>	<u>\$1,365,000</u>	<u>\$1,037,000</u>	<u>\$734,000</u>		

\$5,100,000

\$6,300,000

600,000 in 92/93

\$6,900,000

- (1) Projected Campaign Years
- (2) Primarily Freshwater Interpretative Center
- (3) Based on State Leadership in Future Funding (not matching funds)