



The Role of an Effective Board During Times of Stress

Part II: February 9, 2021

Claire West Consulting

Claire West and Mollie Quinlan-Hayes



Welcome from
MassCultural Council



Welcome and Welcome Back

Claire West

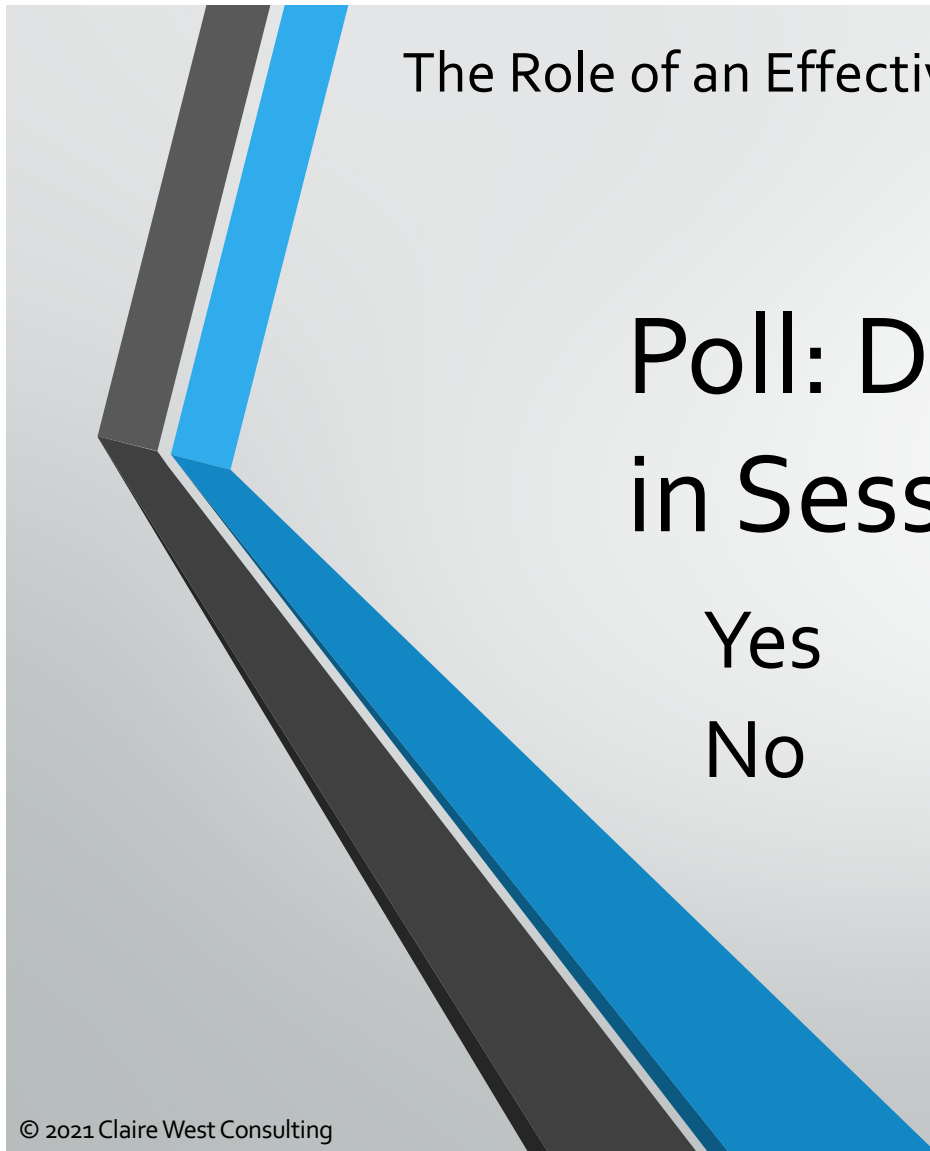
Mollie Quinlan-Hayes

Guest Speakers

John Linehan, Zoo New England

Mike Machnowski, Tower Hill Botanical Garden

**Christine McCarthy, Provincetown Art Association and
Museum**




The Role of an Effective Board During Times of Stress Part II

Poll: Did you participate
in Session I?

Yes

No



The Role of an Effective Board During Times of Stress Part II

Reflections on Part I

- Dashboards
- Scenario Planning
- Emergency succession plan

The Role of an Effective Board During Times of Stress Part II

What We're Going to Cover – Part II

Part II – Tuesday, Feb 9

- Supporting the CEO in Making Difficult Decisions
- Determining Mission-Critical Programming
- Approaches to Scenario Planning
- Digging Deeper into the Numbers
- Using Tension as a Productive Tool (Embracing the Devil's Advocate)
- How to Handle the Unexpected
- Stories from the Field
- Q&A
- Wrapup

The Role of an Effective Board During Times of Stress Part II

What We Covered in Part I

Part I – Tuesday, Feb 2


- The Criticality of Mission and Focus
- The Board's Role in Supporting the Chief Executive
- Methods for Transparent Communication Internally
- The Information Needs of Today's Board Members
- The Meaning of the Current "Numbers"
- Stepping Up Board Participation
- Scenario Planning/Strategic Planning/Contingency Planning
- Enhanced External Communication
- Stress Creates Opportunities
- Emergency Succession Basics



The Role of an Effective Board During Times of Stress


Part II: February 9, 2021

Claire West Consulting
Claire West and Mollie Quinlan-Hayes




The Role of an Effective Board During Times of Stress Part II

Supporting the CEO in Making Difficult Decisions



The Role of an Effective Board During Times of Stress Part II

Determining Mission-Critical Programming



The Role of an Effective Board During Times of Stress Part II

SOAR

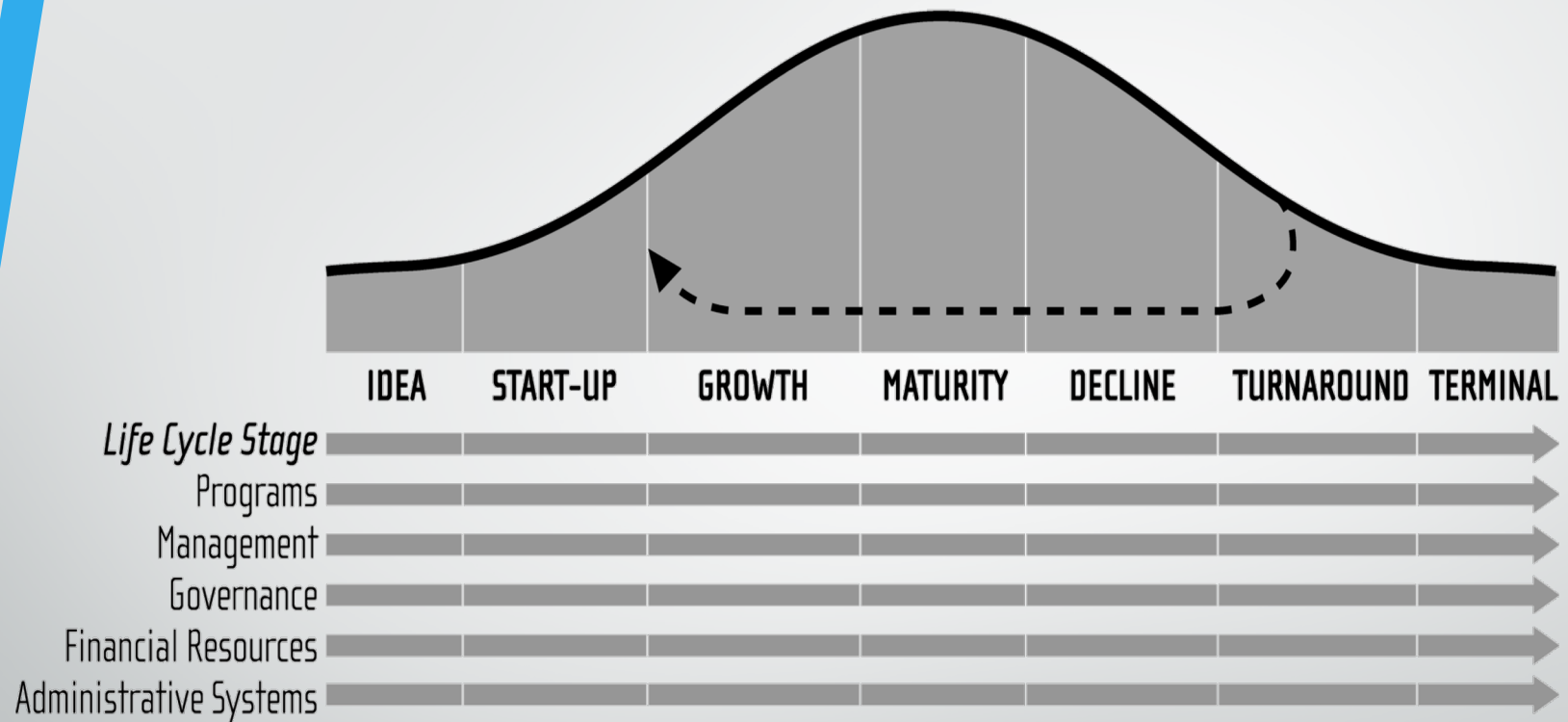
STRENGTHS

OPPORTUNITIES

ASPIRATIONS

RESULTS

The Role of an Effective Board During Times of Stress Part II



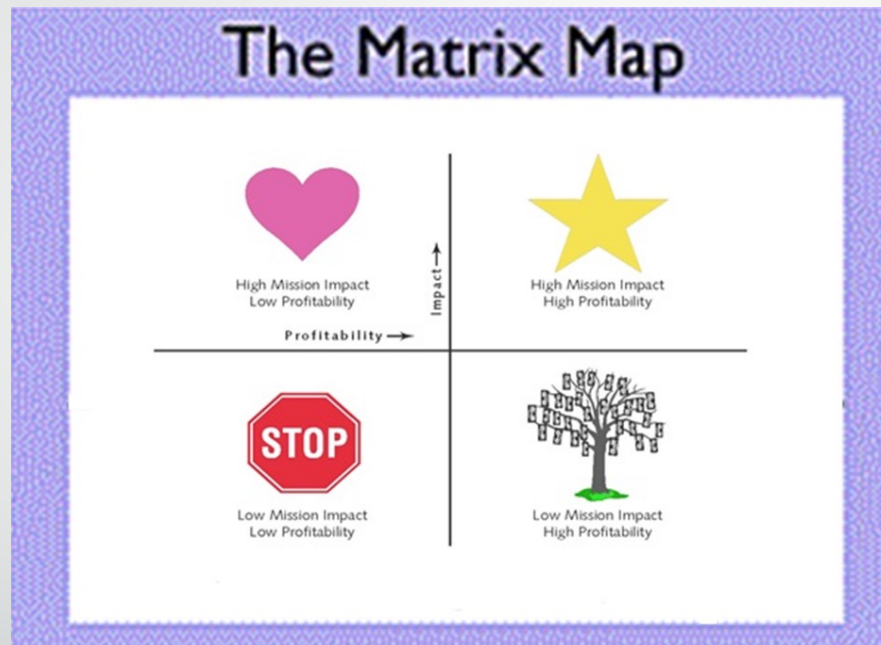
The Role of an Effective Board During Times of Stress Part I

What is core to our mission?

KEEP

CHANGE

LIBERATE



The Matrix Map: A Powerful Tool for Mission-Focused Nonprofits, Steve Zimmerman and Jeanne Bell, *Nonprofit Quarterly*, April 1, 2014.

The Role of an Effective Board During Times of Stress Part II



The Role of an Effective Board During Times of Stress Part II



The Role of an Effective Board During Times of Stress Part II



The Role of an Effective Board During Times of Stress Part II



The Role of an Effective Board During Times of Stress Part II



The Role of an Effective Board During Times of Stress Part II



The Role of an Effective Board During Times of Stress Part II



The Role of an Effective Board During Times of Stress Part II



The Role of an Effective Board During Times of Stress Part II



The Role of an Effective Board During Times of Stress Part II




The Role of an Effective Board During Times of Stress Part II



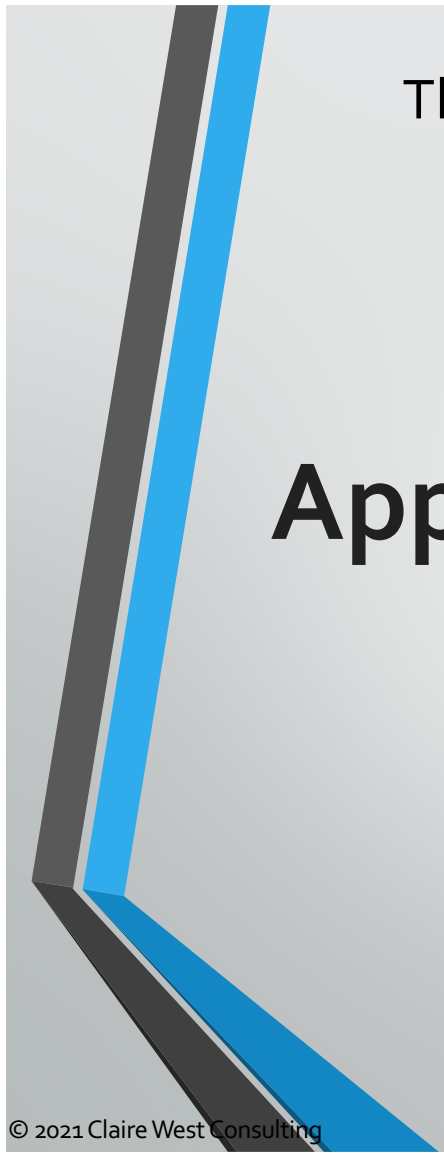
The Role of an Effective Board During Times of Stress Part II





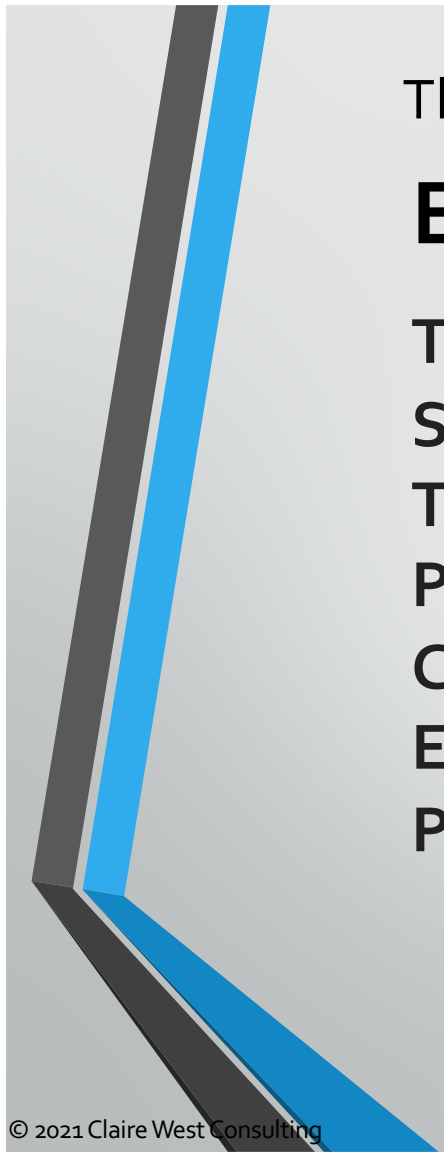
The Role of an Effective Board During Times of Stress Part II

Determining Mission-Critical Programming



The Role of an Effective Board During Times of Stress Part II

Approaches to Scenario Planning



The Role of an Effective Board During Times of Stress Part II

External “Macro” Forces/Trends

The economy

Societal changes


Technology

Politics/public policy

Cultural

Environmental/climate change

Public health/safe gatherings



The Role of an Effective Board During Times of Stress Part II

External “Macro” Forces/Trends - Local

Public arts/culture funding

Rural/suburban/urban

Demographic trends

Trends in your arts/culture discipline

The Role of an Effective Board During Times of Stress Part II


Potential Scenarios – Global/National

Pandemic does/does not get under control in 2021

In-person participation does/does not return to previous levels

Public-sector response to climate change does/does not accelerate

US economy/employment does/does not improve



The Role of an Effective Board During Times of Stress Part II

Potential Organizational Responses

The Role of an Effective Board During Times of Stress Part II

Growing societal demands for anti-racist actions

Programming choices

Participants you engage

Who is on your board and staff

Increased equity in pay and opportunities

The Role of an Effective Board During Times of Stress Part II

Continued social distancing/limited gatherings

Programming which reflects/showcases the locals

Site-specific programming

Maximize capacity to reach participants

Responding to “on-demand” mindset

Be ready for the demand when gathering can take place

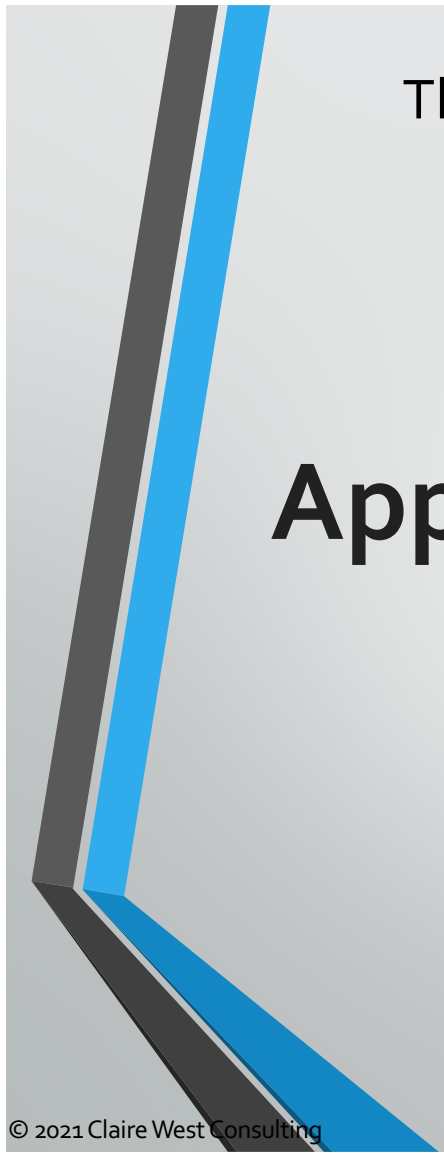
The Role of an Effective Board During Times of Stress Part II

The times' effect on public health

Partnering with mental health providers


Programming around public health best practices

Offer venue as a distribution center



The Role of an Effective Board During Times of Stress Part II

Approaches to Scenario Planning



The Role of an Effective Board During Times of Stress Part II

Digging Deeper into the Numbers

The Role of an Effective Board During Times of Stress Part II

MONTHLY BALANCE SHEET SEPT 15, 2020 - FISCAL YEAR 2021				
	BOM JUNE 2020	SEPT 15 2020	CHANGE	
ASSETS				
- CASH				
- CASH ACCOUNTS	\$ 321,725	\$ 288,875	\$ (32,850)	
- PETTY CASH	\$ 250	\$ 250	\$ -	
- RESTRICTED ENDOWMENT CASH	\$ 5,000	\$ 5,000	\$ -	
TOTAL CASH	\$ 326,975	\$ 294,125	\$ (32,850)	
- RECEIVABLES				
GRANTS OUTSTANDING	\$ -	\$ -	\$ -	
TRADE / OTHER	\$ (8,480)	\$ 93,840	\$ 102,320	
ENDOWMENT PLEDGES OUTSTANDING	\$ 55,000	\$ 50,000	\$ (5,000)	
TOTAL A/R	\$ 46,520	\$ 143,840	\$ 97,320	
500 - PREPAID/OTHER	\$ 15,547	\$ 21,205	\$ 5,658	
TOTAL CURRENT ASSETS	\$ 388,042	\$ 459,170	\$ 71,128	
- FIXED ASSETS NET OF DEPRECIATION	\$ 166,927	\$ 160,554	\$ (6,373)	
- GLENVIEW INVESTMENT ACCOUNT	\$ 1,891,828	\$ 1,894,041	\$ 2,213	
TOTAL ASSETS	\$ 2,446,897	\$ 2,513,765	\$ 66,868	
LIABILITIES				
- PAYABLES				
TRADE	\$ (2,891)	\$ (684)	\$ (2,207)	
CREDIT CARD	\$ 8,457	\$ 2,755	\$ (5,702)	
- OTHER CURRENT				
PAYROLL	\$ 15,843	\$ 2,453	\$ (13,390)	
DEFERRED REVENUE	\$ (4,894)	\$ 5,891	\$ 10,785	
OTHER	\$ (1,819)	\$ (966)	\$ (853)	
TOTAL CURR LIAB	\$ 13,946	\$ 8,272	\$ (5,674)	
- LONG TERM	\$ 10,538	\$ 10,538	\$ -	
TOTAL LIABILITIES	\$ 24,484	\$ 18,810	\$ (5,674)	
EQUITY				
- TEMPORARY RESTRICTED FUNDS	\$ 6,805	\$ 6,805	\$ -	
- RESTRICTED ENDOWMENT	\$ 1,117,896	\$ 1,117,896	\$ -	
- ENDOWMENT FUND BALANCE	\$ 1,061,940	\$ 1,297,828	\$ 235,888	
- YTD NET INCOME	\$ 284,076	\$ 180,812	\$ (103,264)	
TOTAL EQUITY	\$ 2,422,817	\$ 2,613,341	\$ 190,524	
TOTAL LIABILITIES & EQUITY	\$ 2,446,897	\$ 2,513,765	\$ 66,868	
RATIOS				
- WORKING CAPITAL	\$ 375,684	\$ 450,529		
- CHANGE IN WC	\$ -	\$ -		
- CAPEX	\$ -	\$ -		
- FREE CASH FLOW	\$ -	\$ -		
- LIQUIDITY CURRENT RATIO X2	80	50		
- PROFITABILITY (NET ASSET GROWTH %)	-	-		
- SOLVENCY (DEBT TO ASSETS %)	0.01	0.01		

KEY TAKEAWAYS

- Cash drawdown slowed by offsetting revenues from COVID appeal
- Receivables Up
- Endowment up due to Market conditions
- Liabilities Down
- We are currently Liquid & Solvent

The Role of an Effective Board During Times of Stress Part II

Results YTD FY 2021 (JUL-AUG & ½ SEP = Roughly Q1)

2021 Budget Revised in July when decision made to delay live performances until Jan/Feb 2021


KEY CHANGES:

- 33% drop in earned revenues from Board Approved 2021 Budget: 17 Artists, 30 performances
- 11% reduction in total operating expenses
- Operating Loss doubled but cash on hand of \$300K could still cover if able to open in January

KEY TAKEAWAYS


- Initial COVID Appeal reaction positive and partially offsets lagging support in other areas
- AZ & National Endowment for the Arts Grants offset loss of others
- Current Expenses driven by Utilities, W/S/B and G&A to maintain operations
- Despite circumstances, Profitable YTD

PROFIT & LOSS FY 2021 SEPTEMBER YTD	15-Sep YEAR TO DATE ACTUAL	REVISED BUDGET as of 7/22/20
VERSION: 18 September 2020		
REVENUES		
- EARNED REVENUES		
- THEATRE	\$ -	\$ 367,223
- OTHER	\$ 544	\$ 29,037
TOTAL EARNED REVENUES	\$ 544	\$ 396,260
- SUPPORT		
ANNUAL	\$ 3,600	\$ 194,000
GIFTS INCLUDING COVID APPEAL	\$ 106,865	\$ -
SPONSORS	\$ -	\$ 122,000
GOVERNMENT	\$ 58,304	\$ 85,000
MADE IN WICKENBURG	\$ -	\$ 27,500
OTHER GRANTS	\$ 20,561	\$ -
SPECIAL EVENTS	\$ -	\$ 103,000
- TOTAL DONATIONS	\$ 189,330	\$ 531,500
- OTHER REVENUES		
- ARTS 4 KIDS	\$ -	\$ 5,000
- CAMP IMAGINATION	\$ 826	\$ 132,900
- ADVERTISING	\$ 6,250	\$ 32,000
TOTAL OTHER REVENUES	\$ 7,076	\$ 169,900
TOTAL UNRESTRICTED REVENUES	\$ 196,950	\$ 1,097,660
OPERATING EXPENSES		
- THEATRE PRODUCTIONS	\$ 2,551	\$ 427,166
- WAGES/SALARIES/BENEFITS	\$ 82,722	\$ 525,146
- GENERAL & ADMINISTRATIVE	\$ 30,541	\$ 178,121
- MADE IN WICKENBURG	\$ -	\$ 43,000
- ARTS 4 KIDS	\$ -	\$ -
- CAMP IMAGINATION	\$ -	\$ 53,500
TOTAL OPERATING EXPENSE	\$ 115,814	\$ 1,226,933
OPERATING PROFIT (LOSS)	\$ 81,136	\$ (129,273)
- (DEPRECIATION & AMMORTIZATION)	\$ (6,250)	\$ (40,874)
NET ORDINARY INCOME (LOSS)	\$ 75,086	\$ (170,147)



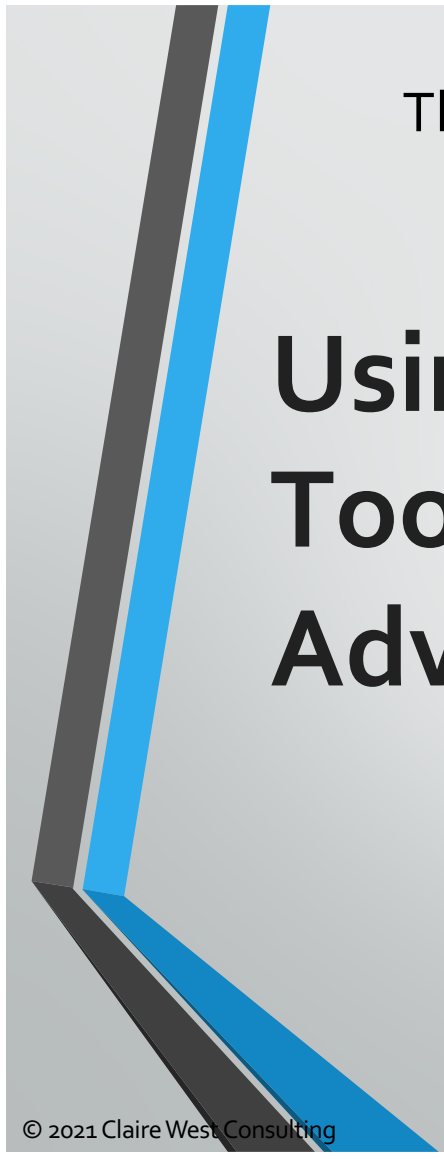
The Role of an Effective Board During Times of Stress Part II

Programmatic Data




The Role of an Effective Board During Times of Stress Part II

Donor Data



The Role of an Effective Board During Times of Stress Part II

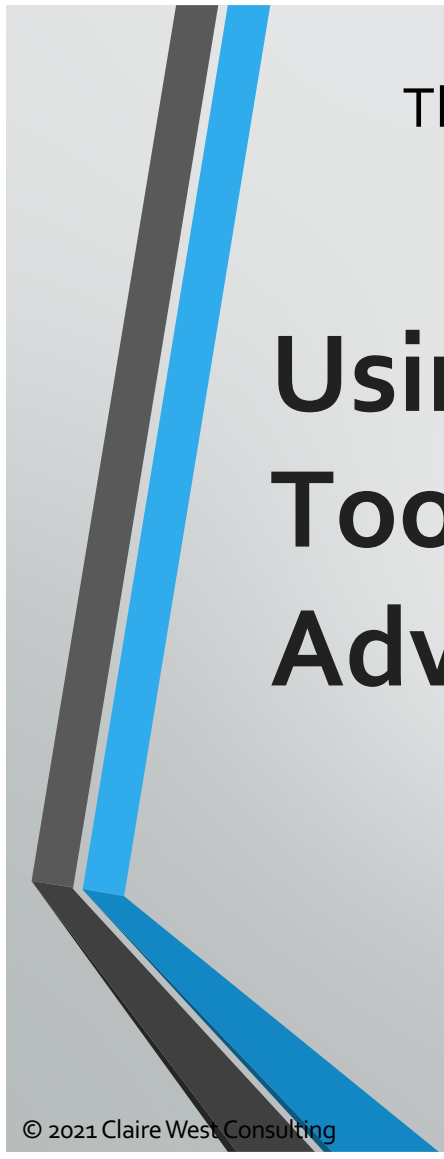
Using Tension as a Productive Tool (Embracing the Devil's Advocate)



The Role of an Effective Board During Times of Stress Part II


**The absence of conflict
is not harmony, it's apathy.**

Kathleen M. Eisenhardt, Jean L. Kahwajy, and L.J. Bourgeois III
Harvard Business Review



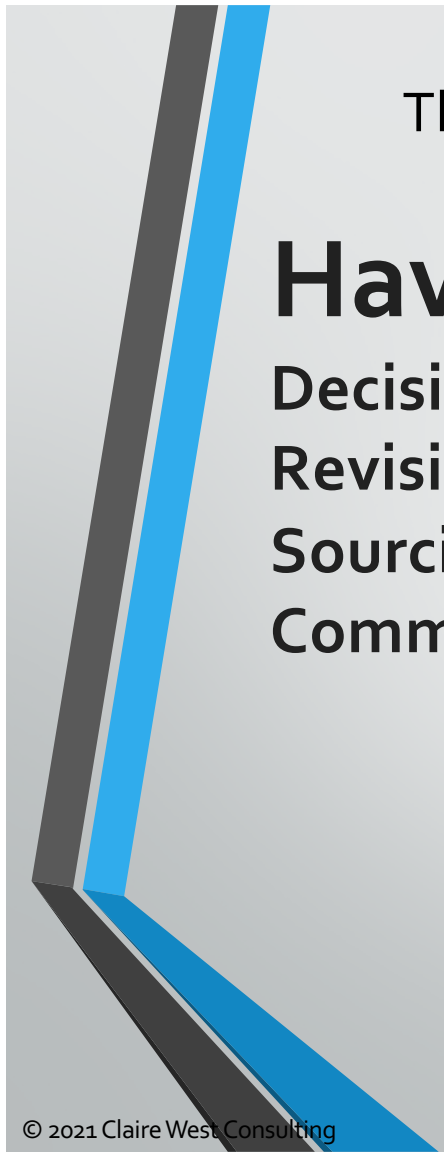
The Role of an Effective Board During Times of Stress Part II

Using Tension as a Productive Tool (Embracing the Devil's Advocate)



The Role of an Effective Board During Times of Stress Part II

Handling the Unexpected aka Readiness Planning



The Role of an Effective Board During Times of Stress Part II

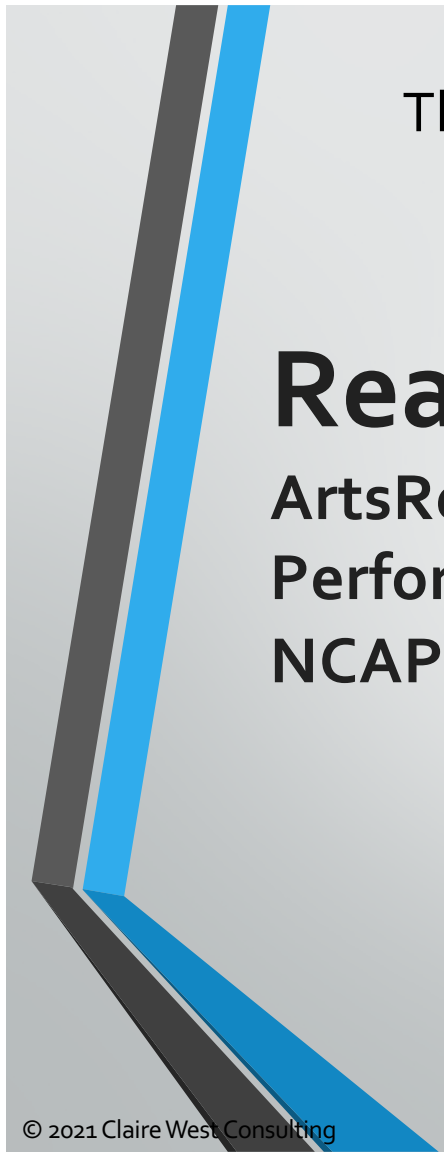
Have processes in place:

Decision-making

Revising financial projections

Sourcing quality information

Communicating




The Role of an Effective Board During Times of Stress Part II

Readiness Planning Resources

ArtsReady.org

PerformingArtsReadiness.org

NCAPER.org




The Role of an Effective Board During Times of Stress Part II

Stories from the Field

John Linehan, Zoo New England

Christine McCarthy, Provincetown Art
Association and Museum

Mike Machnowski, Tower Hill Botanical Garden



The Role of an Effective Board During Times of Stress Part II

Q&A



Thank you!

Join us for Successful Board Recruitment and
Retention in Times of Stress,
Thursday, February 11,
10:00-11:30AM

CLAIRE WEST CONSULTING

ORGANIZATION ASSESSMENT STRATEGIC PLANNING BOARD DEVELOPMENT AND COACHING MEETING AND RETREAT GROUP FACILITATION FUND DEVELOPMENT ANALYSIS AND PLANNING PROPOSAL DEVELOPMENT AND PREPARATION GRANT REVIEW/RESEARCH/Writing/EDITING	CLAIRE WEST PRINCIPAL 520.529.7042
--	---

30 YEARS
OF SUCCESS
SPECIALIZING
IN THE ARTS

cwest9455@hotmail.com | 4500 E Sunrise Drive, Tucson, AZ 85718

CLAIRE WEST CONSULTING

VISION
SOCIAL PROFIT ORGANIZATIONS HAVE THE RESOURCES THEY
NEED AND THE EXPERTISE TO MAXIMIZE THEM.

VALUES
I BELIEVE IN THE STRENGTHS OF MY CLIENTS, I WORK ALONGSIDE MY
CLIENTS, I TAILOR THE WORK I DO TO REFLECT THE INTENTIONS OF MY
CLIENTS, AND I BELIEVE THAT THE CLIENT KNOWS BEST.

Mollie Quinlan-Hayes

Mollie Quinlan-Hayes/Claire West Partners

mquinlanhayes@comcast.net

Phone/text 602-550-4415