

MINUTES

GOVERNOR'S TASK FORCE ON ENDOWMENTS AND PHILANTHROPY

Northwest Power Planning Council Conference Room
February 12, 2004

Members present:

Sue Talbot (chair)
Sid Armstrong
Fran Galvin
Spence Hegstad
Amy Kelley
Mark Kelley
Brian Magee
Galen McKibben

Aidan Myhre
Dennis Peterson
Clark Pyfer
Jim Soft
Peter Sullivan
Jay Vogelsang
Judy Wing
Ralph Yeager

APPROVAL OF MINUTES

There were no January minutes to approve, as that meeting had been replaced by the planning session with Ginny Tribe. Sid noted the list of subcommittee members responsible for making philanthropy and the Task Force part of the agenda of the next Governor and other elected officials (i.e. the candidates), should not include Mike Schectman or Mike Halligan, but should include Aidan.

FINANCIAL REPORT

Ralph handed out the most recent financial statement for the Task Force, covering the period November 1, 2003 through January 31, 2004. It showed total revenue of \$1,500 and total expenses of \$2,051.75 for an ending fund balance of \$1,942.81. It was agreed by all that the Task Force needs to raise more funds, especially in order to carry out the goals and ideas put forth at the January planning meeting. Sue suggested the group approach a discussion of fundraising by focusing on upcoming needs highlighted in the draft "action plans" developed by the two subcommittees established at the January meeting.

DISCUSSION OF ACTION PLANS

Sue handed out the action plan she put together out of the internet discussion her subcommittee (Sue, Josh, Brian, Galen, Dale) had regarding initiating a "big campaign" to promote philanthropic giving and endowment development. (The handout is annotated below.)

On creating a **VISIBLE LEADERSHIP ROLE FOR THE GOVERNOR IN PROMOTING PHILANTHROPY**: Sue first confirmed that all were in agreement that the plan should focus on the gubernatorial candidates rather than the current governor. She then went through the suggested steps and strategies outlined in the plan.

The primary step is to **secure the governor's approval of and commitment to the leadership role**. Sue asked who would approach whom? Sid said she had commitments from

her subgroup already: Sid and Bob Vogel will approach Schweitzer; Aidan and Clark will approach Pat Davidson; all said they'd be willing to talk with Bob Brown, although they didn't choose a specific person yet; Sid will talk with John Vincent. Sid noted that the first step is to develop the message: one that is succinct, compelling, and consistent. Sue asked that those who speak to any candidate write up a report to share with the Task Force. Judy said that she had a contact sheet she would send to Amy to distribute to Task Force members for this purpose. Sid stressed that one of the primary tasks in this assignment is to **ask the gubernatorial candidate if he would re-authorize the Task Force.**

On **SUGGESTED STRATEGIES** to carry this goal:

1. State of the State message – prepare information for use in this. Sue reminded that former governor Marc Racicot spoke about philanthropy in his very first state of the state address, and suggested that we need to get the new governor to do the same. She said that Steve Browning could assist with this.
2. Philanthropy Day/Statewide Event (annual?). Sue noted that both this item and the next would incur expenses. If one or both were to be priorities, we'd need to think about cost. Sid noted that Philanthropy Day has worked really well in Wyoming, and that they've received foundation support for it. Brian said that many states have had success in tying such a day in with Nonprofit Week. Others suggested tying in to the National Philanthropy Day or the state civic engagement awards.
3. Governor's Conversation
4. Personal communications to expatriates and snowbirds from the governor
5. Personal communications from the governor to foundations
6. Invitations to state functions
7. News releases from governor's office
8. Public policy agenda
9. Using the Governor's own web site for communications
10. Including information on philanthropy in the tourism packet sent out to those who request information about Montana

On the goal of conducting **OUTREACH TO FORMER MONTANANS, SNOWBIRDS, AND PAST GOVERNORS** (Sid noted that we should add "PART-TIMERS" and "CELEBRITIES" to this list), the steps discussed included:

- I. Research and Develop Lists: There was some discussion about where/how to get such lists. Someone suggested alumni lists from colleges and universities in Montana.
- II. Include them in the following (picking and choosing from the following list as appropriate):
 - Philanthropy Day/Annual Statewide Event
 - Governor's Conversation
 - Personal communications from the governor
 - Invitations to state functions (e.g. conferences, tying into Governor's events such as the Economic Summit)

- Communications from other sources: Chamber of Commerce, MT Ambassadors, etc
- Recognition of Montana philanthropists
- Outreach to celebrities who reside in Montana part-time

On the goal of conducting **OUTREACH TO FOUNDATIONS: STATE, REGIONAL & NATIONAL**, the subgroup came up with the following steps:

- I. Research and Develop Lists
- II. Include them in the following:
 - A. Governor's Conversation
 - B. Personal communications from the governor
- III. Collaborate with Big Sky Institute on Philanthropic Divide data

On **DEVELOPING THE PRIMARY MESSAGE(S)**:

- I Educate candidates and Montana citizens about philanthropy and the Task Force
 - A. Develop message about what voters think of the tax credit – testimonials:
 1. Individuals and families that have made use of the tax credit
 2. Community leaders whose communities have benefited
 3. Professional financial advisors whose clients use the tax credit
 - B. Document the benefits to non-profits in Montana (partner with Montana Non-Profit Association to develop stories)

PUBLICITY STRATEGIES: TIE IN WITH PUBLIC POLICY AGENDA AND PHILANTHROPY EVENTS:

- I. Initiate an annual media blitz that generates public awareness through:
 - A. Press conferences
 - B. Press releases - news stories with photos if possible featuring Montanans benefiting from the tax credit to be submitted to dailies and weeklies
 - C. PSAs – Electronic media
 1. Work with a TV station to produce ads
 2. Arrange with Montana Broadcasters Association to run “Non-Commercial Sustaining Announcements” at a discount
 - D. Public Radio interviews/PSAs
 - E. Commercial Radio/TV interviews
 - F. Radio Talk Shows (call-in programs)
 - G. Working with professional associations (targeting their newsletters)
- II. A Theme: Is this our task and is this the time to do it? (Please see these as brainstorming.)
 - Giving for Montana's Future
 - Forging Montana's Future
 - Supporting Generosity in Montana
 - Endowing Montana's Future
 - Building Generosity into Montana's Financial Future

- Endow Montana
- Montana’s Treasure: Philanthropy
- Giving and Caring: Building Our State
- Bright Futures from Present Gifts

EVALUATION

- I. Create and implement methods for assessing the effectiveness of the relationship between the governor, expatriate Montanans and snowbirds and report to the governor
- II. Create and implement methods for assessing the effectiveness of the effort to reach foundations and report to the governor

Sid then handed out the draft action plan from her subgroup, which had the assignment of focusing on the candidates in the overall task of making philanthropy and the Task Force part of the public policy agenda.

Sid first gave a report on “Endow Nebraska.” She said that their bill (basically the Montana Endowment Tax Credit) just went through committee and is close to passing the legislature. Sid had asked former Governor Racicot if he would help, and he said yes, he would write a letter and call the Nebraska governor, telling of Montana experiences and encouraging his support.

Before discussing the candidate action plan, Judy asked if anyone was assigned the task of focusing on young philanthropists, who tend to be “cause related” as opposed to community oriented. Sid suggested that that would be part of developing the message: how to target the audience(s) we want to reach.

Sid first laid out what their subgroup saw as its assignment:

A TASK FORCE GOAL: Make philanthropy and the Task Force part of the agenda of the next Governor, other statewide officials, and legislators.

COMMITTEE TASK: Present a plan at February meeting on how to educate, inform and raise awareness of the importance of philanthropy and the Task Force's role, seeking support from statewide elected officials and legislators, to ensure this goal is reached.

COMMITTEE MEMBERS: Sid Armstrong, John Delano, Aidan Myhre, Clark Pyfer, Bob Vogel

INTRODUCTION: Committee members believe we must move swiftly to use the opportunity the current election year presents. Gubernatorial candidates are of particular interest, as the Task Force will seek to have the next Governor re-establish the Task Force and provide support for it.

Several committee members also want to be involved with the development of the message, and, when it is developed, are willing to serve on a committee to implement the plan, as adopted by the Task Force.

The Committee seeks inclusion on the subsequent committee(s) of Steve Browning and Mike Halligan, in addition to any other Task Force member interested in serving.

A further recommendation is an invitation to selected legislators who have been especially helpful in promoting the tax credit legislation, including Emily Swanson, and others, including Holly Franz, CPA Lobbyist Aimee Grmoljez, of Browning, Kaleczyk, who worked with Task Force lobbyists, to serve as advisors to the committees for this effort. (Also discussed: Cindy Younkin, who carried the tax credit bill in the last regular session and who is running for the State Supreme Court.)

RECOMMENDATIONS:

THE MESSAGE: The message must be

- ➔ Carefully crafted
- ➔ Fit on one page
- ➔ Be delivered consistently
- ➔ Bipartisan so all candidates will be willing to make it part of their message

It should create a public policy framework, through which the Task Force can filter public policy ideas as they affect philanthropy, whether it be in the area of tax policy, economic development or policies regarding the operation of nonprofits, such as annuities.

The message should emphasize:

- ➔ The important role played by the philanthropic community in economic and community development (not just charity, but building the economy)
- ➔ The important role played by the philanthropic community in building social capital and strengthening the quality of life (i.e. bringing people together)
- ➔ The important role played by the philanthropic community in providing resources for a wide variety of needs and opportunities
- ➔ The important role played by the business community and government in strengthening philanthropy
- ➔ The success of the tax credit in building permanent funds for charities and communities
- ➔ The success of the collaborative work of the Task Force in bringing together government, private business and philanthropy to use philanthropy as a strategic tool in building our state
- ➔ The overall accomplishments of the Task Force
- ➔ Judy suggested adding some emphasis on “why be a philanthropist? What’s in it for me?” and what’s in it for the gubernatorial candidates.
- ➔ Jim suggested positive talk about tax policy. (As an example, he used the upcoming intergenerational transfer of wealth: if every one of those people were engaged in philanthropy, it would have a huge impact. That’s where tax policy is so important.)

The reverse side of the one-page message can be used for examples, graphs illustrating various economic impacts etc.

DELIVERING THE MESSAGE SEEKING SUPPORT: We believe a three-tier approach will be most effective:

- ➔ From the top (political parties, the Congressional Delegation, former top elected officials, certain associations, such as the Montana Chamber of Commerce and the Montana AFL-CIO)
 - ❖ Ask each party to include support in the party platforms (the Task Force could write it for them)
 - ❖ Ask the delegation and Governors Martz and Racicot for a joint letter to all candidates and holdovers requesting their support
 - ❖ Ask the Chamber and the AFL-CIO for formal expression of support (in their resolutions/platform)
 - ❖ Post this support on EndowMontana's website; each nonprofit linked to the website will be asked to post it

- ➔ From influential friends and supporters (letters and visits from Task Force members, board members and staff of selected nonprofits who have close contact with candidates)
 - ❖ Task Force members will agree to write or visit candidates with whom they have a relationship, singly or in a small group
 - ❖ Task Force members will identify appropriate nonprofit board and/or staff for similar letters and meetings with candidates and request this assistance from the people so identified

- ➔ From the grassroots (letters and visits from Task Force members, board members and staff of selected nonprofits, whether or not they are personally acquainted with candidates)
 - ❖ Task Force will identify the top 15 or so nonprofits, among those represented on the Task Force, or those who have worked with Task Force lobbyists, requesting this support. Task Force would supply generic letter, requesting each to add specific relevant information (e.g. specific examples of how philanthropy has made a real difference)
 - ❖ Among these nonprofits would be:
 - United Ways
 - Hospital Foundations
 - Montana Community Foundation
 - Yellowstone Boys and Girls Ranch Foundation
 - University System and private colleges
 - Montana Association of Churches
 - Montana Education Foundation

AFTER NOVEMBER ELECTIONS

- ➔ Using the same general strategies outlined for reaching candidates, follow-up with elected officials asking for appropriate specific commitments, as developed by the Task Force

COORDINATING THE WORK

- ➔ Initial efforts to be coordinated by Task Force members:
 - ❖ Committee members have already agreed to contact:
 - Delegation
 - Former governors
 - Gubernatorial candidates
 - Political parties' Chairs and Executive Directors
 - Montana Chamber and Montana State AFL-CIO
 - Selected legislators
 - ❖ Initial contacts with Boards and Influential People to be coordinated by Task Force members
 - ❖ Results to Amy for coordination

- ➔ As this work becomes more intensive, develop a budget and funding sources to:
 - ❖ Increase Amy's time to serve as clearinghouse
 - ❖ Retain someone else to serve in this capacity

Sid stressed that the clear priority is to develop the message. She suggested the group use Galen's Internet bulletin board for this purpose (Galen will set this up). The group that will develop the initial message will present it at the March Task Force meeting.

Spence asked if anyone had ever approached MACO, the association of County Commissioners? No one had; Sid thought it was a good idea. Once we develop the message, it could be passed on to them, since they have all of the candidates speak to them at their regular meetings. Sid thought that the League of Cities and Towns would be good to contact as well.

Sid suggested that each Task Force member write down the list of candidates with whom they'd be willing to contact. We could share those lists at the March meeting. Sid will bring to that meeting the list of candidates who have filed to date.

As for the political parties and their platforms: Sid said she had a meeting with Bob Ream, chair of the Democratic State Party, on an unrelated subject, but mentioned that the Task Force might be requesting the inclusion of a philanthropy plank in the party platform, and he was very open to it. Clark and Peter Sullivan will talk with the Chair of the Republican State Party.

UPDATE ON CARE ACT

Jim reported that, at this point, the CARE Act is in peril before Congress..The reason: the argument will be that it is too expensive (\$12 billion revenue loss) in light of growing budget deficits and the war. The holdup has to do with the democratic leadership in the Senate preventing the bill from going to Joint Committee. If the IRA rollover and a few other things could stand alone, which he pitched along with Steve Browning and Sharen Peters in DC last year, he thinks it could go through. He said he'd contact Steve about the possibility setting up another meeting with Sen. Baucus and Jonathan Selib in DC to discuss the possibilities. Several members wondered if the Task Force couldn't be playing a more active role in this.

FINANCIAL DISCUSSION

Sue suggested that the group prioritize the elements in the action plans. Ralph suggested that the media component be put on hold until we have a new governor. It could also be costly. All agreed that the candidate component should be a top priority.

Sue asked about timing: the governor gets elected, then inaugurated, then the legislature is in session. She asked when we do a “media blitz?” Aidan suggested we don’t think in terms of a “blitz,” but that there will be plenty of media opportunities between now and the 2005 legislature. She noted that the DOR is looking at the tax credit numbers now. We need to be mindful of those sorts of opportunities. Sue agreed that the media idea is about telling the world (Montana) about how good philanthropy is; it doesn’t have to be tied in to the governor.

Aidan said there are some opportunities now – like April 15 tax day. It’s a good time to talk about philanthropy. Not necessarily a “media blitz,” just taking advantage of the opportunity to get our message out. Ralph agreed, and added that meeting with editorial boards would be good for that. Aidan said she’d get the numbers from the DOR when they came out. She thought they’d cover as recently as the 3rd quarter of 2003, which covers through when the tax credit was changed back to the original version. The 4th quarter probably won’t be out until June. She predicted we’d see a drop in those claiming the credit.

Sue suggested looking at other parts of the action plans – putting the more expensive elements aside. Sid reiterated how successful the Governor’s Conversation was and suggested that we propose to the new governor that he hold another, which we could organize. Peter said that some Montana foundations have budgets for promotion, which we might be able to tap into for this purpose. Sue noted that once someone is asked to give, they tend to become more committed to the cause. Judy suggested asking the Stock Farm and other “gated communities” to contribute. Sue suggested that we start thinking about a Governor’s Conversation – who would run it, where and when, etc. – and agreed it would be a great way to involve the foundations.

DEVELOPMENT PLAN

Ralph handed out the Development Plan that he'd drafted last year, which had spurred the group to hire Ginny Tribe for a strategic planning session. Dennis said that we still need to develop a concrete pitch to foundations as to why they should give in a non-legislative year. He reiterated that people should be incorporating the Task Force contribution in their annual budget. Judy said that she has been working on an outline making the case for giving, which she would share with the group. Sue thought it would be good to develop a brief case for giving, along with a boiled-down version of our plan, what we do.

Sue asked if anyone foresees any major costs between now and the April meeting (besides basic operating costs). No one thought so.

MEMBERSHIP UPDATE

Someone pointed out that there is no official church representation on the Task Force. Aidan suggested Sharon Hoff, who used to be with the Montana Association of Churches and was very helpful during the legislative session, although she wasn’t sure if she still held that position. Sid said she would be good, since it is a statewide organization. Aidan and Sid will follow up on that.

NEXT MEETING

It was agreed that the next meeting would be at the regular time: **Thursday, March 11 at the Northwest Power Planning Council from 10 until 2 pm.**

Meeting adjourned at 1:30 pm.