

Cultural Organizations Part II: Managing Through Challenging Times

**October 22, 2020
10:00 AM EDT**

Aaron: Ladies and gentlemen--

Doris Meister: Good morning, everyone.

Aaron: It's my pleasure to welcome you -- sorry, Doris. I didn't mean to speak over you. No worries. I'd like to welcome you to today's M&T Bank Wilmington Trust webinar, Cultural Organizations, Part II: Managing Through Challenging Times.

Before we get started today, let me quickly just point out some of the things that you will want to know for today's event. We of course encourage you to get the most out of today's presentation by asking any questions that you can have or that you may have. You can simply type your questions into the Q&A window that you should see at the very lower left portion of your screen. Make sure you hit that Submit button to register your question, and we'll be taking as many of those as we have time for at the conclusion of today.

And lastly, if you need any technical assistance, please once again use that same Q&A window that is available to you at the very bottom left, and we'll be more than happy to help resolve any issues that you might be experiencing. And then also there are several other windows that are available to you at the very bottom center portion of your console. So there's a lot of resource lists available, items that you can certainly click through and download as well too.

And with that, let's go ahead and begin today's M&T Bank Wilmington Trust webinar, Cultural Organizations Part II: Managing Through Challenging Times. It is my pleasure to turn today's call over to our moderator for today, and that is Doris Meister, Executive Vice President Wealth Management at Wilmington Trust, and board member of the Museum of the City of New York.

Doris, with that I'll turn it over to you.

Doris Meister: Thank you so much, Aaron (ph). And I want to welcome all of you today. We have a very strong turnout for this event today, and that made me feel terrific, because what we really

are focused on today are our cultural institutions, a very critical and vital part of every one of our communities in having a very healthy community. We at M&T Bank view ourselves as a community bank, and join with our cultural institutions and all of you to make our communities as vibrant and healthy as we can.

Well, to say these are challenging times is a really mild understatement for all of us. And today in our discussion we're going to talk about how three significant cultural institutions in three different cities have been coping with these challenges, and to continue to operate in this environment, and bring the best of what they have to offer to our communities.

I'm pleased to be joined by three exceptional leaders who will share with us their thoughts and their activities in a number of different areas. One is we'll start with reopening, which is obviously critical and has been a very challenging process. We're going to look at the financial side of the picture, and what the environment currently is doing on that front. And then talk about how maybe we're looking at exhibitions, our role in the society, and how we see the future of attendance and success in the world of cultural institutions.

So I want to start by introducing our leaders today who have joined us. Each of the three is very experienced in the museum and the cultural world. And I know that's no doubt helped them in many ways deal with these challenges. Whitney Donhauser is currently President of the Museum of the City of New York. And as Aaron mentioned, I am privileged to serve on the board of that institution with Whitney. Whitney joined the Museum of the City of New York in 2016 after 23 years at the Metropolitan Museum of Art.

Steve Dubnik is currently President and CEO of the Strong National Museum of Play in Rochester, New York, a wonderful institutions if you haven't had a chance to visit it. Prior to becoming President and CEO in 2017, Steve actually served on the board of trustees of the Strong Museum for 16 years.

Dennis Kois is Executive Director of the Burchfield Penney Art Center in Buffalo, New York. As many of you know, Buffalo has had a long history and heritage in the art world. He had previously served as President and CEO of the Milwaukee Public Museum, and was the Executive Director of the deCordova Sculpture Park and Museum in Boston. And actually he and Whitney realized today on our preview that they both were at the Metropolitan Museum of Art many years ago together.

So let's dig right in and begin. We want to start by focusing on this whole issue of reopening, given all of the constraints we have in keeping our communities safe. Steve, maybe I could start with you. The Strong National Museum of Play is a Children's Museum and then thus you have the challenge of making it safe, sanitary, and CDC-approved for children and their families. Maybe you could take us through some of the challenges you've adjusted to during this time. And if you'd like, share with us any successful exhibitions or exhibits that you've done recently.

Steve Dubnik:

Sure. Thanks, Doris. And as I get started with this, just for some of you who may not be familiar with our institution, so the Strong National Museum of Play is a leading institution for the preservation of exploration and study of play in games. We're 51 years

old, and we currently encompass 285,000 square feet, and hold over 510,000 things in our collections, which makes us different than what would be considered a typical children's museum.

In 2019, we welcomed almost 600,000 guests to our museum. And so when 2020 happened, we were off to a great start, and then we had a major shock hit us with the COVID crisis. And we closed the museum on March 13th, ahead of Governor Cuomo's mandate. But we had to wait until phase 4 of the New York State reopening plan, and that was on June 27th when we were finally able to reopen.

During that period of time, we spent time preparing and guessing to a certain extent what the New York State mandates are going to be around reopening. And we put together a fairly comprehensive playbook, where we looked at everything from staff reentry procedures, what our new cleaning procedures would be, what changes we would need to make in our admissions process, in our admission's desk area, what types of things we need to do with our exhibits, physical pathways in the museum, et cetera. And to assist us in that process, we actually convened a panel of community advisors that was consistent of board members, museum member parents, medical experts, a child psychologist to think about how children are going to react to all the mandates we're going to be placing on them, and so on.

And so this panel provided view and advice for our procedures. And their engagement was an extremely valuable part of that reopening process. And so what you see in front of you now is the results of some of those things. And so when you look to the upper left there on the screen, you'll see what our admission's desk area looks like. We put up plexiglass barriers. We created a touchless process for the admissions for people to come into the museum. We require preregistration, so we know we have to collect all the contact information, if there is exposure in the museum, so our public health officials can get back to the people who are here.

You know, you can see some of our cleaning procedures in place down below that, where we had established a new cleaning process in between people, where we had to go back and clean areas where they may have touched. You can see in the middle of that screen some of the stickers we've placed on floor, where we've tried to identify areas that people could stand to maintain the required social distancing that was there. And we always try to make them playful, being a Museum of Play, in the type of symbols in place.

And then throughout the museum we continue to put other reminders of the types of things that people need to do in terms of playing safe, in terms of mandating of face masks. We actually have in our museum a lot of characters, super heroes, Berenstain Bears, things like that, all of whom are wearing masks. And we actually -- one of the stories I like to tell is that we actually have a very large Hulk, green Hulk that's in our Superheroes Hall, which is up on about a 8-foot podium. And we didn't have a mask on him until one little boy came up and told us that he was afraid because he didn't have a mask, so he needed to be masked as well. And so the next day he had a mask on. But those are the types of things that we looked at as we reopened from a process.

And then our exhibits, so our exhibits are really a combination of both historical exhibits where we have artifacts of play. We have different types of dolls, different types of games, and so on. And then we have a lot of interactive exhibits. And so you see

highlighted here things that we had to make change to. So some exhibits we were able to clean and keep operating as they were. Some exhibits we had to make modifications to, but we could continue operating them. And some of them we didn't feel we could actually clean at all, and we had to close. And so on the upper left corner, we had a toddler area which was basically a sandpit made with little plastic beads for kids to play with. And we just couldn't clean that. So we closed it. But instead of just closing it, we actually tried to make something fun and creative out of it, and said, we closed due to shark attacks.

And so we actually put blow-up sharks, and stuffed shark animals, and different things in the middle of the area. And there's a viewing port that kids can go see, and they can point it out and talk about that. In the middle upper level is we have an area that's kind of like -- is part of our Imagination Destination exhibit, and it's a representation of a sewer or a water pipe that kids could crawl through, again, a space we could not make safe. And so we closed it because of a water main break. And then on the upper right, we have a climbing structure which is space-themed. And so that was closed because of excessive solar flares and it wasn't safe to be in it. And these are all ideas and thoughts that our exhibits team had to make it fun, playful, but also thought-provoking and to help the parents or caregivers have conversations with their children.

And then down below you see examples of exhibits that we were able to maintain and keep open. So on the far left and the far right, we have the Wegmans Superkids Market in our museum. And the left image is an area where we would have a bakery and kids would put on aprons and do things like that, that they could pretend to be a baker and play there. But we couldn't let them wear those types of clothing now. So we actually created paper crafts that they can make a chef's hat, and so still have a type of play very similar, but it would be something that was disposable and wouldn't be handed from child to child.

And on the far right, you can see that Wegmans actually did this for us. Wegmans came in and equipped the registers and the check-out areas to be identical to what Wegmans has done in their stores across their footprint. And then in the middle is just an example of kids in there playing in our Sesame Street exhibit. So it's all been part of the types of things that we've had to do to make our museum safe, but still keep it interactive and fun as we've gone through this whole process.

Doris Meister: Boy, that's wonderful, Steve. And you know, the creativity of the team and also finding ways to protect the kids without terrifying them and finding reasons why certain exhibits are off-limits. Those are great examples.

Dennis, let's talk about the Burchfield Penney Art Center where you just opened seven new art exhibits. Maybe you could talk a bit about your challenges that you faced during the reopening period, and how you're navigating all of this.

Dennis Kois: Sure. Thank you. So really happy to be here. The Burchfield, for those of you that don't know it, is kind of two museums in one. It's the repository of the collection and archives and history of Charles Burchfield who's a great American painter, the first artist offered a solo show at MOMA, in almost every major museum collection in the US, and we hold the largest collection of his work and show it, of course.

And then also we're a community art center. So we do collect show work from everybody from professional artists who are out in the art world, very well-known, have a

connection to our region, all the way to sort of community and locational artists in our community. So it's a really broad range and for us, we don't typically open seven new exhibits all at once. These are exhibits from 10,000 square feet down to a thousand square feet. But while we were closed for five months, we realized we really needed to change our gears and really think about what our audience was going to need when they came back.

So we had a few projects that we sustained and opened. One of those is on the screen here that you can see, a contemporary art exhibit of the artist Ani Hoover. But others we realized we really needed to think differently about what our audience would want. And so in addition to the kinds of challenges that Steve addressed and acknowledged, and those are the same kinds of things we had to deal with, of course; you know, how to keep staff safe, how to keep our visitors safe, all the rules and regs to get reopened.

The other piece of it for us, and I think maybe the biggest challenge for us, was how to think as a staff about how to rise to the occasion. You know, this is an incredibly stressful time for everyone from the staff to the visitors. And so how do we help for us, we were thinking about how do we help our visitors make meaning of what they are collectively going through when they come back. So when we reopen in July, we reopened with exhibits from our collections that really speak to sort of the moment we're in and the world we're experiencing, and think about what we've all gone through.

So you know, the fear and isolation of COVID, the cultural divisions and anxiety that our political moment has brought on, sort of the endless doom scrolling that we're doing through our social media feeds right now. And the police violence and attendant protests and the sort of self-examination institutions like the Burchfield and I think all of us here today are doing, and that we're personally doing in thinking about how we work and exist in the world. So we've pulled exhibits out of our collections that really address some of those topics.

On the left here is a painting that actually looks like it was made in response to COVID, but it was made more than a decade ago by an artist in our community, and we pulled out of vaults and put up to sort of reflect this particular moment, and put up works in our galleries that really speak to some of these very topical issues and help our audience process as they return. And so, you know, everything from you can see on the left there, a canoe drilled full of holes that's floating in the gallery, to some images of home in the foreground there, images on the right of a sculpture relating to black power salutes and the death of Malcom X. These are all works from our collections that really speak to this moment. So to me, that was the biggest challenge of reopening was, how do we shift our program and how do we shift what we're providing for our audiences to reflect this particular moment?

And lastly I would just say, we as an institution certainly had unique things to think about, art museums very different than the problems Steve was facing with children. We are almost set up for social distancing. So we had to think a little differently about how do we install shows to support 6-foot distancing. How do we keep hand sanitizer off the paintings and the sculptures? What do we do with staff whose jobs literally evaporated overnight: people who are dealing with event rentals, our school-group educations, our shop employees or café staff? Those jobs went away, and so we had to pivot pretty quickly to try and find ways to reassign people, to find projects that we could do in the

interim until we get to some sense of normalcy to keep staff busy.

And so happily so far we've sustained all the staff. We haven't had to make sort of significant changes. But it's taken a lot of adaptation for us, and that's been stressful for staff, and trying to really think how do we support those staff and all of our staff when they themselves are stressed, when they themselves are anxious. And, you know, it's hard for them to do their jobs right now. So there's a little bit of that human capital question, human support in all this that I think we were really trying to pay attention to. So those are just a few thoughts that came to mind.

Doris Meister:

Yeah. I think that's, Dennis, really, really important perspective. While we're focusing so much on the audience, we have all of your colleagues who are involved in the cultural world who they themselves are facing the potential loss of a job or their own personal situation while they're trying to help all of our organizations pivot and deal with the institutions issues. That's a very important point, in addition to reprogramming, rethinking your exhibits so that they can really help people gain insight through art into the current environment.

Whitney, the Museum of the City of New York has many educational programs, as well as exhibitions that are adult-oriented. Maybe you could talk a bit about your educational program and some of the things that you've done with the Museum of the City of New York to adapt to the current environment.

Whitney Donhauser:

Sure. And for those of you who don't know, the Museum of the City of New York is on 103rd and 5th Avenue in East Harlem. We've been around for 97 years, and we are dedicated to fostering and understanding of the distinct nature of urban life in the greatest metropolis in the world. We look at New York City's past, present, and future. So the pandemic is actually something that is very much within our mission statement of looking at the city's past, how it's dealt with challenges and moments of crisis, and then its resilience moving forward.

But that being said, these are unprecedented times, certainly because of the impact not only on the museum, but also on the city as well our staff. And I think of really what Dennis was saying of how do we rise to this occasion and how do we come forward with putting together content and information that is meaningful and relevant for people who want to understand what the city looks like right now.

So while we closed, as everyone else did and certainly looked at, we reopened on August 27th. I think one of the things that's been fascinating for us is looking at digital content, and really thinking about our digital assets in actually a way that we can remain vibrant and relevant, not only for local audiences, but globally as well.

So we typically get about 300,000 visitors in a normal year. Of course, our visitorship has dropped significantly, where we have about 25% less of where we were before. But the thing that has not dropped is our digital engagement. So we quickly pivoted and launched on our website a digital hub, and we pivoted to a digital strategy. We had already been collecting for the past two years a lot of digital assets. But this was a moment where could move to an entirely digital base. And that is not going to go away. So even though we're open, we're still maintaining very robust and rich digital programs.

So you can see here, this is the digital hub that we have on our website where everything that is happening digitally is available for people really at a single touch. And that's been exciting for us to give people that level of convenience. And then we've also started producing content very quickly. We have weekly programs with our Curators from the Couch. We've also had illustrator Roz Chast, who joined us for a program. The amazing thing about it is that we're getting 30 times our visitorship, that normal visitorship what we get on site.

So there's this weird moment. While we're certainly financially very challenged and really think deeply about how we can be relevant in our content for the city, there's also a moment of great excitement of being able to reach a wider audience, and to be able to push out information to people, and just to share with them the content that we've been really covering for a long period of time.

Doris Meister:

Thank you so much. Yeah, at the end of this panel, we are going to provide links for the audience to be able to connect with each of the three organizations represented today. So I'm sure all three are pursuing a variety of digital approaches that were different than they had to be in the past.

Whitney, you kind of led us into potentially our next subject here on the budget and endowment management. Like all institutions, this new world we're in has drastically affected how we define success, where in many cases cultural organizations like museums define success in attendees, and how many people actually came to the museum. And we've also -- we've had changes in that, and also obviously changes in the financial models, and how museums look at or art centers look at their financial situation.

So why don't we turn to that for a few minutes, and talk about how your measurements of success have changed, and what have been the biggest impacts on budgets and endowments? And maybe Whitney, we'll turn back to you to launch us on that one.

Whitney Donhauser:

Yeah, so these are certainly challenging times. As I said, our visitorship has dropped. And I think -- you know, and even there's an article in today's New York Times about visitorship in European museums which have been opened since May, and they're seeing a 30% drop in their attendance, or a 60% drop in their attendance. In some places, like the Van Gogh Museum, where normally they get 6,000 visitors, are down to 450 people a day.

So I think certainly for the next year we need to not think of success being measured by the number of bodies coming into the museum. And we have to think differently about how we reach new audiences. And so that's a challenge for us. And of course the financial impact, when you move into digital, you don't necessarily see revenue associated with that, or the revenue is very different. So as we're constantly analyzing what the effect on our earned income is, and for us, previously our budget was comprised of 70% of contributed income and 30% of earned income. So we know that the earned income is definitely going to be substantially reduced.

One of the things that we've looked at is actually endowment spending. So typically in a normal year we'll spend 5% of our endowment. This year our board did approve spending 7% of our endowment to help us with some of the shortfall in earned income. The other thing that we've looked at too was in light of the announcement in April of AAMD, of not

cenuring any museum or museum directors for the income from funds generated from deaccessioned works of art. And this is something that we too have a very large collection. We have 750,000 objects in our collection, which is huge for an organization of our size. We certainly over the years have been looking with a lot of diligence at things that are off-mission or things that we can deaccession, which is perfectly within guidelines and we have a very strong criteria and policy on this that we share widely.

So we had been really deaccessioning a lot, but not using the proceeds from those deaccessioned funds. So this is something that this year we did apply the proceeds from the deaccessioned funds to cover some of our collections' care costs, which we had done basically inspired by this lifting from AAMD that we could use that money for collections' care in a little bit more flexible way. So I think that's helped us be stronger, and I think that's something that we can look at.

I mean certainly I'm interested to hear what Dennis said, because I think right now all of us need to think about what our assets are and how we can leverage them to our fullest ability. And for us, I know something like thinking about what our permanent collection is, when we display it inside the building. So we've recently -- we have a masterpiece, the Stettheimer Dollhouse, and we'll be reinstalling that in our galleries, and being able to share that as a holiday treat with New Yorkers in a way where we're giving it a much better spotlight than it had been given before. And I think that's a really great way of repurposing an asset.

Doris Meister:

Wow, that's a lot to -- it's been a lot to deal with. And you referenced Dennis. So Dennis, let's go to the Burchfield Penney; how about you from a financial of view in the current environment?

Dennis Kois:

Well, I think like Whitney, we're really thinking -- trying to think creatively about how to sort of look inward and think about how to move forward. And I will say Whitney, if you guys have that Stettheimer Dollhouse, I'm already planning a trip to New York, just to come see that. Because that thing is fantastic.

But for us as an institution, I think one of my takeaways from running a different institution -- I was running the deCordova in Boston when the 2008 financial crisis hit, and had just been there a year when that sort of changed our outlook. And really looking back to that when this crisis began, it really gave me a sense of trying to think in years, not months. And so I think even as to some degree our board and even maybe some of our staff were sort of responding to what was in front of them at the front end of this crisis, back in February and March, if we can all think back to then which seems so long ago. You know, there were times when we thought maybe we'll be closed a few weeks or we would be closed a few months, or this will pass. It wasn't clear what the timeline of this was going to be. But even in that moment, my takeaway from that 2008 crisis was to think long term, and to set ourselves up so that we're not sort of dying the death of a thousands cuts over the coming couple of years.

And so as a leadership team, we've got an incredibly strong group at the Burchfield. We established a budget that was right around the time we normally budget. We set up a budget for this current year that really went all the way in trimming back an expectation to some degree of almost a worst-case scenario. You know, and at that point, there was pressure certainly from some of our board to be more optimistic or to -- do we really need

to go that deep or thing that long-term? Won't this be over soon? And we I think really as a team, resisted that pressure and stuck to our guns. And so we built a budget that assumed our earned revenue was down by more than 40%, assumed our fundraising dropped significantly, our government support dropped by more than half. Our retail sales was down by 90%. I mean just really extreme cuts, and then to balance that budget we have pulled from reserves. So the Burchfield has luckily had this incredibly thoughtful approach to its endowments over many, many decades, and has never drawn more than 4%. And so we were actually able even in this crisis, to stick with the 4% draw, because we had built up some operating reserves. And those reserves, even with our much reduced budget and even if that budget persists for multiple years, which I hope isn't the case, but certainly it will take us time to come out of that pulled-back budget. Those reserves will be able to sustain us probably for at least 4 to 5 years if we had to.

Now hopefully not, but we ultimately -- it's a real gift to the future when you set aside those kinds of operating reserves, and that's something has been a real takeaway for me. Every other institution I have run in my career I think would have struggled in a much more significant way than the Burchfield has, in part because it had so much forethought and its board was so conservative in its approach. So that's the kind of thing as a director, you know, you don't want to underinvest in the institution. And so in good times, you're thinking, gee, how can we maximize what we're doing with our resources. But boy when bad times hit, you're suddenly grateful for all those years that someone sort of dialed that back and kept it really basic.

One other thing that I think, you know, we thought about and I really was focused on, was trying to minimize outside anxiety that would sort of impact our management over the year. So like a lot of institutions that take their endowment draw either in installments over the year or to kind of amortize risk, or in our case in some years we had taken our endowment draw at the end of the fiscal year, because we wanted to maximize the return in good times. We chose to take our endowment draw this year in its entirety at the front end of the year. So basically that's pulled out of the market. That's not a normal approach, and you know there's obviously some downside risk to that. You can lose out on any gains on the money you've pulled out. But what it's done is helped our finance committee sleep at night, help them focus on other problems and issues, and sort of taking that off the table as something that can be influenced by what's going on outside of the institution. So it's really kind of a focused strategy more than a financial strategy, and that's been -- things like that have been really helpful too.

Doris Meister:

Yeah. That's really helpful. And obviously every organization is in a different situation, right, depending on the mix of where their funds come from. You know, I want to remind all of our participants in the audience to ask questions if you have them. And while we're on the subject of finances, one of the questions that came in in advance, I thought we might turn there. It's regarding fundraising and access to grants, and how maybe your approach as an organization and your thinking has shifted in this environment.

Steve, I know you were -- and I think you're still in a major capital campaign at the Strong Museum. Maybe we'll turn to you first, and then see if Whitney or Dennis have any other thoughts they want to share.

Steve Dubnik:

Sure, so we are in the middle of a capital campaign for that expansion that I mentioned. And it's been interesting in that we actually closed a couple of major gifts in the midst of

this with people that we've been engaged with before, and one was an institution and one was a person who had been going down the road, and they felt the time was right to give us certainty to continue to move forward with our expansion. So we were very grateful for that.

What's been more difficult for us is on the operational side, because 60% of our annual budget comes from earned incomes, from admissions-related income. So losing that or losing the vast majority of that has been very difficult. So we've been working in a whole variety of ways to try to get operational support. We've had some success with some individual donors, people who've been long-time donors who have wanted to help us in that area. But it's been more difficult when we've looked at things like the NEH grants, so the IMOS grants and so on, where there are so -- I mean literally thousands of people chasing those grants and they're giving out 50 or 60 grants in total.

So that's probably been the largest struggle we've faced on the fundraising side is actually the operational side to try to find funds to supplement the loss of revenues we've experienced from the decline in attendance.

Doris Meister: Hmm. Whitney, Dennis? Any thoughts you want to add to that on fundraising or grants?

Whitney Donhauser: Yeah, I would. If I could just jump in, I think that you know, foundations have been tremendously generous right now, and that's been something that's been incredibly heartwarming. We were fortunate to get an NEH grant for a project that we have called New York Response, which is how New York has responded to COVID. So we were thrilled to get \$300,000 for an exhibition that will open in December. Those NEH grants though take a huge amount of staff time and are very, very labor-intensive. And then the reporting too for a lot of these grants also takes a huge amount of staff time.

So we've been lucky in getting support from also the New York Community Trust, which was something that pulled together several foundations and then granted money to organizations. I will say too, one of the things that's been incredibly heartwarming is a lot of our donors who had given to restricted or specified projects who immediately this spring reached out to us and told us that whatever our greatest need was, they would change those grants to actually be unrestricted and to help us with our operating costs. And that was something that really went a long way, and we know that they understood the pressures that we were under, and how to step it up.

But you know, I think all of us are looking at definitely hits in earned income, but then wondering about contributed income, and really what happens. For me, my biggest concern is membership. And a lot of the gifts that were under \$10,000. So we have 3,000 members. We've seen that number drop and that's a question. Certainly, I know membership in many ways is driven by people coming in and being a part of the place, and coming to events. And right now I think people don't know necessarily whether or not they feel comfortable going out, if they want to have the benefit of free admission. So that's an area that I'm very concerned about.

Doris Meister: Dennis, any--?

Dennis Kois: Again, I would just -- yeah. Yeah, I would just add onto I think Whitney and Steve really hit the nail on the head. You know, there's a lot of unknowns right now, and so what

we've been trying to focus on with our fundraising is connecting to those who are our nearest and dearest. And you know, as we've seen some erosion in foundation giving and corporate giving, as you would expect in this kind of a crisis; you know we have some foundations whose arts giving was maybe not central to their mission, and they really focused on human services needs right now, or educational issues.

Obviously corporate giving is a challenge, because corporations are struggling. So, you know that return to the sort of basic blocking and tackling of relationship-building with those who are our largest individual donors, our campaign donors; has been fruitful and it has really helped us sort of sustain ourselves through this. And on the membership side, you know, we're seeing similar concerns to what Whitney referenced. You know, membership has eroded. The last month or two we've started to see some activity, and some of it coming back and some of the renewals coming back. We have also about 3,000 members, and I'm hopeful that we'll be able to find ways to sustain that. And that's actually part of that digital strategy that we were talking about earlier. We're thinking about how to map that digital work. Even now that we're open in physical space, how do we make sure that the members have access to some special content online so that there are those sort of perks to being a member that helps sustain them through this and keep those renewals coming?

Doris Meister:

Thank you. Thank you, all three of you. Before we get to more questions and answers, I wanted to shift our focus a bit to another very troubling period we've been through on top of COVID. Over recent months, obviously we've been much more engaged nationally in a discussion around the pervasive effects of racism in our society, and issues that are around diversity, inclusion, and belonging. And any cultural institution is there to help reflect humanity and what's going on in society, but also to some extent intentionally focus on how maybe we respond or help shift the culture, and address some of these issues in a more proactive way.

Maybe on this one, and I'd love to get -- maybe start with Steve, because toys and play, which the Strong focuses on, usually or typically reflected the dominant or mainstream culture, and perhaps not been as diverse or inclusive as they should be. So perhaps I could start with you, Steve. And you could talk a bit about how the Strong Museum approaches this issue.

Steve Dubnik:

Thanks, Doris. And you're right. Much of what we do is very reflective of the Eurocentric white male oftentimes even approach in terms of toys and games and so on, because we're also one of the largest repository of video game related items too. And so when I came onboard, the senior team and I got together and we made just a very conscious effort to focus on how can we diversify and represent all the people in our communities here in the museum. And so we started a very deliberate process to do that.

And in front, you referenced Barbies in your comments. In front, you see a first display that really reflected a different culture. And it was a display of black Barbies. And we talked about it and we put them on display. We talk about them and then we have a little interpretation sign in front that talks about the difficulty that Mattel had in terms of the long row they went through before they introduced any dolls of color in that process.

At the same time, we went through and we went to our interactives. You know, at (inaudible) you see something in a Play Pals area where there's a house and kids come in

and play. And there are baby dolls there that they can dress and feed, and so on. And so again, we went back to look to make sure that we had dolls of multiple skin colors within that that the child could someone either that looked like them or didn't look like them. But they had the choice as to who they wanted to play with. And so it was a very deliberate conscious effort to do so, to make those kind of changes in our museum. The bottom left, we're actually a member of Monroe County Public Library System. So we're a circulating branch of that here at the museum. And again, we went through our collections of books that we had that we made available for people to check out and the displays around those books, and looked to diversify them.

So you see here in the example for "Wrinkle in Time," and the more recent version of that movie that came out, and when it was people of color who were the witches. And so we put that on display, again, to try to reflect individuals that are here. And on the bottom right, you see a new exhibit that we'll be opening up next weekend called Millennial Madness, where we're focusing on the toys that millennials played with. And that was actually a time that toy companies really started to go forward and recognize that there had been (inaudible) and smaller companies created that. It focused on creating toys for people of color to play with that looked like them, companies like Olmec Toys and Shindana, and companies like that. And we didn't have much of their materials in our collection. So we did primary research to go out and find people from those companies that were still around and available, connected with them, and actually solicited donations from them, both of prototypes, the archival materials, and so on to represent those companies and what they had done to start changing the face of toys to represent multiple cultures.

And so we've created this display, this exhibit that will be going in, where we've put some of those things on. And so you can see some examples. And this was a picture of the mock-up that we put in place. But it was a very deliberate choice to make that. And the same type of thing happened on our video gaming site, where we started collecting in the late 2000s a lot of video game materials, recognizing that was a dominant form of play. And when we looked at that, we realized that most of what we had were male-oriented, and women had had a prominent role and still have a prominent role in the industry, but they weren't reflected in most collections and what was happening.

So we actually created an exhibit called Women in Games that we opened up in the museum, and we opened that in 2018. And we not only put the exhibit up and took a fairly substantial footprint in the museum, and it's the main hallway so everyone goes through it and past it, but we also started a symposium, a two-day panel where we invited women trailblazers in, some of their original video game pioneers, and current women from the industry that come in and to spend two days for a combination of talks, micro talks here in front of our -- in our theater, and also set them up. Because Rochester actually is a video game hub with one of the preeminent video game universities, RIT, here in town; and set them up as mentors for students at that school and also high schools. And so we did a whole variety of roundtables to help connect these women with students.

And we've done that for two years in a row now, and they've created their own Facebook groups to stay in touch with each other, these mentors and students. And so it's been a phenomenal success. And what we envisioned as being a temporary six-month exhibit has now become a part of our permanent collection and our permanent exhibit space here, because it was so successful.

And even in the video game side, we then again went to try to find opportunities to highlight the roles that people of color play in the industry. And so in the middle there, the pinball machine, is actually a prototype from a gentleman named George Gomez, who was of Cuban-American descent. He's one of the preeminent video games and pinball designers in the world, and he was kind enough to donate this Game of Thrones prototype that's there next to the actual final production copy of that.

And then on the far right, again, we highlighted the role of Gerald Lawson. Jerry was a black engineer at Fairchild, and he was the investor of the cartridge-based video game machine. And so he is someone that's been recognized and has actually -- he's gotten a lot of fame recently, and so our historians have had multiple panels and multiple references and articles, because we're the home of his collection here.

So it was a very deliberate choice in terms of diversifying what we were doing and putting in front. And then to take advantage of that from our audience, we then also simultaneously introduced a program to attract people who may not have the means to come into the museum. Our attendance cost at the time was \$16 per person. We had a lot of programs where we recognized people who may have had familial challenges, foster kids programs, or medical challenges working with our local children's hospital to bring kids into the museum. But we really hadn't addressed the issues around the economic challenges that people have faced.

And so we introduced what we called our SNAP admissions programs, which focused on people who have a SNAP card, which is effectively food stamps, and created a program where they can come in with three guests at \$3 per person, so a very substantial discount from what was there. We set a target of about 1% admissions for the first year we introduced that in 2019. And so we had to target about 5,500 people. We actually got 28,000 people to take advantage of that in the first year. And even this year in our COVID-constrained times, we're still seeing about 6% of our admissions coming in through that program, because we've been able to maintain it.

So those are some of the efforts that we've put in place to take what was a very Eurocentric children's museum to turn it into a much more diversified welcoming place for people of all cultures.

Doris Meister: Boy, that's admirable, Steve. And it's pervasive throughout all your programming, the view that you've taken and the steps that you've taken. Whitney, looking at it from the Museum of the City of New York, you recently have had two incredible exhibitions showcasing diversity in New York City. One, City/Game: Basketball in New York; and the other is all around the census, Who We Are: Visualizing New York City by the Numbers. Maybe we could have you talk for a few minutes, and then we'll go to some of the Q&A.

Whitney Donhauser: Sure. Absolutely. Yeah, I think the question of programming is so vital in order to attract new audiences. And we know that we need to have a rich program that really reflects what the city itself looks like. So in February, we came up with -- we opened an exhibition called City/Game, and it's a very hyper-local look at basketball in New York City. What is amazing, what I've learned through this process is that there's 1,600 basketball courts in New York. And I know for anyone who's around, you literally can't

go a block without seeing a hoop someplace. And it's incredible.

There are famous courts, like the West 4th and Dyckman and Rutgers that have a huge draw and appeal to them. And so we knew that this was something that really gets at the heart of an urban game that's played out on the street and in the playgrounds. It's something that is very unique and personal, and we were able -- but also global, which is -- and it's part of an American brand and identity that people all around the world feel passionate about.

So for us, it was really just kind of a great celebration of the sport. We of course tapped into some famous players, with Kareem Abdul-Jabbar and Bernard King, and we're able to have them talk about their experience. We had a big opening and celebration. We opened it in the middle of February, right before the pandemic hit. But it was also a great way of transcending race, religion, gender, and really in ethnicity across the board. So we were thrilled to be able to partner with the NBA and the WNBA, and to be able to pull so many people into the story that just has an inherent fan base to it. So that's been very exciting.

We also opened an exhibition timely around the census. And this was something that we knew that New York has historically had a very low participation rate. So normally in the past New York has had 60% people participate in the census. This year of course a lot has been written about the extension of the deadline and how people have not been participating in it because of the pandemic. But New York City actually participated 61%, and I know that Julie Menin who is the Commissioner of the Census for New York actually felt like that was pretty good, despite everything that was happening. And we like to believe that we did a really, really rich outreach with so many different community partners, with the New York City's Office of the Census, and really pushed out all of our communication and press and digital really to let people know that being counted is so vital and important, because it affects the services that come to your neighborhood, and really trying to help people understand that this is something that they can actually see the direct results of, and that they shouldn't be afraid. So this was something that really for us just was so powerful and meaningful to be part of, and we did tons of public programs and discussions on.

The one other thing I'd like to talk about is also New York Responds, which is this exhibition that is crowdsourced that we'll be opening in December. We got 20,000 submissions online through social media: Facebook, Instagram which is basically about how New Yorkers are feeling about the pandemic. And we got incredible -- and also about the marches for racial justice. So we were -- at first, we were covering all the hospital care workers, people who were on the front lines. And then we quickly pivoted to talk about the demonstrations and the marches that were happening, in order to make it feel like it was capturing what was out in the streets of New York right now.

So it's been kind of an exciting moment, but we know that this is something that will help more people feel like their voices and their own communities are represented within our galleries. And I think that that's one way that we can all be stronger and better as museums, reflecting the communities around us.

Doris Meister:

Thank you, Whitney. Dennis, you referenced earlier when we talked about your newer exhibits reflecting the times. Did you have anything on this subject that you wanted to

add to the discussion?

Dennis Kois:

I think, you know, it's just one thing that we're all thinking about. And I think a lot of culturals are thinking about is, how not to only collect more diversely and program more diversely, but how to really invest and put resources, meaningful resources behind some of these initiatives and effort. So Whitney mentioned earlier sort of the changes that have happened in deaccessioning. And I think for museums -- and one of the more interesting stories and one that's gotten a lot of conversations going, the Everson Museum in Syracuse deaccessioned a Jackson Pollock painting and is using the proceeds from that. The painting was deemed not to be central to their collection, using those proceeds to reinvest in collecting art by artists of color, by women, basically to really move their collection forward in a really intensive way, and devoting many millions of dollars to that effort.

In our case, we're doing it on a much smaller scale with an underrepresented artist fund, and some sort of cultural (ph) projects that are going to be highly visible. But you know, I think that that's really key to all this is not just, you know, talking the talk, but walking the walk, and investing dollars and time and energy in making some new things happen.

Doris Meister:

Thank you. I'm going to remind the audience again to send in your questions. One of the questions that's come in is around shifting gears a little bit with all this uncertainty about when we're going to get back to, quote, "normal" or "the new normal," whatever that looks like. How are you approaching planning for next year and the years subsequent to that in the face of all this uncertainty? And maybe I'll open it up to the three of you, and whoever would like to respond can do so.

Steve Dubnik:

Well, this is Steve. I'll jump in quickly, because we're in the middle of our budget planning cycle for 2021. And we're actually taking an approach where we have three different forecasts. We have our low forecast, which is effectively that attendance maintains where it is today and doesn't really go forward, and includes the possibility of an additional shutdown. We have a middle case which is that attendance starts roughly where it is today, but then ramps up for the year to get to about three quarters of what attendance was at the comparable period in 2019. And then we have a high case, which is a much more optimistic case. And we're budgeting to the middle case in terms of our budget. But then in conjunction with our finance committee and the board, we'll have a series of actions that we'll be able to take at the end of the first quarter at a checkpoint, where we'll look and see where we are, what we're tracking to at that time, and then take appropriate actions.

So if we're tracking down to the low case, we'll have a series of actions already preplanned that we'll implement at that point going forward. If we're at a high case, tracking towards that, we'll have the ability to start investing more back into the museum to different projects and things we want to do. So with the level of uncertainty, we're taking a multi-prong approach to how we go forward.

Doris Meister:

Thank you. Whitney, Ste-- Dennis, sorry, do you have anything you want to add to that?

Whitney Donhauser:

Sure. I would say we're in a different -- we're on a July 1st fiscal year. So we are in the middle, and had to plan our budget really in May and June. We definitely looked at a three-year scenario, and we are currently right now analyzing, going back and doing a

reforecast, even though we won't officially do our reforecast to the board until January. But looking at some of our assumptions and really sort of analyzing where we are right now, we absolutely, I think like many museums, decided that we had to slow things down. But we had done a strategic plan in 2018 that showed us that we had way too much activity in the building and that we were almost competing with ourselves.

So actually our strategic plan really gave us the roadmap, even though it didn't anticipate this kind of pandemic. It gave us actually the substance of how to dial down our level of activity. So we in the past had 7 to 9 exhibitions a year. We'll now have three. And we are trying to get more impact out of fewer exhibitions. And I think that -- but we also have less staff. So we did ultimately have to permanently lay off 20% of our staff. And I think one of the things in managing our own -- the existing staff through this change, is the fact that people I think thought at some point that we would be able to hit a switch or that something that we would immediately go back to where we were in January of 2020, and that is not going to happen, and that we don't see that happening in the next -- definitely not in the next 18 months.

So I think realizing that wherever we are right now, we're going to have to live and adapt, and not expect things to go back to where they were before. And that's taking a lot. I think people actually almost on a daily basis, we have to remind the staff that we're moving forward with less resources and we have to adapt to that new norm.

Doris Meister:

Thank you so much, Whitney. And one of the questions that's come in while we've been talking is exactly about the staff impact of all of this, and how you've all dealt with your colleagues. And I think, Dennis, you referenced that you didn't have to take any layoff steps, at least up to this point. While Whitney, you were in a very different situation. Maybe I'll turn to -- you know, we've got a couple of minutes left here. I'll turn to Dennis and Steve, and maybe we can finish this off on the impact on museum staff and how you've been handling that. So Dennis, do you want to start? And then we'll go to Steve.

Dennis Kois:

Sure. Yeah, I mean you know, obviously if things get worse, we may have to make more significant changes. We're hoping not to. But ultimately time will tell. And I think this ties into the planning question as well that Whitney was talking a little bit about. It's really difficult to plan for staffing levels. It's difficult to plan for sort of structural change or strategic planning when you just don't what the variables are even going to be. And so one of the ways we've been thinking about this is it's an opportunity for us to revisit our systems, revisit our structures, revisit our staffing mix, how jobs are defined, and really spend some time so that when we do come out of this, we're better prepared to move quickly. And so that's rewriting job descriptions. It's reframing some positions. It is restructuring some departments. It's doing a deep dive into some of our development data and fundraising databases, doing some data analytics. It's all of those things help us get ready to make the most of the talent we have.

So we've got these incredibly talented people. We want to keep them. We don't want to have to sort of build back up. But we also have to be really responsive and nimble in this moment. So it's for now a really day-to-day challenge to keep our heads above water.

Doris Meister:

Yeah. Dennis -- or Steve, sorry, do you have-- we have a little bit of time, a couple of seconds.

Steve Dubnik:

Yeah, so we unfortunately were not quite (technical difficulty). That was something intended to maintain appointments. So we maintained our employment levels as they were in the pre-closure timeframe throughout the entire period we were closed. But those monies ran out. And as we look forward at what the attendance was going to be, we had to take some significant actions, and we had a permanent layoff of about 10% of our full-time force, and we made some business changes. So we had a food services operation here that supported about 20 part-timers for that. And that's an area that just wasn't going to be economic to be opened with what we were projecting for attendance. So we closed that operation and had a layoff (inaudible) all people, 3 full-timers and 20 part-timers that were associated with that.

And then as we went through the summer and we saw what was happening, again, we weren't in a situation where we were getting the attendance we had hoped to get at that time, and so we adjusted our projections down again for the balance of the year. And once we got past Labor Day, we put everybody, all full-timers onto either 25% time furlough or a 25% salary reduction program to help maintain and get us to a balance that we had enough reserves to cover the losses we're still incurring. And that's what we have in place at this point in time.

As we look forward to next year, we anticipate we'll be able to come out of that, because we do anticipate at least on a middle case budget that that will grow. And then just one other action, we took a hard look at what was going on with benefits. And so things like a museum's contributions to our 403(b), we stopped those, just because those were additional dollars that were going out that we just could not afford to do. So it was a pretty significant time for us in terms of the decisions. Our staff's been very supportive and understanding with that. And we've been fortunate we haven't lost anyone that was not part of these actions.

Doris Meister:

Thank you, Steve. Well, I think as we've all heard and we can all see, our cultural institutions need our support more than ever. I want to thank the three of you: Steve, Dennis and Whitney; for joining us today. It was very interesting. And I think each of the three of you serve as a real inspiration for all of us, and the work you've done to pivot your organizations and cope with what has been an incredibly challenging time. And I want to thank our audience for joining us. This is the sixth webinar in our Commercial Specialty Lending Series: Managing Through Challenging Times. And this was certainly a very interesting program, and thank you to the audience for your questions. We tried to address as many as we could.

Aaron, do you want to pick up?

Aaron:

Doris, I would. Thank you very much for your time as well today. And as we wrap up today, ladies and gentlemen, if you haven't yet accessed the resource list button at the very bottom portion of your console, go ahead and click in there, and there's a lot of available resources for you that you can download and take with you for today.

And then lastly before you leave today, you're going to see a survey slide that pops up on your screen. Please do take a minute to fill out your survey and complete that back to us here. Feedback is incredibly important to us, obviously, as we look to continue this. So with that, we'll go ahead and wrap up. Thanks, everybody, for your time today. Have a great day. We'll see you next time. Take care.