



Minnesota State Zoological Board.
Zoo-Related Organizations Files.

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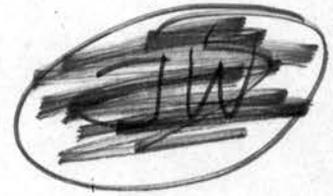
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Minnesota Zoological Garden Foundation

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cc D.D.



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October 27, 1982

Steve,

I would appreciate your comments and suggestions on this discussion paper.

Stan and Malcolm and I will be meeting on Friday to consider work in process and things to do for the proposed merger.

I have sent a copy of these ideas to Dick Arndt and to Jim Weaver.

Thanks.

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General Director
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EXECUTIVE DIRECTOR:

ROBERT S. VOIGT

THE ZOO ALLIANCE

Operational Purpose: A private sector organization which serves the Minnesota Zoo and the community. It furthers a positive Zoo image in the community, increases Zoo awareness, develops broad financial and political support bases, and increases Zoo usage.

The Zoo Needs: Financial support for further capital completion and growth; program funding and other support programming focused on the Zoo's mission-related objectives; and increased attendance, association with and personal involvement in the Zoo's many programs.

I. Fund Raising and Special Projects:

Private sector image building and financial support for completion and growth of the Minnesota Zoo.

A. Ongoing solicitation of contributors:

1. Annual Drives: Individuals, Organizations, Sponsors, Members.
2. Special Requests:
 - a. Solicitation and administration of staff-identified grant subsidized programs (i.e., gifted classes, research projects, special programs in education, etc.)
 - b. Administration of special citizen fund raisers such as "runs" and "walks".

B. Marketing for joint ventures:

1. Cooperative effort in the identification and development of special marketing promotions that incorporate capital expansion monies.

- C. Development of networking channels with community organizations for the bilateral or multi-lateral furthering of educational, conservation, political action, and fund raising objectives. Partners might be wildlife organizations, other agencies such as the DNR or other private foundations or societies.
- D. Development of alliances and joint programming with state wide organizations such as Scouts, 4-H, Lions Clubs, etc., for the purpose of building a broad-based Zoo constituency.
- E. Development of funding and program support for an outreach program to community centers, public service groups, hospitals, etc.
- F. Development of Capital Campaigns involving intensive and extensive community leadership in seeking and securing major contributions and support for major expansions of facilities and services to the Zoo visitors.
- G. Development of a comprehensive and regularly promoted Planned Giving Program, including seminars and materials for a selected list of prospects and target audiences.

II. Membership Services and Special Programs:

Extensive community participation programs for building individual involvement and dedication to the mission of the Minnesota Zoo.

- A. Offsite promotion of Zoo programs (i.e. Zoo Goers).
- B. Support for and development of additional Zoo Goer membership benefits and programs such as classes, travel, discounts or premiums on books, field trips, etc.
- C. Total administration of a continuing education program - including classes, seminars, lectures, displays and field trips.
- D. Funding and execution of seasonal displays, events and activities to increase Zoo awareness and/or attendance.

(This activity must be coordinated closely with part I. A. 2. b.)

- E. Administration and expansion of currently Zoo administered speaker's Bureau.
- F. Financial support for volunteer recognition.

(Coordinate with part I. A. 2. a.)

III. Other Considerations:

Discussions over time reflect other possible programs and services that, in some beliefs, could be administered and directed by the private sector support group.

- A. Memberships - Zoo Goer -
- B. Sponsorship - Zoo Care -

These two specifics are an integral part of securing personal identification and involvement with an organization, its purpose, and working to improve and expand its future. These two existing programs will require a close and open working relationship between the Zoo staff and the "Alliance" in order to achieve its maximum potential. Anything less will work to the disadvantage of both groups.

Working with the Alliance over a period of time may provide new suggestions on the relationship of these and other programs.

IV. Overall management and administrative services of the "Alliance" organization:

- A. New organizational Articles of Incorporation and By Laws will be required - or a revised and amended same for either the present Society or the Foundation.
- B. A new leadership and management team will need to be selected - with responsibilities and expectations clearly defined.
- C. Budgets and financial projections will need to be developed based upon accepted programs, staff needs, and timeline projections. A few suggestions are as follows:

By November 30, 1982 (30 days) New structure and purpose of "Alliance" accepted

By December 31, 1982 (60 days) New Board and staff leadership selected

By January 31, 1983 (90 days) Proposed programs adopted and budgets approved
By February 28, 1983 (120 days) New staff on board, duties assigned, time-
lines established, and ready to go.

SOME STRUCTURE PROPOSALS:

I. Board of Trustees (Directors) (Governors)

5 appointed by the Society

5 appointed by the Foundation

11 new members - civic and business leaders appointed by the Chairman of the
Zoo Board upon the recommendation of the Society and the
Foundation.

—
21 total Board members

Term: 3 years - 1/3 reelected each year: first Board has 1 year, 2 year, and
3 year members, determined among the Board at their first meeting: Future
members will be chosen by the Board of Trustees and confirmed by the Zoo Board.

Purpose: To guide the Alliance and to participate in leadership functions
normally expected and attributed to Board member responsibilities (to be
written later) and to include fund raising, representation of the Zoo in
civic and community responsibilities, etc.

Officers: Chairman, Vice Chairman, Secretary and Treasurer, etc. (to be
defined later)

Honorary Members: May be chosen for distinguished services on behalf of the
Zoo.

II. The Chairman of the Alliance must serve on the Zoo's Board of Directors -
preferably in an appointed position according to state policies - or in an
ex - officio position with equivalent duties and responsibilities. Also, the
Chairman must be an active participating member of the Zoo Board's committees
responsible for policies relating to development and membership services.

III. Operational relationships must be maximized at all levels of staff and Board,
Zoo and Alliance, so that communication, understanding and interaction works
to the benefit of all.

IV. Specific staff responsibilities will depend upon programs selected, staff obtained and tasks assigned. In order to implement some of the duties proposed, a beginning staff might be described as follows:

R.V.
A. Executive Director: Responsible for the overall administrative and programatic management; initiating and identifying functional fund raising programs to achieve the development goals proposed by the Zoo Board and approved by the Alliance Board; implementing the operating programs of educational services and membership support designated as a responsibility of the Alliance; directing the managerial duties inherent with the staffing; research, record keeping, communication and Board services requested of the position; directing the associates and assistants in the fulfillment of their duties and tasks; establishing community contacts and future program opportunities, develop leadership. The Executive Director of the Alliance would be one of the members of the Zoo staff management committee.

Lois Sea
B. Assistant Director for Fund Raising and Special Projects: (to be written)

Karlew
G. Assistant Director for Membership Services and Special Programs: (to be written)

D. Office Manager (Bookkeeper and Secretary): Record keeping and support services

Peg W.
E. Administrative Assistant: To provide clerical and research assistance to other members of the staff. Also, to assist with the presentation of events, programs and projects, and volunteer services. (to be written)

V. Meetings, elections, specific committee responsibilities, management, contractual relationships with the Zoo, liabilities, location, etc., all need to be studied and then written.

COSTS - BUDGETS - BALLPARK ESTIMATES - FIRST YEAR

Expenses: 12 Months January 1, 1983 through December 31, 1983

Salaries (5 persons)	120,000
Benefits, Fringes, etc.	24,000
Reimbursable Expenses	6,000
Occupancy	8,000
Supplies	12,000
Postage	12,000
Telephone	4,000
Promotion	7,000
Printing, Xerox, etc.	5,000
Consultants, outside expenses, special materials and events, etc.	28,000
Membership promotion, etc.	

\$ 230,000

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BENEFITS - RETURNS - REVENUE - BY PROGRAM

(First year returns are not indicative of an average over the first five years because of larger start up costs, delayed response to initial efforts and overcoming some of the inertia and adverse feelings or impressions gained in the recent past.)

TARGETS FOR REVENUE (1983 Calender Year) - GOALS:

1. Annual - Direct Mail	
a. 15,000 Prime Prospects (Society members, Zoo Goers, Foundation Donors)	
8% response (high, but !)	
1200 contributors @ \$30.00 average:	\$ 36,000
b. 30,000 other possibilities	
3% response	
900 Donations @ \$10.00 average	9,000
2. Special Requests - Personal Requests - Foundations, Corporations and Individuals - as determined for Zoo program needs	30,000
3. Special Events - Walks and Runs, etc.	- 0 -
4. Marketing - Joint Ventures	30,000
5. Community Organization - State wide groups - special intersts	6,000
6. Capital Projects - The Zoo's Ten Year Capital Completion Program - LEAD GIFTS -	500,000 (pledges)
7. Planned Giving	- 0 -
8. Membership Percentage Retained of Zoo Goers sold i.e. sell 1000 memberships; average of \$25.00 (½ family, ½ couple) Income \$25,000 (return 1/3)	8,000
9. Fees charged for educational programs, seminars, field trips, events, contributions to Speaker's Bureau, etc.	2,000
10. Interest Revenue on Investments	20,000
	<hr/>
	Total Revenues (maximum)
	\$ 135,000
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	Revenue for Alliance
	30,000
	Revenue for Zoo
	105,000
	Additional pledges
	unknown
	<hr/>
	\$ 135,000
	<hr/>
SHORTFALL IF ALLIANCE ONLY GENERATES \$30,000 AGAINST BUDGET OF \$ 230,000 -	\$ 200,000

ALTERNATIVES:

1. Hold proposal - or, less programming than proposed.
This would reduce expenses and also the potential for income and building a base for future programs.
2. Need to generate revenues for Alliance Operations:
 - a. Society grant
 - b. Community support - Foundations, Corporations or Individuals disposed to the proposal.
 - c. Zoo redesignate present uncommitted funds.
3. Alliance could operate the Zoo Coer membership program as a regular part of the ongoing support activities - and consequently retain a larger share (i.e. two thirds) of the revenue generated for services provided.
4. Imagination and creative ideas need consideration:
 - a. Place Minnesota Zoo under Metro Council relationship so it has a "home" with legislative and governmental affiliations and increased support.
 - b. "Give" the Zoo to the University like the Freshwater Institute or the Arboretum. Operating budgets could be consolidated and the University Foundation could assist in development projects.
 - c. Convince the legislature to fund these expanded operating Zoo programs - budgets - staff - probable cost of only a couple hundred thousand dollars annually would be a small price for potential results.
 - d. Produce and sell a profit oriented Zoo publication, magazine, etc. - with ads and subscriptions - need professional help with the development of this idea.
 - e. Transfer the Gift Shop to the Alliance - also set profit oriented goals and objectives.
 - f. Place the fund raising program in moth-balls until some later date when affordable. Also, the Zoo could continue (as is) with the volunteer support services on a less than desirable but as affordable basis.
 - g. Contract with a profit-making entity on a fee basis to manage the Zoo on a lease arrangement . (i.e. Bush Gardens, Disney, etc.)
 - h. Bring in a management consulting firm to review operations and suggest alternatives.
 - i. Your ideas?

CONCLUSIONS:

This Alliance proposal (a discussion paper) is predicated upon several essential and important conditions that must exist in order to successfully achieve these financial and programatic goals.

1. The Zoo Board members are crucial to this concept of volunteer leadership and participation in this Alliance program. Each persons activities will be necessary to establish communtiy awareness of the Zoo's positives and

then to build respect for the basic components and requirements of fund raising.

2. Zoo management (the General Director) will be a keystone in the archway between the Zoo and the Alliance. A similar bridge will exist with prospective donors. The perceptions, understandings, and working relationships expressed and practiced by top staff will be a major factor in the successful fund raising program of the Alliance.
3. Time is another factor. We have all been expecting miracles to date. We need to practice more of the practical aspects of development which require the establishment of realistic goals, natural relationships, and the building of personal preferences that make donations of funds and services to the Zoo a top ranking objective of community leadership and, in fact, everyone.
4. Strengthening our Volunteer Leadership - The past couple years have taken its toll of our enthusiastic and able community leaders. We must identify and secure new representatives of our community's leaders to help us achieve the mission we have set. These idealistic goals will not be achieved with only staff assignments. We need a good working partnership of both.
5. We must realize that the Alliance is almost like starting over. It will take a couple years to gain momentum, self-sufficiency, and to rebuild understanding and respect. It will require a lot of patience (as well as persistence), dedication and hard work from all involved.
6. Matching funds have always been one of the consistantly supported needs from the State that the Foundation has encouraged. This concept is a ideal way to secure continued State funding of new exhibits. A matching funds challenge to the private sector backed up by direct appropriations is sweet music in the ears (and pocket books) of donors.
7. Staffing is equally as important. The Alliance needs professional, respected and dedicated individuals to complete the jobs described.

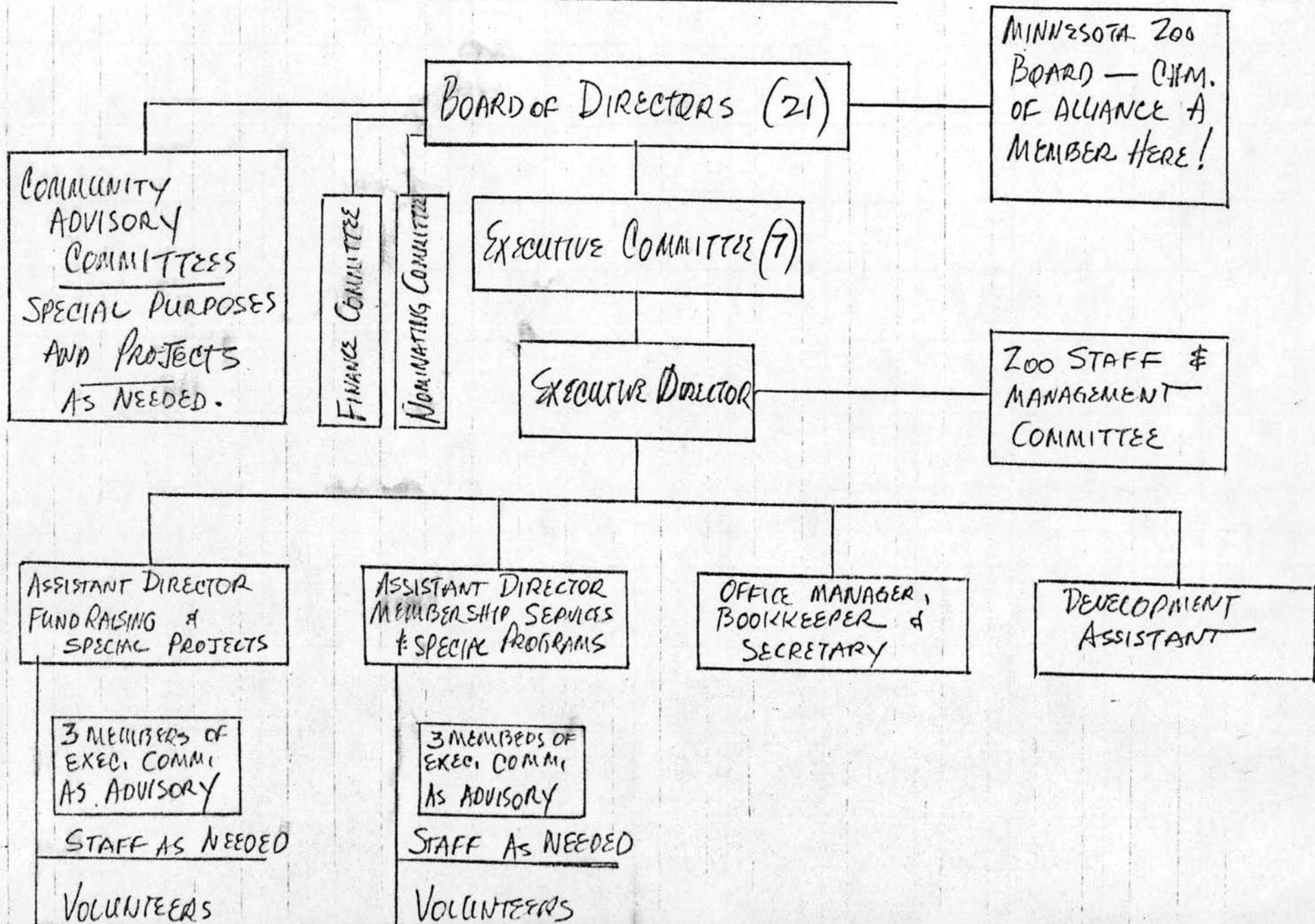
This is just a beginning. No ideas should be cast in concrete. We have a long way to go. Reflections upon these ideas and the introduction of others will require a compassionate analysis of need and prudent reflections on the best and most reasonable way to accomplish our task.

RSV:bem

	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEPT	OCT	NOV
Structure accepted	X												
Board & Staff selected	?	X											
Program adopted		?	X										
New staff & duties assigned			?	X									

DEFINE OTHER TASKS AND ASSIGN DEADLINES !

MINNESOTA ZOO ALLIANCE



Wright



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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

Robert S. Voigt

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

Robert S. Voigt

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

Robert S. Voigt

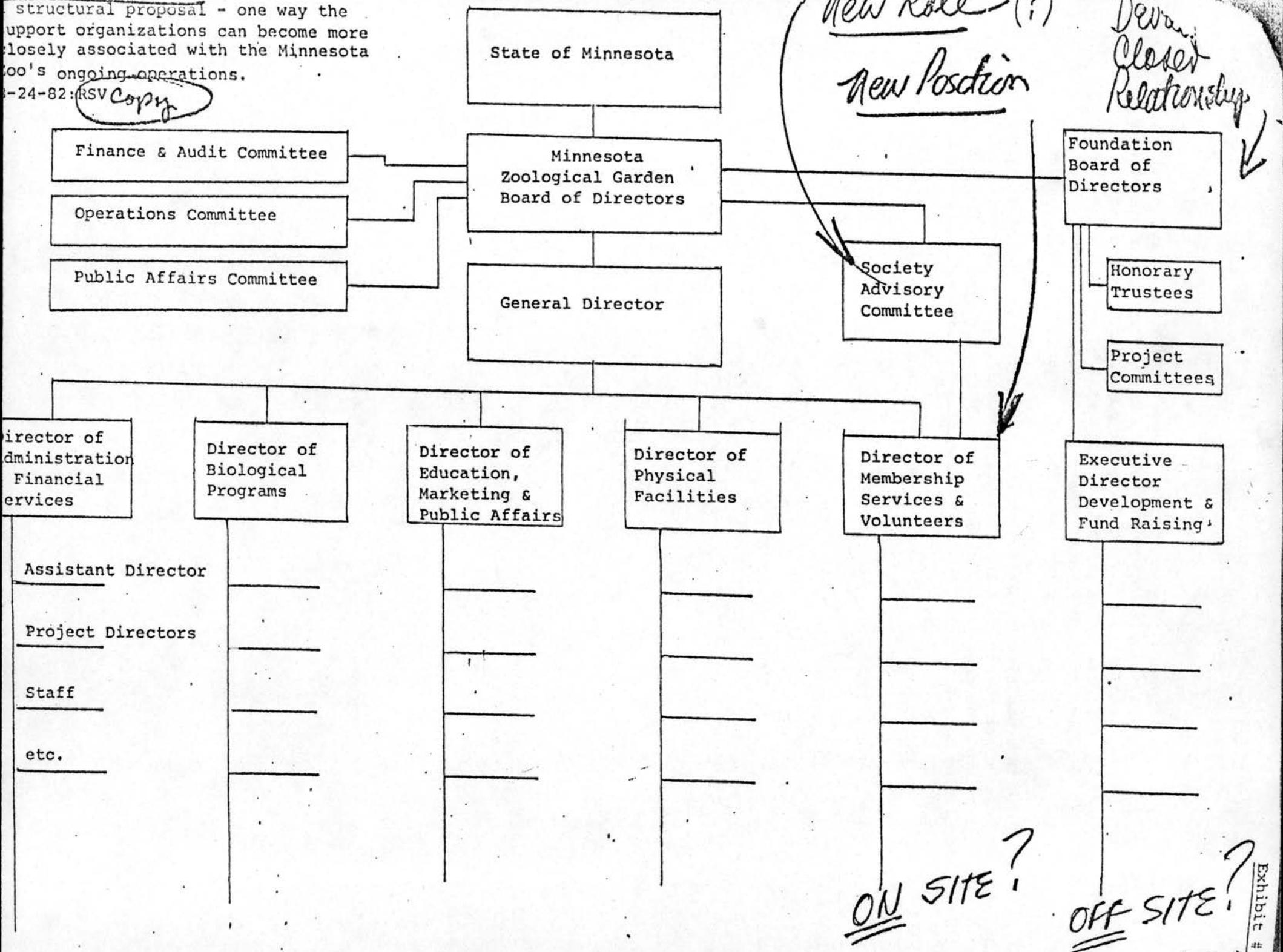
members can be brought into a more participatory process and joint responsibility for discussion of direction and decisions that are being made affecting the Zoo's future. The process of first getting people involved so that they have a basis for their dedication and commitment of time and effort is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

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

1-24-82:RSV copy



New Role (?)
New Position

Desire for
Closer
Relationship

ON SITE?

OFF SITE?

Exhibit #

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.

Bob S. Voigt

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.

Mergers
Office Memorandum

DEPARTMENT MINNESOTA ZOOLOGICAL GARDEN

TO : Minnesota Zoological Board

DATE: September 8, 1982

FROM : Steve Iserman *SA*

PHONE: X302

SUBJECT: STAFF RECOMMENDATION ON A ZOO ALLIANCE

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

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

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

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

1. Total administration of a continuing education program -- including classes, seminars, lectures, displays and field trips.
2. Administration of special citizen fund raisers such as runs or walks for the animals.
3. Solicitation and administration of staff identified grant subsidized programs (e.g. gifted classes, research projects, special busing programs).

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

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

DB/SAI:gd

Support Organization

RECORD OF MEETING

NAME: MINNESOTA ZOOLOGICAL BOARD - COMMITTEE OF THE WHOLE
DATE: September 13, 1982
PRESENT: R. Arndt, P. Davies, S. Doyle, H. Goldenberg, R. Gort,
J. Hetland, J. Weaver, J. Kennedy.
PURPOSE: DISCUSSION OF PROPOSED FOUNDATION/SOCIETY MERGER

Chairman Pro Tem R. Gort called the meeting to order at 3:40 p.m., proposing to divide the discussion into two parts: (1) the feasibility and ramifications of having a single support group created by a merger of the Society and Foundation, and, if feasible and beneficial, (2) defining the structure of that entity and its role in relation to the MZG.

R. Gort advised that he would allow 5 minutes each to three speakers: Steve Iserman of the zoo staff, Stan Nelson of the Foundation, and Mark Jacobson of the Society. Board members would then question the three speakers.

S. Iserman stated that he had talked with D. Bender and his staff, who have been the primary interface with the Society in the past. Staff's recommendation is based on the premise that a support organization is desirable and then assesses the services that staff feel could be best served by the proposed membership committee of the support organization. Staff feel that the zoo's primary need is capital growth and expansion of exhibits. He then listed the types of services staff sees as desirable (see attached memo). S. Iserman stressed that staff feel capital funding is of paramount importance; the additional services would be valuable, but would need to be administratively supported with new money and not obtained from a repackaging of current zoo programs.

S. Nelson, representing the Foundation and the task force, formed at the request of Governor Quie, spoke about the intent, background and concept of the task force and the common goal and responsibility shared by the Zoo Board, the Society Board and the Foundation Board. He stated that the much publicized differences between the three organizations have created a climate of confusion and concern in the public that has inhibited the Foundation in its fund-raising efforts for the past two years. The Foundation's purpose in supporting the merger is to find something workable and based on cooperation among the zoo's supporters. The task force, consisting of J. Hetland and R. Engels from Zoo Board; S. Nelson and D. McNeal from the Foundation Board, and M. Jacobson and P. Freeman from the Society Board, tried to be objective and start with a new slate. The proposal is to get off the ground. After that, the new board (proposed as 12 members from the Society and 12 members from the Foundation with various backgrounds and capabilities) would create the structure and detailed plan of action. S. Nelson stressed that the concept was derived by examining zoos around the country, and judging that a strong broad-based support group could best serve the interests of the zoo in the long run. He noted that the judgment was contrary to what some of the Board members and zoo staff feel, and that staff might find it difficult to reverse its role. He urged careful consideration of the proposal, adding that an attitude of cooperation could allow the zoo organizations to move forward together. He concluded his remarks by saying that without cooperation, the Zoo would remain exactly as it is now, with no substantial improvements.

M. Jacobson, speaking for the Society, advised the Board that both the Society and Foundation boards had unanimously endorsed the concept of the alliance and the operating agreement along the lines proposed, with the understanding that any final

agreement of merger will be formed by the Society and Foundation. He added that any ultimate operating agreement between the zoo and new organization would have to be worked out between those two entities. The task force believes that a citizen support organization can broaden the base of the zoo in terms of providing an expanded base of people from whom capital donations can be sought. Although the zoo staff can do that, continued M. Jacobson, the financial resources may not be available. Volunteer sources are a valuable resource to have to draw upon, broader than any organization could employ, and a membership based support organization makes this type of resource available to the zoo. Recognizing that there are areas in the proposal for agreement and merger that need fine tuning, M. Jacobson stated that if both the support organizations and Zoo Board can, in good faith, work in earnest to put together a package, a stronger zoo and support organization will result. He stressed that the support of citizens in the community is essential to the future development of the zoo, and will result in new sources of financial support for the zoo. Urging the Board to give serious consideration to the proposal, he concluded that Zoo Board should be willing to consider working in a media of mutuality, with the support organization providing finances and support services in return for commensurate benefits which are granted to every other AAZPA zoo support organization in the country.

Chairman pro tem R. Gort called for questions from the Board members, asking that they concentrate on the union of the two groups as opposed to its proposed powers and duties.

J. Weaver, stating that he was an enthusiastic endorser of one support organization, asked how the two groups intended to proceed with regard to organizational matters. He also asked if there would be a merged, or new, staff. S. Nelson responded that with the agreement of Zoo Board, the task force would initially put together an interim board which would come up with an appropriate new board. The new board would then meet with representatives of Zoo Board to work out details. Regarding staff, S. Nelson stated that the idea was to have a new beginning -- the new Board or executive committee would provide the job descriptions, look at candidates, and then hire staff.

H. Goldenberg, noting that he read the proposal as a carryover of the reciprocity negotiations, asked S. Iserman to explain how the Zoo Goer program compared with the Society program in terms of financial gain for the zoo, especially in view of the Society's expressed intent to help the zoo. S. Iserman stated that the Zoo Goer program was doing very well for a new program according to other membership organizations, particularly considering that the Society's membership has not been solicited since that list has not been available for the zoo's use.

Responding to further questions from H. Goldenberg, S. Iserman reported that the Society has given the zoo approximately \$150,000 over the years, including animal sponsorship money and grants.

Noting that he thought getting Society people involved with the Foundation should be encouraged, H. Goldenberg stated that the Board has indicated that the Foundation is its support organization and new life may help get the \$6 million capital drive going. He added that major capital funds would not be obtained by selling \$30 memberships.

J. Hetland stated that past antagonism was inappropriate, and suggested that H. Goldenberg ask why the Foundation concluded that a merger was necessary at this time. S. Nelson stated that broad-based community support was necessary to raise major capital funds. The public has been non-responsive to attempts at a fund drive.

Responding to H. Goldenberg's statement that he did not want to see the Society resurrected, S. Nelson stated that the Society had erred in the past; however,

the Foundation has felt strongly that all funds should be used to the zoo's benefit. That is the reason that the proposal includes a provision for Zoo Board's approval of the organizations's budget. He also stressed, in response to H. Goldenberg's expression of concern over the Society's uncooperative attitude towards the zoo's development in the past, that there would be new faces, and thus there must be new attitudes.

J. Hetland commented that the first question of the Zoo Board should be whether it wants full control of the support organization, meaning a governmental agency, or a private, quasi-independent organization. H. Goldenberg stated that the Board has no right to final approval of a merger of the Society with the Foundation. S. Nelson responded that the task force wanted three bodies to become two that have a certain independence, but with the support arm being responsive to the Zoo Board.

Chairman R. Gort asked if any Board member had objections to the Foundation broadening its base to include a relationship with the Society, adding that no specific proposal needed to be endorsed. J. Hetland clarified the question as being one of the Board desiring a single support organization. S. Doyle commented that if we have one at all it should be a single support organization. J. Weaver stated that the zoo needs one viable support organization to go forward. Forgetting the past, he suggested that the new board, formed after the merger, meet with Zoo Board to discuss ways to support the zoo.

MOTION by J. Hetland, seconded by R. Arndt, that the Zoological Board resolve that it is in the zoo's long-term interest to have a single private, non-governmental support organization. MOTION CARRIED UNANIMOUSLY.

J. Hetland then suggested that a further resolution be adopted that the Board believes a merger of the Society and Foundation will represent a viable support organization, without specifying details.

MOTION by R. Arndt, seconded by J. Weaver, that the Zoological Board resolve to support the combination of the Foundation and Society into one support organization for the zoo. MOTION CARRIED with P. Davies abstaining.

J. Hetland then suggested that members of Zoo Board indicate areas of concern. He added, as a member of the task force, that the proposal was based on the belief that a membership base and capital fund-raising capacity were important services to be provided. This dual capacity was conceived out of a belief that the people interested in day-to-day support of programs are different from those interested in time-to-time finance campaign activities.

J. Weaver expressed concern, based on the protracted negotiations with the Society, over how the money would get to the zoo. J. Hetland responded that one of the hallmarks is that all capital dollars donated will be capital funds for the zoo.

H. Goldenberg expressed concern over the operating budget, commenting that the Society had an operating budget of \$400,000 to raise \$450,000 which did not help the zoo. He also noted that it is important that the public know that the money they give to help the zoo comes to the zoo. He stressed the need for honesty.

R. Gort stated that in the past negotiations with the Society, he had felt the Society's major purpose was perpetuation of that organization as an entity rather than as a support group for the zoo. He emphasized the need for a clear understanding about that without any ambiguity or ambivalence.

R. Arndt, speaking to the visitors at the meeting, explained that the comments were being directed at the relationship between the Zoo and Society, and that the relationship between the Foundation and Zoo has always been very positive.

J. Hetland advised that a number of people have requested suggestions for a name for the new organization and also suggestions for the direction their developed proposal should take. P. Davies, expressing a concern about the Zoo Board's credibility with the Legislature since the Zoo Goer program was affirmatively accepted by them, stated that she did not think the negotiators should be deluded into thinking that the Zoo Goer program would be given up. She added that the program is doing well and we have no restrictions on spending the funds -- it can be used for exhibits if the Board desires. S. Doyle agreed with P. Davies and added that perhaps the new group could provide Zoo Goers with the old membership names as a show of good faith to help put unhappy times behind us. J. Hetland stated that although those judgments should be respected, the Zoo Board should balance all factors including the cost-efficiency of the program and the fact that the zoo is subject to state restrictions and does not have the flexibility of using funds as an independent organization would have. He added that he thought the proposal to split the program into an off-site and on-site promotion was excellent.

H. Goldenberg stated that he might consider giving up the program, but the task force did not use imaginative thinking when planning to get operating monies through memberships in view of the recent history of negotiations. R. Arndt suggested keeping an open mind and approaching the merger on a positive basis.

Chairman R. Gort then asked if anyone in the room would like to speak.

P. Freeman, identifying himself as a member of the task force, stated that some of the things that happened in the past were part of a healthy natural progress; i.e., the turning over of the sponsorship program. That program, started by the Society, was turned over to the zoo at its request with a \$35,000 fund and 1600 members. He added that he understood that membership has since gone down. He stated that Zoo Board should understand that some things are better done in the private sector than in a quasi-government organization. He also pointed out that of the 114 major zoos in the country, no other zoo has started its own membership program.

R. Arndt stated that the Society turned over sponsorship in 1981 of its own accord -- the Board had wanted the Society to continue it.

J. Hetland expressed appreciation to the members of the Foundation and Society for their efforts to come to an agreement of a single support organization, which reveals a determination to serve the zoo. He added that he felt a major step forward had been made and urged the two organizations to proceed with ultimate dispatch to put together an agreement before the legislature meets so that an image of a progressive move forward can be given.

J. Weaver asked what the proposed time table was, to which S. Nelson, speaking from the Foundation viewpoint, stated that the sooner an agreement was reached, the sooner the capital campaign could begin.

M. Jacobson stated that the question of which functions would be taken over by the new organization had not yet been answered. He asked how the merged group could recognize members and what the organization would get in return for its services. H. Goldenberg stated that the merger must come before any specific responsibilities are agreed upon. J. Hetland commented that the new organization, agreeing to support the zoo, will negotiate its new relationship with Zoo Board.

R. Gort reiterated that an entity must be established first. J. Hetland asked if a contact could be identified so that questions from the task force could be readily answered. R. Arndt stated that he would answer questions about the merger that may arise, but that a committee would be designated for working out the operating agreement.

S. Nelson reported that questions were raised at the last Foundation meeting about what the Zoo Board wants, indicating a sensitivity to the basic requirements of the zoo; however, he added that it was strongly felt that membership should be a part of the new organization. He felt more assurance should be given about that function. J. Hetland responded that in general terms the Board agrees there are two functions: capital funds and broad based citizen support. S. Nelson urged that thought be given to the task force's belief that a membership program can be best run by a separation organization.

Chairman Gort suggested that the merged organization's proposal might convince Zoo Board.

There being no further business, the meeting adjourned at 4:50 p.m.

gd

DEPARTMENT MINNESOTA ZOOLOGICAL GARDEN

Office Memorandum

TO : Minnesota Zoological Board

DATE: September 8, 1982

FROM : Steve Iserman 

PHONE: X302

SUBJECT: STAFF RECOMMENDATION ON A ZOO ALLIANCE

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DB/SAI:gd

PROPOSED ALLIANCE OF ZOO SUPPORT ORGANIZATIONS

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

PROPOSED ZOO-ALLIANCE MEMBERSHIP AGREEMENT

Responsibility of the Zoo Board

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

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

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

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

Other matters

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

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

Financial Responsibility of the Alliance to the Zoo

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

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

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

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

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

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