



## Transparency in Communications

October 2019

## Agenda

- In the Heart of the Beast case study
- Transparency Tools
  - Meets Standards process
  - Candid (formerly Guidestar)
- Access to news to prevent "bad" news
- What will motivate donors?



### About Us

## Social fundraising and social communication services for nonprofit growth.

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## In the Heart of the Beast Puppet and Mask Theatre







## A public conversation – Less is more

## IN THE HEART OF THE BEAST PUPPET AND MASK THEATRE HOME ABOUT » MAYDAY » CALENDAR PERFORMANCES » EDUCATION » GET INVOLVED » CONTACT DONATE STORE Image: Contact

#### In the Heart of the Beast will reduce operations in 2019

Today we announced that HOBT plans to significantly reduce its operations in 2019, representing cuts to staff and programming. This is difficult news to share, and we imagine it will be difficult for some to hear.

Please know that HOBT's Staff and board are working on identifying possible futures to continue the organization's work using puppetry and mask performance as tools for social and environmental justice.

HOBT has accomplished tremendous things in its 45-year history. None of this would be possible without the support of neighbors, donors, partner organizations, foundations, and the Minnesota State Arts Board. With ongoing support, we believe that HOBT's vision, values, and work will persist.

You, our neighbors and supporters, have been the most important part of HOBT's work over the past 45 years. We are deeply grateful for the many ways you've contributed over the years.





## A public conversation – Choice is more

#### How You Can Help

Full Statement

Letter from Sandy Spieler



Challenges of Our Field





#### Equity Statement



#### Frequently Asked Questions

Your Input on HOBT's Future







### A public conversation – More is more

#### Public Announcement

#### In the Heart of the Beast will reduce operations in 2019

In the Heart of the Beast Puppet and Mask Theatre (HOBT), an arts and culture institution impacting generations of South Minneapolis residents and people around the world, plans to significantly reduce its operations in 2019. This decision comes after multiple anticipated income sources for HOBT's programming year did not materialize. At its current staff and programming levels, HOBT could expect to run out of cash and close permanently as soon as June 2019. Reducing staff and programming will prolong the period of time in which HOBT can develop new strategies to rebuild a more resilient organization.

Most notably, 2019 will be the final year that HOBT will solely produce its annual MayDay celebration, now in its 45th year and scheduled for May 5. While much of the future is uncertain, HOBT will present Puppet Lab performances as planned March 15-16 and March 21-22, will continue to offer residencies in schools, places of worship and other communities, will present Puppet Cabaret an evening of short, experimental puppet acts on February 14th, and will continue to share the Avalon Theater as a rental venue for events and performances.

#### Executive Director Corrie Zoll, notes,

This has been a difficult process. After a lot of hard work, we determined that we simply cannot continue on our current path. Our neighbors and allies have been the most important part of HOBT's work over the past 45 years, and we will include you in conversations about what happens next. Whatever the future brings, we want the important work we have built together to continue to be of value to our neighbors.

HOBT's decision to reduce its operations comes at a challenging time for midsized arts organizations in the Twin Cities. HOBT sees increasing challenges producing mission-driven work in the context of increasing expenses and less stable income, with staff who already give a tremendous amount of themselves at modest pay. HOBT's challenges are not unique. Peer organizations that have been temporarily or permanently impacted by similar challenges over the past two years include The Soap Factory, VSA Arts, Red Eye Collaborative, Intermedia Arts, NEMAA/Art-A-Whirl, Art Shanty Projects, Patrick's Cabaret, and Bediam Theatre.

2019 will be the 45th and final year that HOBT will solely produce its annual MayDay celebration. In recent years, HOBT's MayDay brings in approximately \$150,000 in income, mainly from individual donors. Annual costs for producing MayDay, however, generally land between \$180,000 and \$200,000. In 2018, MayDay operated at a loss of over \$50,000 which was covered by reserve funds. HOBT can no longer afford to take on these risks alone.

HOBT's 2019 MayDay will also be the last MayDay led by Sandy Spieler, who shepherded HOBT's MayDay artistic process from its beginning. Sandy came to this decision a year ago in an effort to make space for new artists to lead. In a letter to the HOBT community from Sandy regarding her transition (full text is available at hobt.org/imagine), Sandy writes:

As our beautiful community here in South Minneapolis grows on this sacred Dakota ground with increasing and vital diversity, it is my deepest desire to support the evolution of artistic and administrative leadership of Mayday to grow from the rich soil of our diversity.

In the coming months, HOBT will invite conversations with neighbors, artists, partners, and others to imagine how a restructured HOBT might continue to be a relevant and resilient asset to South Minneapolis. Whatever that future of HOBT & MayDay looks like, MayDay 2019 will be a celebration of all that has been and all that is to come.

#### And that work will continue to rely on your support. Read on to find details on how you can contribute time, resources, knowledge, and care in this precarious moment.

#### • Give Your Financial Support

- Give any amount here
- Hire HOBT to bring an arts residency to your school, park, or place of worship.
- · Rent the Avalon for events up to 200 people. Beer and wine service available.
- Buy tickets to Puppet Lab and Puppet Cabaret events this spring!
- Give Your Time
  - MayDay relies on 1000 volunteers. Spend just part of your MayDay (or the days before or after) sharing the scores of tasks that need doing. Sign up here.
- Give Your Ideas & Input
  - Find more detailed information at hobt.org/imagine, including:
    - A letter from Sandy Spieler reflecting on her last year leading MayDay
    - o A deeper explanation of the issues affecting organizations like HOBT
  - Tell us what's on your mind. This is big news, and we'd like to hear from you.

About In the Heart of the Beast HOBT is best known for its MayDay Celebration, held every year since 1975 on the first Sunday of May in South Minneapolis. In 2018, attendance for HOBT's MayDay was estimated at 60,000. HOBT's MayDay includes a month long community engagement process of public workshops to create art for a parade on Bloomington Avenue, a day-long festival in Powderhorn Park, and a Tree of Life Ceremony, which culminates with a flotilla of canoes carrying the Sun across the Lake to wake the Tree of Life and welcome Spring.

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## A public conversation – aloud

Next in Nonprofits 115 - Nonprofit transparency,

#### with Corrie Zoll, In the Heart of the Beast

Posted on January 15, 2019



Nonprofit Transparency with Corrie Zoll



(HOTB), whose mission is "to bring people together for the common good through the power of puppet and mask performance." HOTB produces a range of programming, including an annual May Day parade and celebration with tens of thousands of attendees.

The May Day events and other costs over time have led to some organizational challenges for HOTB,



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and the staff and board decided to have a **public conversation about those difficult issues**. Corrie talks with host Steve Boland about how HOTB decided to make a public announcement, how to provide layers and depths of information to different audiences, predicting the results of transparency in difficulty, and more.

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HOTB

## A public conversation – public officials

ALL SECTIONS | ₽

#SCARVESUPMN

🛪 StarTribune

### In Heart of the Beast to end MayDay puppet parade, make significant cuts

Theater is facing funding issues, but city officials want to save the parade.

By Rochelle Olson Star Tribune JANUARY 9, 2019 - 9:18PM



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## A public conversation – not a panacea



# MayDay Parade needs to take 2020 off, but plans to return

Thursday, September 12, 2019 by Jessica Armbruster in Arts & Leisure







#### A public conversation – not a panacea 💻 💲 🧾 🕵 🞯 📲

hobt.org/about/imagine/

#### MayDay in Metamorphosis

#### HOBT's MayDay Is Taking a Year Off: Save the Date for May 2, 2021

Over the last four months, we, the HOBT Leadership Team, have heard from more than 500 community members and artists about their dreams for the future of HOBT's MayDay. Themes drawn from this feedback support what we have known for years but have only now documented: MayDay in its current form is not only unsustainable financially and logistically, the creation process systematically marginalizes and appropriates the work of artists of color. This cannot be allowed to continue.

#### The HOBT Leadership Team has decided that taking a year off from producing MayDay to pause and redesign MayDay is the best way to come back with a stronger, more equitable MayDay in 2021.

We know that for some, this is difficult news to hear. We did not come to this decision lightly. In the coming year, HOBT can choose either to produce the MayDay celebration that South Minneapolis has grown to know and love, or to invest our time and resources in rebuilding that celebration to equitably and resiliently continue as a valuable institution for future generations. We cannot do both.

In the interest of the long-term value of this MayDay celebration, we choose to rebuild. We choose to live into a new kind of working and creating art together: one that is truly collaborative and opens up new opportunities for transformation by placing our commitment to diversity, equity, and inclusion at the center and giving power to artists and leaders of color.

#### Read the full letter from the HOBT Leadership Team about this decision here.







## A public conversation – call to action

#### What's Next

Here's how you can support MayDay in Metamorphosis:

Nominate individuals to serve on the MayDay Council. Over a two-year term, this team will be tasked with designing a collaborative MayDay model and will represent a wide range of the communities present in our neighborhoods. Read more about the council and make a nomination here.

Sign up for text updates. Text MayDay to 77222 for updates on the MayDay in Metamorphosis process. We will also continue to make updates as the MayDay Council is selected and convened at hobt.org/imagine.

**Become a monthly donor**. This work of transforming HOBT's MayDay requires financial support. By giving monthly, your gift builds a predictable source of income to fund a resilient and equitable future for MayDay.

Work with In the Heart of the Beast. Our incredible MayDay artists would love to work with your neighborhood, community group, school, or place of worship. For more information about HOBT's education and residency programs, click here or email ncampion@hobt.org.





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## **Transparency Tools**





### Available v. accessed



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<b>SIGN IN</b>	NPR SHOP	<b>V</b> DONATE
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🗉 NEWS 🕺 ARTS & LIFE 🦨 MUSIC 🞧 SHOWS & PODCASTS 🔍 SEARCH

#### Why Doesn't America Read Anymore?

April 1, 2014 - 10:13 AM ET

Congratulations, genuine readers, and happy April Fools' Day!

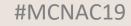
> We sometimes get the sense that some people are commenting on NPR stories that they haven't actually read. If you are reading this, please like this post and do not comment on it. Then let's see what people have to say about this "story."

Best wishes and have an enjoyable day,

Your friends at NPR



What has become of our brains? iStockphoto





### Available v. accessed

	Increase My Impact		
1	Ves! Add \$0 to help offset bank fees		
	I'm not a robot		
//	ENTER PAYMENT		

#### 612-529-9267

EMERGE Community Development operates out of multiple locations across the Twin Cities. Visit our <u>Locations</u> <u>page</u> for more information and addresses.





#### **GENERAL INFORMATION**

Alternative Name: EMERGE, EmergeWORKS, Momentum Enterprises

EIN: 41-1277423

Principal Staff: Mike Wynne

Number of Full-Time Equivalents (FTE): 77

Volunteer Opportunities: Yes

Number of Clients: 3,119

Ruling Year: 1976

#### BOARD

Board Chair: Colbert Boyd

Number of Board Members: 13

Board Meetings with Quorum: 10

Average Member Attendance: 7.6

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### **Charities Review Council**



#### NONPROFIT SECTOR PRACTICES

Over time, the nonprofit sector has developed shared expectations, promising practices, and knowledge in the areas of governance, management, programming, and fundraising. These practices go beyond legal and regulatory requirements, and are reflected in the standards that share this icon. DONOR AND PUBLIC EXPECTATIONS

Donors and the public expect nonprofits to conduct business in a way that honors their mission, their supporters, and their role as stewards of the resources they are trusted with. Standards that reflect donor and public expectations share this icon.



#### LEGAL AND REGULATORY ADHERENCE

Nonprofits must be aware of, and adhere to, local, municipal, state, and federal level regulations and legal requirements. Standards that reflect laws and regulations share this icon.



#### **IRS FORM 990**

Some standards contain information required by an organization's IRS form 990. Those Standards share this icon.

#### How the Accountability Standards<sup>®</sup> Work

The Accountability Standards<sup>®</sup> are co-created benchmarks of nonprofit governance, finances, fundraising, and public communication, representing the shared expectations between donors and nonprofits. The Standards serve as the starting place for conversation and relationship. With them, donors and nonprofits can come together in new and authentic ways.

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### **Charities Review Council**

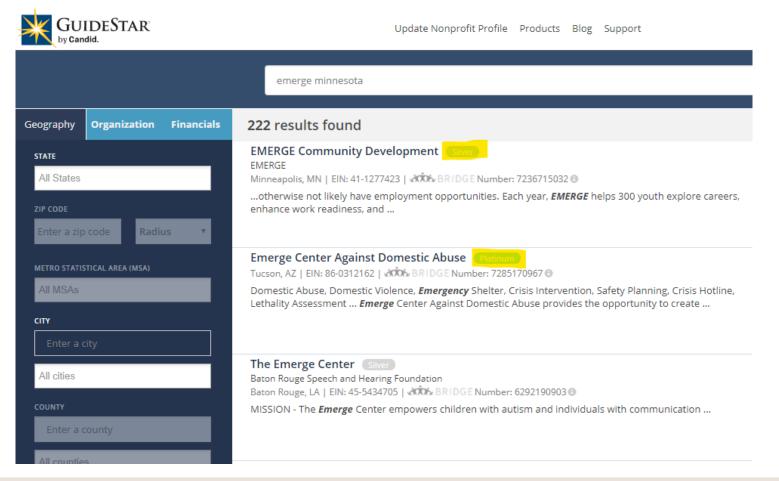
The Accountability Wizard<sup>®</sup> sliding fee structure is 0.02% of an organization's annual operating expenses. (You can find this amount on the IRS Form 990, Part I, Line 18, current year column.)

**There is a minimum fee of \$100 and a maximum of \$3,000.** For example, if your organization's annual expenses total \$3,000,000, your fee would be \$600. If your annual expenses total \$16,500,000, you would pay the maximum of \$3,000 instead of \$3,300.

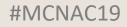
Once you have paid your enrollment fee, **you have up to <u>one year to submit</u> your review to the Council.** As long as you submit within that year, your account will last for <u>three years from when</u> <u>we provide you the results</u> of our review.

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## Guidestar/Candid







### Guidestar/Candid

**BEST PRACTICE GUIDE** 

### 2019 GuideStar **Profile Standard**

A best practice guide for collecting and sharing information about nonprofit organizations



#### TIPS AND TRICKS

- Update your information at least once a year-V otherwise your Seal will expire
- We recommend you review all your fields to make sure they're as up to date as possible
- In Silver, the reported data must be from the latest available fiscal year (2018 or 2017)
- In Platinum, at least one metric must be from 2018
- The levels are cumulative-for example, to achieve Platinum requires first fulfilling the requirements for Bronze, Silver, and Gold

#### LEGEND

Red\* = required to earn a GuideStar Seal of Transparency

Black = recommended but not required

\*\* = information must be latest available (2018 or more recent)

Seal of Transparency Required (*) and Optional Information		al Information	
BRONZE	Identification Information	Organization Name* Employer Identification Number (EIN)* Telephone Fax Mailing Address*	
Provide basic information about your organization so you can be found	Additional Names	Also Known As Doing Business As Formerly Known As	
	Organization Founding	Year Founded Year of Incorporation Letter of Incorporation Letter of Dissolution	
	Address	Physical Address Mailing Address	
	International Address	International Address	
	Payment Information	Legal Name* EIN of Payable Organization Payment Address*	
	Primary Contact	Name* Title Email* Telephone	

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### **Opportunity costs**

#### The present value of money

Posted on September 4, 2013

Aphorisms abound about money and value, and they are common because they are so quickly instructive. "A bird in the hand is worth two in the bush." "A penny saved is a penny earned." Most importantly for the nonprofit crowd, "I will gladly pay you Tuesday for a hamburger today."

Nonprofits are constantly striving for a little up-front cash to get the work done. There once was a day when it was easier to write a grant request, find a supporter, and get a big award proactively. Yes, the charity had to submit a report at the end of the grant period, but the money appeared up-front. Today's world of charity funding may sound



more like J. Wellington Wimpy, the famous cartoon side-kick to Popeye. The increasingly likely response to funding is "I will gladly pay you Tuesday for program outputs today."



# Access to news to prevent "bad" news





## When the press tells the story

Google

warner nature center

🔍 All 🗉 News 🐼 Maps 🖾 Images 🕩 Videos 🗄 More 🛛 Settings Tools

About 42,500,000 results (0.74 seconds)

#### Warner Nature Center

#### https://www.warnernaturecenter.org -

Warner Nature Center, located near Marine on St. Croix, is the oldest private nature center in Minnesota and features over 600 acres of undeveloped woodland, ... Public · About · Schools · Get Involved

#### Public Programs | Warner Nature Center

#### https://www.warnernaturecenter.org > public •

Public Programs Calendar Keep up to date with the Lee & Rose **Warner Nature Center's** public programs by checking out our events calendar. Warner is open to ...

#### Lee & Rose Warner Nature Center - Home | Facebook

https://www.facebook.com > Places > Marine on saint croix •

★★★★★ Rating: 5 - 18 votes

Lee & Rose Warner Nature Center - 15375 Norell Ave N., Marine on saint croix 55047 - Rated 5 based on 18 Reviews "Our 4th grade classes participate in a...

#### Warner Nature Center in St. Croix Valley to close at end of year

www.startribune.com > warner-nature-center-in-st-croix-valley-to-close-at-... ▼ Sep 5, 2019 - The Lee and Rose Warner Nature Center, a 49-year-old wilderness education site in the St. Croix Valley, will close at the end of the year, ...



#### #MCNAC19

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#### **NEWS**

## When the press corrects the story

Google

star tribune warner nature center

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#### Good news on the eventual fate of Warner Nature Center ...

www.startribune.com > good-news-on-the-eventual-fate-of-warner-nature-... Good news on the eventual fate of Warner Nature Center ... By Editorial Board , Star Tribune October 17, 2019 - 5:50 PM. See more of the story. The Lee and Rose Warner Nature Center has been a quiet, tucked-away gem on the remote edge ...

#### Warner Nature Center in St. Croix Valley to close at end of year

www.startribune.com > warner-nature-center-in-st-croix-valley-to-close-at-... -Sep 5, 2019 - Warner Nature Center in St. Croix Valley to close at end of year ... The Lee and Rose Warner Nature Center, a 49-year-old wilderness education site in the St. ... Matt McKinney is a reporter on the Star Tribune's state team.

News of Warner Nature Center's closing was a shock. The fate ... www.startribune.com > questions-remain-in-st-croix-valley-as-warner-natu... Oct 15, 2019 - The private foundation that owns the **Warner Nature Center's** land near ... By Matt McKinney , Photo by Elizabeth Flores **Star Tribune** staff



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**NEWS** 

## You don't always need a press release



Always happy to talk about journalism and media engagement. Send me a note with more details at kelly.smith@startribune.com

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## **Transparency in donor engagement**







DONORS

## Trick question

Would you rather support a nonprofit with a 10% overhead ratio and a Guidestar Platinum rating - or –

One that cured cancer and housed 5,000 people without homes?







Is your nonprofit already transparent? I bet you've probably have been doing some, if not all of these steps to show transparency already, such as:

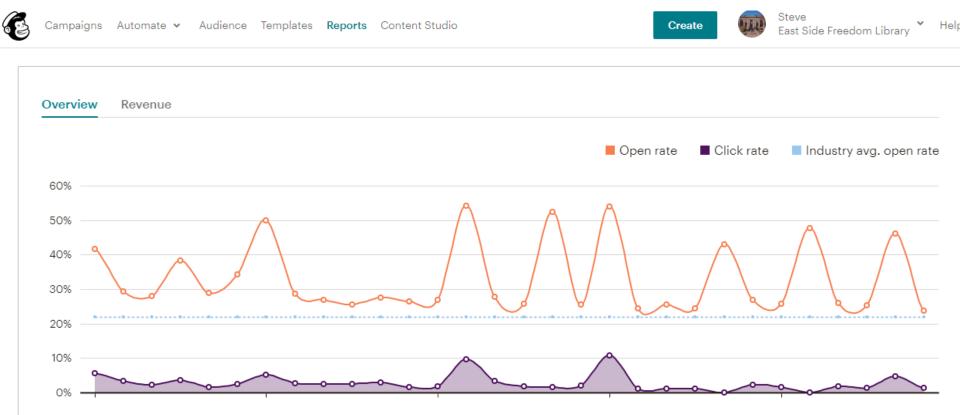
- Publishing the IRS Form 990 on your website
- Distributing an annual report detailing impact, client stories, and basic financials.
- Keeping your information on Charity Navigator and Guidestar up-to-date
- Getting the endorsement of a public figure in your community, as well as the Better Business Bureau
- Listing the names and roles of your board of directors directly on your website
- Regularly updating your donors on program results through email, direct mail, your website, or even social media





#### DONORS

### Transparency in results

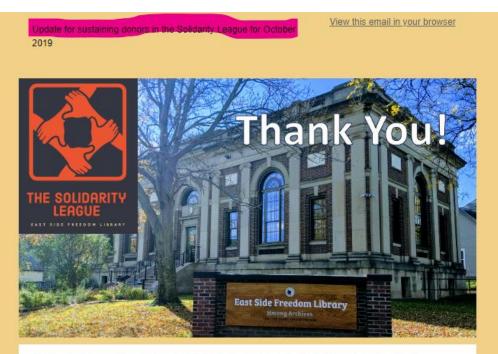






#### **DONORS**

### Transparency in results



#### Our housing justice work, thanks to you!

Brothers and Sisters,

Your support makes it possible for us to dig in, build relationships through programs, and provide incubation for social action. For the past six months, we have been working with a range of community partners to develop conversations about housing justice. ESFL has provided not only the space but

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## References

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