

Board of Directors Meeting
Wednesday, September 21, 2022 5:30PM – 7:00PM

Board Attendees: Marc Richter, Ronald Claiborne, Daniel Goldhagen, Setsu Goto, Howard Sendrovitz, Marilyn Cohen, Jennifer Hanley, Elana Slobodien, Yuka Hashimoto, Yukari Saegusa

Staff: Larisa Gelman, Thomas Cawley, Luz MacManus, Garrett Obrycki

Ron Claiborne called the meeting to order at 5:35pm.

Welcome and Opening Remarks: Ron Claiborne, Chairman of the Board

VOTE: To approve minutes of June 9, 2022 Board of Directors Meeting (attachment)

- Motion: Daniel Goldhagen
- Seconded: Howard Sendrovitz

VOTE: Board Class of 2022 Term Renewal

- Motion: Marilyn Cohen
- Seconded: Marc Richter
 - Ron Claiborne
 - Peter Glaser
 - Daniel Goldhagen
 - Jennifer Hanley
 - Geeta Sharma
 - Howard Sendrovitz
 - Yuka Hashimoto

Organizational Update: Larisa Gelman, Executive Director

- **Board Handbook & Portal:** Larisa requested updated bios for the Board Handbook to be distributed in the coming weeks. She suggested a digital handbook, which would save the organization \$1500 and further the organization's mission to be green. Daniel, Ron, Marilyn shared in the chat that they are in favor of digital version. Larisa shared information about the Board Portal, which holds zoom links, events, board meetings, and committee information, and when complete, will hold the digital board handbook. The password is "Music" – no username needed.
- **Team Updates:** Larisa shared updates on recent staff promotions including: VP of Development Luz MacManus; Program Managers Justin Withers and Laurent Grant. Larisa also noted that NEXTGen alum Penelope Shvarts has been interning with M&F, conducting data entry.
- **Salesforce & Digitization:** Larisa reported about Classy, a software that processes donations, manages events, and integrates with Salesforce. She continued that the organization was working to integrate DocuSign with Salesforce and the organization is working with Fernanda at Salesforce. Fernanda is also a candidate for the Board. She added that the initial Salesforce solutions partner proposal was in the \$200K range, after which they came back with a second bid for \$30K.
- **Howard asks about communication with Matisse.** Larisa responded that Luz had reached out and M&F will be applying. Larisa noted that Matisse had given foundational support to M&F for 6 years, at \$100K each year. After a meeting with Larisa & Howard, the foundation agreed to consider a \$50K request for operational support.

Nominating Committee Report: Howard Sendrovitz, Chair

- Jennifer recognized Howard for spending the majority of time interviewing the candidates.
- Howard commenced by sharing that it would be better to vote for the Board candidates as a slate, rather than individually. He did provide observations on each candidate:
 - Hannah Chotiner-Gardner: Howard shared that the mission of Hannah's day job organization KIND and M&F are so disparate, that there would not be an overlap in fundraising.
 - Mandy DeFilippo: Howard mentioned that Mandy is very hands on and is looking for a board to get engaged with now that she is back in New York after being in London for some time. Daniel asks how Mandy came to the organization and Howard shares that Mandy was introduced to him through friend at Morgan Stanley, who said she was interested in music. This same friend was a contact of Suzanne Wilson. Ron commented that Mandy was enthused and dynamic and Larisa referenced Mandy's Harvard lecture "Leading from the Middle" and her offer to provide leadership training for M&F staff.
 - Sara Schacter-Erenburg: Howard observed that Sara would provide a public school parent perspective and highlighted her expertise in special needs education. Daniel inquired how Sara came to the organization and Larisa responded that she responded to a Board Strong portal posting. Larisa added that Sara is willing to provide staff training as well.
 - Fernanda Ubatuba: Howard reported that Fernanda is a Salesforce account executive with a background in non-profits. He continued that her support with Salesforce would be beneficial for the organization. Ron shared that he appreciated her energy and interest.

VOTE: Approve Four Board Candidates

- Motion: Ron Claiborne
- Seconded: Howard Sendrovitz

VOTE: Appoint Yuka Hashimoto as Chair of Program Committee

- Motion: Ron Claiborne
- Second: Marilyn Cohen

Development & Marketing Committee Report: Marilyn Cohen, Chair

- FY23 Contributed Income YTD: Marilyn reviewed the concise contributed income summary and shared that M&F had reached 73% of our budgeted goal. She emphasized the need for Board engagement, new corporate & foundation supporters, and specifically Gala sponsors.
- Special Events: Marilyn shared details on the October 31, 2022 cultivation event featuring Midori at Steinway Hall, hosted by Ron. She continued that Midori will perform in the 70-seat auditorium for an underwritten early afternoon event. She concluded that this was a VIP Opportunity and M&F will not be asking for anyone to pay to attend concert.
- Family Engagement: Marilyn reported that Midori & Friends received a small grant for a family concert. She added that this type of program was done years ago for elementary schools and was incredibly successful.
- Gala Updates: Marilyn shared that two honorees were confirmed: Paquito D'Rivera and the D'Addario family. She reminded everyone that Midori will perform and added that tickets would start at \$1200 per ticket. Larisa reiterated that the gala will take place on February 15th, with tables starting at \$10,000 and added that Midori had committed to buying one or two tables. She added that checks were preferred for contributions to avoid the 3.5% credit card processing fee.

Finance & Administration Committee Report: Marc Richter, Chair

- Finance Committee Members: Howard notes that Mandy might not be able to serve on the Finance Committee due to her position at Citadel. Ron asks if voting Committee members can be conducted via email and Larisa replied they can.
- FY23 YTD through 8/31/22: Marc referenced the YTD and Cash Flow document which outlines the FY23 Board approved budget, receivables through 8/31/22 and confirmed contributed income by month. He noted that the total in second yellow column marked “FY23 Total YTD” represents confirmed contributed income either received or pledged. The total operating loss in this column of \$608K represents the gap the fundraising team is working to close with proposals and outreach to prospective funders. He shared that the team was confident in our ability to reach the goal.
- Balance Sheet: Marc reported that current asset liquidity and cash balances improved mostly from:
 - Collection of slower paying and overdue receivables
 - Paydown of critically overdue current liabilities has restored cash planning and control flexibility
 - Operating Income improved to breakeven ordinary earnings from significant FY21 loss
 - ERC (\$184,110) and PPP Loan #2 forgiveness (\$97,800) contributed to significant improvement in retained earnings but are not recurring events
- Operations: Marc reported that unearned income sources reflect post-COVID momentum in restoring and expanding funding sources and earned income improved materially from new post-COVID programming opportunities. He shared that Programming expenses reflected a shift to direct teaching (Play To Learn) and presentation of live performance events (Celebrate! Music). He continued that the composition of non-programming operating expenses reflected a shift to full-time programming support and investment in information and network infrastructure to support flex-work environment and expected reduction in office space requirements after 2024 lease expiration. He concluded that administrative expenses, mostly salaries and benefits, reflected staff rebuilding to support restored programming calendar.
- Threats: Thomas Cawley reported that funding for after school enrichment programs from City and State sources are under review and facing cuts; medical insurance rates likely to increase 20% for community-rated subscribers; M&F was currently evaluating PEOs as one means of getting leverage; some risk of Local 802 seeking assessments to bolster critically underfunded union pension plans; and Monkeypox and COVID outbreaks can interrupt programming with little advance notice.
- Abuse Policy: Tom shared that McCarter produced a straightforward policy that is compliant with NYS & NYC law. This is the first rung of informing and protecting. Midori & Friends is not directly responsible for any of these things unless it happens with anyone who is employed by us or observing M&F employees. Our insurance carrier would like to see a policy within 45 days and M&F has 15 days left to comply. Larisa asks board to read the policy and let Ron know if there anything alarming or unclear. They will have the executive committee vote, compliant with the By-Laws. The Executive Committee agreed to vote on Abuse policy at a later time.

VOTE: Midori & Friends Abuse Policy

On 9/28/22 a majority of the Executive Committee voted via electronic mail to approve the drafted Midori & Friends Abuse Policy.

Program Committee Report: Larisa Gelman, Executive Director

- FY23 Programs Updates: Larisa shared numerous updates, including:
 - As of 9/21/22, 10 school partner budgets have been confirmed and the team has streamlined processes.

- o Play to Learn works best when students can hear live music before the residency, so Celebrate! Music concerts will precede Play to Learn programs.
- o Carol Fineberg is working on assessment/evaluations, and we will be digitizing this process.
- o Shorter than 40-week programs for K-2 will be better served by choral or musical theatre program. We are looking into a pre-instrumental approach.
- o First TA PD is set for October 11th.

- o Celebrate Music! has 10 ensembles on the roster.
- o NEXTGen is focused on high schools that have music in the schools but are not music-specific schools (like LaGuardia). Alumni will be engaged this next year as well.
- o Midori Fellows – takes rising young stars and works with them to present in the schools. A potential fellow may perform on October 31st.
- o Program Team has made connections with Arts Ignite.
- o Earned Revenue prospects were numerous and the team is working to identify new partners.

No Executive Session

Meeting concluded at 7:12pm

DRAFT