

HELP! I Need Infrastructure!

A Theatre Alliance of Greater Philadelphia **Spark** Event
Monday, April 11, 2005 @ 7pm on 2nd Stage (2030 Sansom Street)

Special Guests:

Tracey Batt, Philadelphia Volunteer Lawyers for the Arts - Associate Director and Legal Services Manager, Research Assistant for Benjamin & Cardoza in NYC, experience in non-profit gallery, MA from Temple University
<http://www.pvla.org>

Stuart Adair, Arts & Business Council - Director of Business Volunteers for the Arts, Director of Housing for International House, worked with the Pennsylvania Ballet, Walnut Street Theatre, BS in Economy from Wharton School
<http://www.artsandbusiness-phila.org/>

Kevin R. Howley, Non Profit Finance Fund - Program Director, Senior Vice President of Transcontinental - COO and CEO, BA from Kalamazoo College and MBA from Harvard University.
<http://www.nonprofitfinancefund.org/location.asp?autoId=46>

Philadelphia Volunteer Lawyers for the Arts

- Helps the arts to resolve arts related legal issues
- Acts as a referral service - matching lawyers with artists and arts organizations
- Examples of assistance:
 - Copyright and Trademark issues
 - Contracts in the arts
 - Real estate issues - transfer of studio/rehearsal space etc
 - Tax law
 - Insurance problems
 - How to raise money legally for your non-profit organization
- Offer a library of services either free or for a nominal fee
 - Provides step by step information on how to get your 501 (c) 3 - but they will not fill it out, you must proceed yourself
- Programs:
 - Legal Line - a one time only (per issue) phone call to an attorney about an arts/law related question - free of charge
 - Art Fax - a lawyer will review a contract (1- 3 pages) BEFORE you sign, includes one phone call
 - Full Service - full attorney/client privileges, drafting contracts, litigation (i.e. copyright infringement)
 - Application fee of \$25 for individuals with income of \$35,000 or less OR households with income \$55,000 or less
 - Non profit organizations must be with budgets less than \$1,000,000
- They also have a database of over 500 great lawyers in the area dedicated to helping artists
- Attorney time is pro bono - you pay only court costs

Arts and Business Council

- Provides business resources to the arts & culture community
- Part of the Chamber of Commerce
- Is a network of 15 organizations in one!
- Does not serve individual artists - organizations only
- **Business Volunteers for the Arts (BVA)** - matches business pros with companies as management, strategic planning sessions, Human Resources, Financial Management, & Special Events etc.
 - Help guide, create, plan, and facilitate meetings
 - They will not do the planning for you but to assist in how to create your meeting
 - Help with learning Quick books or other programs
 - Marketing - help to develop marketing plan and strategy but is not a supplement to staff
 - Human Resources - to develop as a project as growth becomes evident
 - Can donate up to 10 hours a month on one project
 - \$50 flat fee
- **Business On Board** - professionals trained on how to serve on the board of an arts organization
 - Special workshops between arts managers and board members
- **Business On Call** - hands on volunteers from the business community
 - For setting up tables, blow up balloons, ushers, whatever help you need!
- **Technology Connectors** - help with the modernization of your office and training sessions
 - Software training sessions - \$75 for all day session (Word, Excel, Quark, etc)
 - **Tech Connection for the Arts** - 24 hour hotline help desk for your arts organization for only \$50-75 a year!
 - Help creating a technology plan
- **Resources Bank** - office furniture given to your arts organization for a small fee per piece (\$10 per desk, chair, table!)

Non-Profit Finance Fund

- Helps to think about your organization's capacity, financially
- About Mission + People + Money
- Looks at the overall capital structure
 - How to pay bills before/during/after a performance
- Only non-profit organizations are eligible not for individuals
- Looks at organization's history over past four or five years next to its mission statement to assess possibilities
- Great for organizations thinking of moving to the next level in your company
- Great for organizations looking into purchasing space (i.e. Philadelphia Theatre Company's new building on Broad Street)
- **Planning grants** - to think about a go/no-go situation to see if you CAN raise the money, to make it make sense in a greater sense
- **High Engagement Consultant** - to call and ask questions, strategic plan consistent with financial history of organization

First and foremost step with your company's infrastructure

- **Planning** - new and small theatres need to take time to plan and it does not have to be a strategic plan but to know where you start, where to focus energies
- **Strategic Plans** - important information for funders to know direction of company
- Plan BEFORE you get your 501 (c) 3 - BEFORE you start any paperwork

Most common legal issues for a new/small company

- Copyright issues
- Tax questions - what's income and what is a proper deduction
- Contracts - all treated fairly, should protect everyone involved
- Be proactive - seek help BEFORE there is a problem

Board Development

- Successful organizations engage boards who in turn enable the organizations to grow and sustain over time
- Start with your family and friends but later on those board members will be questioned by funders
- Reach outside your immediate circle and find board members who care about the organization's mission statement and about theatre
- A good board will include a lawyer, financial expert, and marketing - find them in your audience!
- Give board members a list of expectation and job descriptions
- Board should meet regularly - about every other month in order to be more engaged
- PVLA can recommend a good lawyer for your board - give them info about your organization and they will help you find a good match

Questions & Answers

- Non-profit vs. For profit
 - Structurally the same but the expectations differ (timelines etc)
 - Non-profits are all about mission whereas For profits are all about the money
 - In Marketing:
 - Non-profits promote artist development as product whereas For profits look to the needs of the audience and who is interested
 - Non-profit still need to be professional - all priorities set to in a timely manner
 - Money and support will be better with the perception of professionalism ("please" and "thank you" are always to your benefit)
- Books about Non-profit
 - On nonprofitfinancefund.org - can download information
 - At PVLA office 1616 Walnut Street, Suite 1800 *Forming a Non-Profit* \$45
- Budget concerns - create from square one
 - La Salle non profit center has a program good for creating a budget
 - An Arts & Business volunteer can assist in creating one as long as the theatre costs are known
 - Do expenses first! Income after!
- Inviting potential board members to see organization at work
 - Join Philly Fun Savers to reach out
 - Invite them to your opening night
 - Give ticket vouchers to the Arts & Business Council luncheon
- Chair of the Board should not be the Artistic, Managing, or Executive Director
- The Board can make or break you in one year in regards to assess to capital and their belief in your organization's mission
- Drexel, Wharton MBA, Temple, Applied Theatre Arts at UArts - all have programs in arts administration etc, ask to be a part of their thesis project for additional help with your organization
- Can operate with a fiscal conduit as an option - where another 501 (c) 3 organization can umbrella your organization