

The Cultural Diversity Alliance

Phase II: Governance

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Final Report

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and Change at The Field Museum
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The Cultural Diversity Alliance

Working Vision:

The Cultural Diversity Alliance is a consortium of Chicago-area ethnic museums, cultural centers, and historical societies in partnership with external institutional stakeholders dedicated to promoting the value and public understanding of cultural diversity.

Working Mission:

The Cultural Diversity Alliance's mission is to serve as the public voice and convener of local community-based ethnic museums, cultural centers, and historical societies in partnership with external institutional stakeholders to promote the value of cultural diversity as a powerful asset in our communities through public/private partnerships, advocacy, public education, and tourism.

The Alliance will:

- * Develop a dialogue that promotes public understanding of the value of diversity in building healthy communities.
- * Build partnerships with public and private institutions by sharing and leveraging institutional resources for educational programs, public exhibitions, promotions, and events.
- * Address issues of change and transformation in local communities and advocate on public policy issues of mutual concern for alliance members.
- * Design educational diversity programming for youth, families, schools, and general audiences.
- * Promote tourism in the region through marketing campaigns that highlight local ethnic communities.
- * Offer member organizations mentoring services, professional development programming, and technical support.
- * Assist member organizations regarding facility management issues and identifying ways to share resources.
- * Create awareness and raise the general profile of member organizations.

For more information about The Cultural Diversity Alliance you can e-mail Jennifer Amdur Spitz of Amdur Spitz & Associates, Inc. at Jennifer@amdurspitz.com or members of the Alliance Steering Committee listed on page 24.

Phase I - The Cultural Diversity Alliance Strategic Planning Executive Summary is available at:
www.fieldmuseum.org/research_collections/ccuc/cultural_alliance.htm
 Phase II - The Cultural Diversity Alliance Governance Executive Summary will be available as a PDF
 by 11/15/05.

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The Cultural Diversity Alliance EXECUTIVE SUMMARY

Introduction

The Cultural Diversity Alliance governance development (Phase II- Governance) progressed between June 20, 2005 and September 30, 2005 with the input of the Alliance Steering Committee and The Field Museum's Center for Cultural Understanding and Change (CCUC). Amdur Spitz & Associates, Inc. (ASA) was contracted to guide this process. On September 30, 2005, the committee presented the recommendations outlined in this Executive Summary to the Cultural Connections partners - future core members of the Alliance.

Procedure

The Cultural Diversity Alliance Steering Committee met seven times during this period to work towards developing a governance structure. The committee compared and contrasted five governance models for organizations that share features with the Alliance and have a wide variety of approaches to how they are organized. We discussed features that we liked and disliked about each, and reflected upon the needs of the Alliance and the interconnected nature of governance decisions. Three meeting reports were shared with all Cultural Connections partners to support an open and inclusive development process through their feedback and invitations to participate in all these meetings.

The committee made decisions that fall roughly into the following categories:

- 1) Membership
- 2) Governance - Board, director, committees
- 3) Organizational Strategy - 501c-3 or fiscal agent
- 4) Next Steps - Phase III

Additionally, ASA recommended to do a Needs/Asset Survey of core members to help the Alliance determine its programmatic priorities, governance structure, and to guide us in structuring partnerships that are mutually beneficial. This survey was conducted by CCUC and some of its major results are shared in Appendix C.

EXECUTIVE SUMMARY

Concerns about the Alliance competing with members in fundraising were discussed, and it was clarified that the Alliance will focus on what we can achieve together that its members cannot do alone. We recognized that this conversation will come up again and again until we have more clarity and definition for the Alliance.

A quorum of at least five out of eight steering committee members was present at each meeting. Although we only need a simple majority to make decisions, members present unanimously approved all decisions represented here.

Summary of Key Decisions

- The Alliance will consist - initially - of up to 35 Core Member organizations (ethnically-based museums, cultural centers and historical societies) and unlimited Partner Institutions.
- Leadership will be diverse and distributed, with Alliance board members voted in by the membership at large.
- Projects funded by the Alliance will need to be collaborations between two or more Core Members or Core Members and Partners.
- The Alliance will initially seek a fiscal agent, and will plan simultaneously to become an independent 501c-3. We expect to operate independently within the next three years.

EXECUTIVE SUMMARY

Guiding Principles

- Governance should be transparent.
- Collaborations should be organized around the needs/assets model for building partnerships.
- We should have a clear and participatory process for how we redistribute funds.
- Projects funded by the Alliance will need to be collaborations between two or more Core Members or Core Members and Partners.
- Leadership should be diverse and distributed.
- We believe in building leadership roles among members and hiring a managing director to hold it all together.
- Member leaders should direct thought leadership and drive the organization.
- Board members should be elected by the membership at large.
- Rotating and distributed leadership allows for more diversity in the leadership team.

MEMBERSHIP

Definitions

Core Members - community-based ethnic museums, cultural centers and historical societies. Must demonstrate a multi-faceted benefit to their ethnic community and be located in the 6-county Chicago metropolitan area.

Partner Institutions - major institutions that have cultural and arts interest but are not ethnic community-based. There is no limit to the number of partner organizations in the Alliance. There are no geographical limitations for partner organizations.

Organizational Requirements

To be eligible to be members of the Alliance, Core Members and Partner Institutions must have the following:

- Mission statement that supports the values of the Alliance
- Bylaws
- Board of directors
- 501c-3
- A commitment form signed by their executive director and board leadership

MEMBERSHIP

Nomination and Election to Alliance

Core Members

- Core membership status is automatically granted to Cultural Connections Partners who submit a signed commitment letter.
- Core membership will be capped - initially - at 35 organizations in the Alliance. The cap can be lifted by a 3/5-majority vote from the board.
- New Core Members will be nominated by the Membership Committee and approved by the Board or Directors.
- The Membership Committee of the Board will seek Core Members who:
 - Increase the ethnic diversity of the Alliance
 - Increase the core competencies of the Alliance
 - Demonstrate their multi-faceted benefit to their ethnic community
 - Have a community-based ethnic museum, cultural center or historical society in their mission
- There may be more than one member from the same ethnic group, keeping in mind the goals of the alliance.

Rationale: We chose to cap core membership at 35 because it provides enough members to draw from for committees and projects, while keeping the number few enough so that we can develop familiarity and strong working relationships with one another. Since membership renewal is contingent upon participation in the Alliance, limiting the number of members - initially - assures that the Alliance will grow stronger.

MEMBERSHIP

Nomination and Election to Alliance

Partner Institutions

- Partner status is automatically granted to The Field Museum and Chicago Historical Society upon signing a letter of commitment.
- Additional partners will be nominated by the Membership Committee and approved by the Board.

Partner Institution's Value Proposition

Partner institutions receive from the Alliance:

- Access to first voice and cultural expertise
- Access to diverse audiences
- Access to resources such as language, library and specific collections
- Access to additional community resources and partnership opportunities
- Deeper knowledge of contemporary urban life in the Chicago area

MEMBERSHIP

Roles and Responsibilities

Core Members

- The membership committee will review Core Members every three years and recommend them to the board for continued membership in the Alliance. Members that do not fulfill membership requirements upon three-year review may be replaced. To continue membership, organizations must:
 - Submit a viable project every three years
 - Participate in a collaborative project with at least one partner institution or core member every three years
 - Participate in meetings
 - Be active on at least one of the committees
 - Pay dues on time
 - Maintain core member criteria

- New members will be nominated by the membership committee and approved by the Board.

- Members may go on hiatus for up to eighteen months with board approval.

Partner Institutions

- Partners will be reviewed by the Board every three years and to remain in the Alliance they must fulfill the following criteria:
 - Submit a viable project every three years
 - Collaborate with multiple core members at least once every three years
 - Participate in meetings
 - Be active on at least one of the committees
 - Pay dues on time
 - Host meetings and/or make space available to the Alliance
 - Maintain partner institution's criteria

MEMBERSHIP

Membership Privileges

- Staff of Core Members and Partner Institutions should be considered members of the Alliance and have privileges.
- Any staff or board member of a Core Member or Partner Institution can serve on a task committee.
- Board members and leadership will be elected by membership at large.
- Each Partner Institution and Core Member organization will have two votes in board elections.

Dues

- Core Members and Partner Institutions will pay annual dues.
- Dues levels will be on a sliding scale and based upon the annual operating budget for each organization.

MEMBERSHIP

Non-Members

- We welcome non-member organizations to partner in Alliance projects and programs. We term non-members ASSOCIATES.
- Associates must apply to participate in a project in collaboration with a Core Member.
- Associates may be arts organizations or even organizations that might qualify for Core membership but are not Core Members yet.
- Associates are exempt from the organizational requirements of Core Members and Partners and may include individuals and for profit companies.
- There is no maximum number of Associate organizations.
- Associates are not required to pay dues.

GOVERNANCE

The Alliance will be governed by a Board of Directors and a Managing Director who will serve at the discretion of the Board of Directors.

Board of Directors

There will be 30 board members:

- 1/3 of the members should be from core member organizations (can be staff or board reps)
- At least three board members should be from partner organizations (can be staff or board reps)
- At least two members should be humanists/academics
- At least 1/2 of the board should be a fundraising board

Board of Directors

Nomination and Election

- The Nominating Committee of the board will nominate a slate of board members and officers.
- The Steering Committee will approve the slate of board members and officers.
- Board officers and board members will be voted in by the general membership.
- Each Core Member and Partner Institution will get two votes.
- Committee chairs must be board members.
- Directors serve a three-year term, with 1/3 of the membership coming up for re-election each year. Initial appointments will be made for two, three and four years.
- Board officers are elected by the general membership to a two-year term.
- Officers can serve a maximum of four consecutive terms.

GOVERNANCE

Board of Directors

Roles and Responsibilities

- Raises money
- Hires director and annually evaluates performance
- Approves annual budget and assesses financial performance
- Approves program priority areas and annually assesses progress towards goals and objectives
- Provides fiscal and management oversight
- Participates in monthly board meetings

Managing Director

Roles and Responsibilities

- Fundraising
- Hires staff with board approval
- Does annual budget
- Develops programs, projects and proposals in collaboration with members
- Facilitates the best work from members and committees
- Develops and manages member services
- Branding, marketing and promoting the Alliance
- Manages day to day financial and programmatic activities and evaluates performance against stated goals and objectives

GOVERNANCE

Board Committees

Executive Committee

- The Steering Committee will serve as the Executive Committee and Governance Committee until Board elections are held.
- Membership will include all elected officers of the Board and the Director.
- The Committee will oversee governance and finance.
- Approves nominating committee recommendations for board and leadership and final slate for election.
- The Executive Committee shall conduct the business of the Alliance between meetings of the Board of Directors.

Grants Committee

- Seeks grant opportunities, reviews guidelines, writes and submits grants.
- Reviews accountability and evaluation data to assure that funds are spent in accordance with grant terms.
- Works with Director and Program Committee to submit grant reports.
- Should be a working committee, largely made up of Core Members and Partner Institutions.

Marketing and PR Committee

- Seeks opportunities to promote The Alliance members and projects locally, nationally and internationally.
- Provides access to pro-bono and other services for PR, marketing, promotion and branding.
- Oversees web communications and forms linkages between Alliance projects and programs and other organizations that can advantage the Alliance's public position.

GOVERNANCE

Board Committees, continued

Nominating and Membership Committee

- Nominates board members and board leadership
- Nominates committee chair people
- Nominates core members
- Nominates partners
- Responsible for oversight and delivery of member services and communications

Program Committee

- Establishes program priority areas
- Reviews program and project proposals from core members and partners
- Facilitates collaborative programming and partnerships
- Identifies funding sources for priority program areas
- This is a working committee, made up of Core Members and Partner Institutions.

Fundraising/ Development Committee

- Identifies and pursues individual, foundation and corporate contributions
- Plans fundraising events and initiatives

Task Committees

- Task committees will be set up to coincide with selected Alliance projects, for example a task committee may be responsible for developing projects with CPS.

ORGANIZATIONAL STRATEGY

Initial Three-year Strategy

To start as a 501c-3 or to get a fiscal agent for an interim period?

Advantages of a fiscal agent

- Could attract large grants from the start
- Could spend our time starting programs and building partnerships because infrastructure is in place from host organization
- Conceivable to transition to independence in two-three year timeframe
- Any arrangement would need to be set up with a regular review period by the board

Disadvantages of a fiscal agent

- Perception of being controlled by host organization
- Potential reality of being controlled by host organization
- Potential conflict with competing with host organization for funds from same source (more than one fiscal agent?)

ORGANIZATIONAL STRATEGY

Discussion/Recommendations

The Committee recommends working with a fiscal agent to begin with. The Committee felt that the advantages of being able to raise money and begin project work immediately outweighed the potential disadvantages of autonomy. It is also believed that we could negotiate a favorable agreement with a fiscal agent that would preserve our independence. A fiscal agent would allow us to raise larger grants than we could as a brand new organization without a track record, especially from federal and state funders.

After examining the Alliance's needs and assets and those of some potential categories of fiscal agencies, it was decided that a university or college would make the best fiscal agent for this project. But we recommend exploring some other options as well.

We recommend beginning the process of setting up a 501c-3 within the first year. As we become established, more grants could go to our organization and we can build our operating budget and track record.

ORGANIZATIONAL STRATEGY

Fiscal Agency Terms

Any fiscal agency agreement will need to be negotiated. Following is a list of variables that we will need to negotiate with a potential fiscal agent and that the group feels strongly about being able to control:

- Co-branding the host organization
- Streamlined access to our money, i.e., our director can sign off for payment from the accounting department without going through a bunch of departments
- No or few restrictions over fund raising from the same sources as the college
- Freedom to work with a secondary fiscal agent
- No restrictions on the programs, projects and priorities of Alliance initiatives
- Limited agreement, with no strings attached when the Alliance chooses to become independent

ORGANIZATIONAL STRATEGY

Needs/Assets of Alliance and Fiscal Agent

As with any partnership, the Alliance and our fiscal host must achieve mutual benefit for the partnership to work.

This is the list of needs the Alliance is seeking to fulfill through the partnership in a roughly prioritized order:

- Bookkeeping
- Track record with funders/reputation
- Grant writing
- Academic expertise/scholarship/guidance
- Space and some staff support
- Staff assistance, students, workers, work study students
- PR/visibility
- Outreach to new communities
- Networking
- Communications and technology

Here are the assets that the Alliance has to offer the host institution:

- Organizations representing a diverse cross section of communities
- Outreach
- Recognition - expertise, faculty, students
- Visibility
- Conduit to fulfill their mission
- Student learning opportunities
- Partner institution status in the Alliance
- A seat on the Alliance board
- Recognition in our print and marketing materials
- International, national and local admissions recruitment opportunities
- Up to 5% fiscal agency fee

ORGANIZATIONAL STRATEGY

Core Member Needs/Asset Survey

From what we see in the data, most Cultural Connections partners/Future Core Members responded that they hope that the Alliance will benefit their organization as follows:

- Growing the value of their organization in the city of Chicago by increasing their visibility and access to funding.
- Helping them fulfill their mission by generating partnerships and collaborations; providing access to technical support, professional development, and networking opportunities; and by raising the funds to do such work.
- Taking advantage of economies of scale in purchasing commodities and services.
- Forming partnerships with Chicago Public Schools to be able to impact curriculum.

Information gathered in the Needs/Assets survey will be instrumental in guiding the development of Phase III, including the business plan for the Alliance and setting programmatic priorities.

NEXT STEPS

Phase III

The work in Phase III will be divided in two-part schedules:

Part One, October 1, 2005 - January 31, 2006

Part Two, February 1, 2006 - May 31, 2006

The expected date to launch the Alliance is June 2006. This two-part schedule will allow the Alliance Steering Committee to evaluate our progress at the end of the first part and incorporate any additional needs/goals in the second part. The Steering Committee voted unanimously to continue to work with the current consulting firm, Amdur Spitz & Associates to accomplish the goals set out in Phase III.

Goals

The Alliance Steering Committee has outlined the following goals to be accomplished during Phase III. These goals will be addressed in a continuum and with some simultaneity during both parts of Phase III:

- Research and meet with potential fiscal agents, identify a fiscal agent and negotiate an agreement.
- Develop a business plan and operating budget that reflects the core member's needs and assets.
- Initiate the board nominating process and set up the election system.
- Initiate the development of the governance committees.
- Outline the director's responsibilities and criteria.
- Develop a PR and marketing plan including communications materials such as a graphic identity for the Alliance, brochure and e-newsletter.
- Develop a fundraising plan, case study and draft a template proposal.
- Finalize Alliance membership and partners criteria
- Complete all by-laws documents and binder with documentation of development process.

NEXT STEPS

Potential Fiscal Agents

The Steering Committee discussed many potential fiscal agents and prioritized the following list as the best candidates with whom to initiate discussions, however this list will evolve as we learn more about these candidates and add new ones.

- DePaul University - Multi Cultural Center
- Columbia College Chicago
- University of Illinois at Chicago - either Great Cities or Jane Addams Museum
- Loyola University Chicago - Center for Urban Research and Learning
- Illinois Humanities Council
- The University of Chicago (International House)

APPENDICES

Appendix A **Meetings/Proceedings**

The Cultural Diversity Alliance Steering Committee met seven times, for two-three hours each meeting during Phase II planning. Detailed agendas, proceedings and status reports are available upon request.

Meeting Dates:

June 20th, July 1st, July 15th, July 22nd, August 19th, August 26th and September 16th

Appendix B **Steering Committee Membership List**

Widad Albassam walbassam@earthlink.net
Arab American Action Network (Arts Council)

Tamara Biggs Biggs@chicagohistory.org
Chicago Historical Society

Rosa Cabrera rcabrera@fieldmuseum.org
The Field Museum, Center for Cultural Understanding and Change

Mary Doi maryldoi@aol.com
Chicago Japanese American Historical Society

Jorge Felix felixjorge@msn.com
Institute for Puerto Rican Arts and Culture

Kerstin Lane klane@samac.org
Swedish American Museum Center

Jan Lorys jan.lorys@prcua.org
The Polish Museum of America

Joe Podlasek joep@aic-chicago.org
American Indian Center

Appendix C **Needs/Assets Survey of Core Members PowerPoint Presentation**

The Cultural Diversity Alliance

Assets and Needs Survey

Who We Are

Our People

Employees

5 full-time 4 part-time

Volunteers

5 weekly 22 occasional

Interns

4 per year

Members

75% ethnic community
25% general population

Our Communities

Populations from 3,000-3,000,000 in the Chicago region
Average size of 300,000 people

Finances

Annual Budget

Range from \$5,000-800,000
Average of \$234,485

Sources of Funding

Percentage who reported

Individual donors	100%
Members	78%
Foundations	56%
City	56%
Collaborations	50%
Federal/State	50%
Other	33%
Endowment	17%

Infrastructure

Space

- 80% have a dedicated space
- 56% of respondents own their space

Over half of respondents have the following

- General storage
- Offices
- Public restrooms
- Conference rooms
- Exhibition space
- Library/archive
- Collection space

Programs

Respondents programming includes

- Exhibitions
- Special events
- Skill building and heritage programs
- Youth and senior programs
- Social services
- Research opportunities
- Community organizing

Leadership

Respondents provide leadership in their communities by offering

- Education
- Assistance to immigrants and youth
- Advocacy
- Providing space
- Facilitating unity and communication

Collaborations

Collaboration within CC

- 61% of respondents reported collaborations
- Respondents without their own space = most collaborations
- Respondents with extensive facilities = no collaborations

Collaboration outside of CC

- 88% of respondents reported collaborations
- Other arts and cultural organizations
- Social service organizations
- Local governments
- Often along lines of cultural linkages
- Partners of all sizes and resources

Benefits of Collaboration

- Knowledge (especially technical and developmental)
- Visibility and increased audience
- Resources (funding, people and space)
- Bonds to other communities

Benefits of The Alliance

Core members hope to achieve the following benefits from participation in The Alliance

- Growing audiences, visibility, and access to funding
- Gaining access to technical support, professional development, and networking opportunities
- Taking advantage of economies of scale in purchasing commodities and services
- Forming partnerships with Chicago Public Schools to impact curriculum

Partner Contributions

Core members reported the following as assets they can contribute to The Alliance

- Commitment
- Program content and pedagogy
- Access to audience
- Access to organizations and institutions
- Experience (including technical knowledge)
- Space

Observations

- To leverage the advantages of size requires having size
- Partners are looking for expertise that the majority do not report; collaborations with partner institutions outside of the core members will be key
- Unreported assets: unrecognized or unavailable?