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Funding and Marketing Trends for Nonprofit Arts Organizations: Case Study, the Berkshire Music School

This work and its defense approved by:

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Funding and Marketing Trends for Nonprofit Arts Organizations: Case Study, the Berkshire Music School

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by

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Abstract

In the face of financial difficulties and audience stagnation, nonprofit arts and cultural organizations are increasingly adopting marketing and development strategies more often associated with the for-profit world. Part one of the document examines the sources of funding for nonprofit arts and cultural organizations in the United States. It shows how the funding of the arts has changed over the course of the past century, and what sources nonprofit arts and cultural organizations rely upon today. It also examines two of the factors most affecting the financial health of nonprofit arts organizations: the 2000 stock market collapse and economic recession that began in 2001, and the recent cuts in public spending on the arts. Part one concludes with a discussion of the audience for live classical music today, including its size and demographic makeup and the effects that lifestyle changes and the increasing number of entertainment choices are having on attendance at live events.

Part two comprises a case study of the Berkshire Music School, a nonprofit organization involved in music education located in Pittsfield, MA. The school was chosen as a very good example of a small nonprofit arts organization, which due to financial difficulties caused in no small part by the stock market collapse and economic recession is developing marketing and development strategies in order to try and regain a solid financial footing. The section includes a detailed financial analysis based on the audited financial reports for the fiscal years 1997-2003 and an examination, with recommendations for the future, of the marketing and development strategies currently in place.
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Introduction

In the face of financial difficulties and audience stagnation, nonprofit arts organizations are increasingly adopting marketing and development strategies more often associated with the for-profit world. The purpose of this document is to examine the current environment for nonprofit arts organizations, specifically funding and audiences, and to show how one small nonprofit organization, the Berkshire Music School, has begun to develop marketing and development strategies in order to regain its financial health and strengthen its student body.

Part one of the document begins with an examination of the sources of funding for nonprofit arts and cultural organizations in the United States. It will show how the funding of the arts has changed over the course of the past century, and what sources nonprofit arts and cultural organizations rely upon today. It will also examine two of the factors most affecting the financial health of nonprofit arts organizations: the 2000 stock market collapse and economic recession that began in 2001, and the recent cuts in public spending on the arts.

Part one concludes with a discussion of the audience for live classical music.1 This section will examine the size and demographic makeup of the audience for live classical music today and the efforts being made to expand and diversify it. It will also examine the effects that changes in lifestyle and the increasing number of entertainment choices are having on attendance at live events.

Part two comprises a case study of the Berkshire Music School. The school was chosen for a number of reasons. It serves as a very good example of a small nonprofit arts

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1 The discussion will focus on the audience for live classical music because the Berkshire Music School is involved in training musicians in classical music, either for performance and/or as educated listeners.
organization, which due to financial difficulties caused in no small part by the stock market collapse and economic recession is developing marketing and development strategies in order to try and regain a solid financial footing. It is involved in music education and so is playing an important role in the effort to build and secure an audience for classical music in the future. Finally, as a current employee at the school I have been able to gain access to data and information. This section will include a detailed financial analysis based on the audited financial reports for the fiscal years 1997-2003 and an examination, with recommendations for the future, of the marketing and development strategies currently in place.
PART ONE

Funding the Arts

Private and individual philanthropy has always been the mainstay source of funding for the arts in the United States. The Boston Symphony Orchestra, for example, which was founded in 1881, owes its existence to the philanthropy of Henry Lee Higginson, who provided all the necessary funding to build a symphony hall, manage operations, and cover the $900,000 deficit that had accumulated by 1914. In the mid-twentieth century the arts began to receive funding from other sources. In the 1950s, the Ford Foundation, paving the way for other foundations and corporations to follow, began awarding grants to nonprofit arts and cultural organizations. And in 1965 the federal government began its support of the arts through the auspices of the National Endowment for the Arts (NEA).

The scale and impact of these new sources of funding on the arts in the United States was both considerable and unprecedented. For example, in 1955 foundations and corporations contributed $15 million to the arts, an amount that reached $500 million by 1990. Between 1965 and 2000, the NEA awarded over 111,000 grants. As a result, the number and size of nonprofit arts and cultural organizations grew enormously. Over a period of 35 years, 1965-2000, the number of nonprofit theaters increased from 56 to

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3 Previously, through Roosevelt’s New Deal, the federal government had supported the arts by directly employing over 40,000 artists, thereby creating the largest public arts programme in the world.
4 Kotler and Scheff, 5.
340, the number of symphony orchestras grew from 980 to 1,800, and the number of opera companies expanded from 27 to 113.⁶

Today, nonprofit arts and cultural organizations are funded through a combination of earned and unearned income. The table below shows the breakdown of the sources of revenue for nonprofit arts and cultural organizations for the fiscal year 2000.

Table one: Sources of Revenue for Nonprofit Arts and Cultural Organizations for 2000.⁷

<table>
<thead>
<tr>
<th>Source of Revenue</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Earned income</td>
<td>49%</td>
</tr>
<tr>
<td>Unearned income from private contributions</td>
<td>40%</td>
</tr>
<tr>
<td>• Individual</td>
<td>20%</td>
</tr>
<tr>
<td>• Foundations</td>
<td>13%</td>
</tr>
<tr>
<td>• Corporations</td>
<td>7%</td>
</tr>
<tr>
<td>Unearned income from government grants</td>
<td>11%</td>
</tr>
</tbody>
</table>

As table one shows, earned income, such as ticket sales or tuition fees, provides the single most important source of funding. However, nonprofit arts and cultural organizations are still heavily dependent on unearned income to balance their budgets, and particularly upon private and individual philanthropy.

Private philanthropy inevitably fluctuates according to the general economic climate, and this makes nonprofit organizations, especially those involved in arts and

⁶ Ibid.
⁸ Represents direct government funding. Indirect funding, in the form of tax deductible contributions, far exceeds direct funding. For example, in 1989 the NEA’s budget was $169 million, and tax deductions for contributions to the arts probably exceeded $1.6 billion. Milton C. Cummings Jr., “Government and the Arts: An Overview,” Public Money and the Muse: Essays on Government Funding for the Arts, ed. Stephen Benedict (New York: W.W. Norton, 1991), 76.
culture, particularly vulnerable in times of economic recession. For example, during the 1990s corporate and foundation giving to arts and cultural organizations rose dramatically. In 1995 their combined giving totaled an estimated $1.6 billion, $3 billion in 1998, and $4.2 billion in 2001. With the 2000 stock market collapse and the recession that began in 2001, corporate and foundation giving dropped in 2002 by 3.5% (c. $147 million) to $4.05 billion, and, although figures are not yet available for 2003 and 2004, the expectation is that they will show a further decline. In comparison, in the same year, 2002, overall charitable giving by corporations and foundations only fell by 0.7%.\(^9\)

Individual charitable giving, however, has not been so affected. According to the most recent figures from the American Association of Fundraising Counsel (AAFRC) and Giving USA, individual giving remained strong in 2002. Indeed, the amount rose by 0.7% over the previous year (2001), resulting in an estimated amount of $183.7 billion.\(^ {10}\)

Nonprofit arts and cultural organizations are now receiving less public subsidy than in previous years. Unlike Europe, which has had a tradition of state support, public spending on the arts in the United States has always been a contentious issue; the idea has never fully been met with approbation, and some projects funded by the NEA have caused public and political outcry. In 1989, for example, a public and political furor was created over two photographic exhibitions that had, at least in part, been funded with taxpayer’s money. The exhibitions, by Andres Serrano and Robert Mapplethorpe,

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\(^9\) Foundation Center, *Arts Funding IV.*

contained material that many regarded as obscene, and it added impetus to the debate on what kind or type of art public money should support.\textsuperscript{11}

Although the NEA weathered the 1989 storm, it currently enjoys a very fragile existence. In 1996, a pivotal year, appropriations for the NEA were cut by 39\%, from $162.3 to $99.5 million. In the same year Congress voted to phase out the NEA over a two-year period, and in 1998 the House of Representatives voted for its elimination.\textsuperscript{12} However, in 2004 the NEA is still here, and it has shown signs of rallying. In 2004, its appropriations were $121 million, and the NEA’s chairman Dan Gioia has petitioned congress for an increase of $18 million, which would bring the total to $139.4 million for 2005, an amount still far below pre-1996 levels.\textsuperscript{13}

Nonprofit arts and cultural organizations have been hardest hit today by the severe cuts in public spending at the state level. For example, in 2001 state appropriations peaked at $446.8 million. In 2002 they were cut to $411.4 million, drastically cut to $254.5 million in 2003, and amounted to just $272.4 million in 2004, having suffered a further reduction of $82.1 million.\textsuperscript{14} In some instances states had their arts budgets almost obliterated. For example, in 2003 appropriations for Massachusetts were cut by 62\%, and those for California, in 2004, were cut by 90.7\%. Indeed, national per capita arts

\textsuperscript{11} Cummings Jr., 71
\textsuperscript{13} National Assembly of State Arts Agencies (Web page available at http://www.nasaa-arts.org) accessed on 15 April, 2004.
spending in 2004 fell, for the first time since 1996, to below the dollar mark, from $1.21 to $0.93.\textsuperscript{15}

In addition to the affects of the recent stock market collapse and the economic recession, and the cuts in public spending, the think tank RAND has identified three trends that are further helping to shape the current funding environment for nonprofit arts and cultural organizations. Firstly, RAND argues that individuals are giving smaller amounts in larger numbers, rather than a few bequeathing more substantial sums as had previously been the case. This means that in order to maintain contribution levels from individuals, a greater number of people must be solicited, which in turn drives up the costs of fundraising.\textsuperscript{16}

Secondly, foundations and corporations are increasingly awarding grants for specific projects rather than for general operating costs. The danger of restricted grants is that in order to win funding organizations might need to tailor their programs to fit the strictures of the grant, thereby adopting the current policy concerns of the granting body.\textsuperscript{17}

Finally, government funding for the arts has been shifting from the federal to the state and to the local level. In some respects this can be viewed as a positive step, since local arts agencies should have thorough knowledge of their local communities. However, local agencies, RAND suggests, are very sensitive to public opinion, and this could lead to a conservative attitude towards the type of art funded.\textsuperscript{18}


\textsuperscript{16} Kevin F. McCarthy et al, \textit{The Performing Arts in a New Era}, (Santa Monica: RAND, 2001), 87-88.

\textsuperscript{17} Ibid. 88.

\textsuperscript{18} Ibid. 86.
The Audience for Live Classical Music

The audience for live classical music is relatively small. The table below shows attendance data for live classical music for the years 1982, 1992, and 2002.


<table>
<thead>
<tr>
<th>Year</th>
<th>1982</th>
<th>1992</th>
<th>2002</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>13.0%</td>
<td>12.5%</td>
<td>11.6%</td>
</tr>
<tr>
<td>Percentages of adults who attended classical music events</td>
<td>(21.3 million)</td>
<td>(23.2 million)</td>
<td>(23.8 million)</td>
</tr>
</tbody>
</table>

As the data shows, the number of adults interested enough in classical music to attend at least one live event a year is very small, especially when compared to the overall population of the United States. But the figures do also show that this small group is remaining stable; over the course of the twenty-year period, 1982-2002, the percentage decline was just 1.4%.

Just as the size of the audience is remaining static, demographic data from the same SPPA survey indicates that the characteristics of the audience for live classical music, with the exception of age, have remained unchanged. In 2002, for example, the type of person most often to be found attending a live classical music event continued to be white, female, educated with at least one graduate degree, and living in a household with an income above $75,000. Only now, compared to previous years, she is older. In 1992, the age group most represented at live classical music events was the 35-44 year olds (21.3%). In 2002, the predominant age group was the 45-54 year olds (24.9%). And the 2002 survey does indeed suggest that fewer young people, those aged 18-34 for example, are attending live classical events. In 1992 the 25-34 age group represented

18.5% of the live classical music audience and the 18-24 age group 10.7%. In 2002 both percentages had declined with the 25-34’s falling to 14.0% and the 18-24’s to just 8.8%.²⁰

In contrast, the audience for recorded classical music has fluctuated quite considerably. The following table contains data showing the percentages of adults who watched and listened to classical music through the recorded media in the years 1982, 1992, and 2002.


<table>
<thead>
<tr>
<th>Classical Music: Medium</th>
<th>Percentage of Adults 1982</th>
<th>Percentage of Adults 1992</th>
<th>Percentage of Adults 2002</th>
</tr>
</thead>
<tbody>
<tr>
<td>TV/VCR/DVD</td>
<td>25.0%</td>
<td>26.0%</td>
<td>18.1%</td>
</tr>
<tr>
<td>Radio</td>
<td>20.0%</td>
<td>31.0%</td>
<td>23.9%</td>
</tr>
<tr>
<td>Audio Recordings</td>
<td>22.0%</td>
<td>24.0%</td>
<td>19.3%</td>
</tr>
<tr>
<td>Internet (All types of music)</td>
<td>__________</td>
<td>__________</td>
<td>13.1%</td>
</tr>
</tbody>
</table>

In the ten-year period 1982-92 there was significant growth in the audience for recorded classical music, in particular for the radio. Then, interestingly, over the next ten years, 1992-2002, the audience for all three mediums contracted, leaving the 2002 levels for TV/VCR/DVD and audio recordings below those for 1982. One possible explanation for the decline is that the market for recorded classical music reached saturation point during the 1990s. In the 1980s top quality classical recordings became available at discount prices through independent labels such as Hyperion, Chandos, and Naxos. And,

with CD’s and DVD’s being so durable and of such high sound quality, none but the serious collector is likely to buy more than one recording of the same work.

Of course, it is to be hoped that the widespread availability of recorded classical music would stimulate the audience for the live event. However, data from the Cultural Policy and the Arts National Data Archive (CPANDA) suggests that Americans prefer to listen to recorded classical music in the comfort of their homes rather than attend a live event. In 2002, for example, of those who responded to the survey, 18.1% listened to recorded classical music as compared to 11.6% who attended a live event.22

Live classical music continues to be a minority interest, with an audience consisting predominantly of middle-aged and older people who have sufficient time and money to spend on arts and cultural events and who are well-educated. Evidently, live classical music has not and does not attract a wider audience, and possible explanations for this include the reasons why people choose to participate in the arts, how classical music is generally perceived, and practical concerns that prevent people with only a casual interest from attending events.

An individual’s decision to participate in the arts is shaped by many different factors. For example, a person might attend an event out of personal interest or curiosity, or in response to a personal recommendation or a publicity campaign. However, regardless of whether someone is an arts enthusiast or just casually interested, the most influential factor is education. Those who are highly educated are more predisposed to attend an arts event. For example, in 2002, 33.2% of those who attended a live classical event were college graduates, 27.5% had attended college, 24.9% had attended graduate

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school, and 12.1% were high school graduates. While the available data does not indicate the extent to which people received arts education, it is reasonable to suppose that the well-educated are more likely to have been exposed to the arts at school, college, or at home.

It is probable that classical music in general continues to be perceived as elitist. With some justification it can be seen as the preserve of the white, wealthy, middle and upper classes since, after all, these are the classes from which the vast majority of the musicians and audience come from. Additionally, although live classical concerts take place in many different types of venue, most are still held in concert halls that are grand and imposing, where musicians dress formally, the audience is expected to dress well, and where unwritten rules exist such as those dictating when applause is appropriate.

There is also the perception that classical music is costly, particularly, for example, in comparison to a sports match or a rock concert. In actuality this is quite false. Financially, attending a live classical event compares quite favorably with sporting events and is considerably cheaper than attending a live rock concert. For example, a single ticket for the Boston Symphony Orchestra for the 2004-05 season costs from $27 to $95 and a subscription, such as one for six performances, costs between $150 and $546. For the same 2004-05 seasons, a season ticket for the Boston Red Sox costs between $18 and $70, a single ticket for the New England Patriots costs between $49 and $99, and a single

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ticket for the Boston Celtics costs between $10 and $700. Tickets for the current Sting 2004 tour cost from $60 to $850.\textsuperscript{25}

In addition there are practical concerns that can all too easily become obstacles preventing attendance at an event, especially for those with only a casual interest in live classical music or the arts in general. For example, the working lives of Americans are operating on increasingly irregular schedules, and this can make attending an event that is fixed with a specific time, date, and place just too inconvenient.\textsuperscript{26} Practical matters such as childcare, transportation, parking, and personal safety can also be influential on the decision to participate. Cincinnati’s Music Hall and Cleveland’s Severance Hall, for example, were once losing audiences because the areas they are located in were unsafe.


\textsuperscript{26} McCarthy et al, 33.
Conclusion

Funding for nonprofit arts and cultural organizations is no longer available in the amounts it once was. The boom years, from the mid-1950s to the mid-1980s, when money for the arts was so plentiful, have long since past. Government spending on the arts is now a fraction of what it formerly was. Corporations and foundations, though still contributing heavily, are increasingly favoring restricted grants, which inevitably place limitations on the artistic freedom of their successful applicants, and, undeniably, the recent stock market collapse and economic recession has struck a cruel blow to many, including the Berkshire Music School. In the competition for the funding that is available, many nonprofit arts and cultural organizations will lose out. As a consequence, some will need to scale back their operations, and some will probably disappear altogether.

Much of the funding that has been awarded to arts and cultural organizations has been aimed at making the arts accessible to all, and indeed the range of opportunities to participate in the arts has become vast. Ironically, however, this has meant that, at least in some geographical locations, there are now too many performing arts organizations for the available audience to support. For example, Ohio now has three symphony orchestras, in Cincinnati, Dayton, and Columbus, all operating within less than two hours drive of one another. In the Berkshires, the location of the Berkshire Music School, during the summer months the live classical music enthusiast is overwhelmed with choice. In addition to the Tanglewood Festival, which presents a very full schedule that includes the Boston Symphony Orchestra, there are no less than eight chamber music series, two
opera festivals, and a choral festival, as well as numerous theatre productions, dance, jazz, and alternative music festivals.

Despite the increased accessibility of classical music, it still remains the interest of a relative few, and the current audience for live classical events is growing older and fewer young people are attending. If this trend continues, the audience will inevitably shrink. Furthermore, and despite the increasing ethnic diversity of the population of the United States (for example by 2010 it is estimated that one in three children born in the US will be either African-American, Asian-American, or Hispanic),27 the core audience for live classical music will probably continue to be the white, wealthy, middle and upper classes, especially while the general perception exists that it is elitist and expensive.

27 Kotler and Scheff, 9.
PART TWO

Case Study: The Berkshire Music School, Pittsfield, MA

Introduction

The Berkshire Music School is located in the center of Pittsfield, MA, an industrial city lying at the very heart of the Berkshires, a region known for its rich cultural life. Once a major center for the plastics industry, tourism now forms a substantial part of the city’s economy, along with manufacturing, trade, and services. Pittsfield itself has a number of attractions, including the Berkshire Museum, the Hancock Shaker Village, and Arrowhead, the country retreat of Herman Melville. The city, however, shares neither the affluence nor the appeal of many of its neighboring towns, and, especially since the departure of its major employer, GE Plastics, it is struggling to regain its former standing.

Pittsfield has a population of approximately 46,000. Predominantly white, 94.8%, the majority of households, 49.9%, consist of married couples with children. Overall the population is fairly young, with 44.1% between ages 15 and 44, 19.7% ages 45-66, and 17.3% age 65 and over, and not very affluent. For example, the medium household income stands at $29,987, with 4% of the population earning less than $5,000, 12% earning between $5,000 and $9,999, 26.2% earning between $10,000 and $24,999, 16.1% earning between $25,000 and $34,999, 17.8% earning between $35,000 and $44,999, and 6.3% earning $45,000 or more.

These would include, for example, Lenox, which hosts the Boston Symphony Orchestra at Tanglewood and the Shakespeare and Co. Theatre during the summer months; Williamstown, home to the elite liberal arts college Williams College and its prestigious Williams Theatre Festival; Stockbridge, made famous by Norman Rockwell and Edith Wharton; and also Great Barrington, with its numerous antique stores and the Norman Rockwell Museum.

$49,999, 17.3% earning between $50,000 and $74,000, 4.3% earning between $75,000
and $99,999, and finally 3.4% earning over $100,000.\textsuperscript{30}

Formerly known as the Pittsfield Community Music School, the Berkshire Music
School was founded in 1941 by Winnie Davis Long Crane with an endowment of one
million dollars.\textsuperscript{31} The school opened with just forty students, and it remains in its original
three-story building and grounds. What was originally a barn behind the school has been
converted into a recital hall with a seating capacity of 100.

The school has a permanent full-time staff of four: an Executive Director, a
Director of Development (a position created in September 2002), a business manager,
and a secretary/registrar. In addition, it has a current faculty of twenty-seven instrumental
teachers, all of whom are employed on a part-time basis as independent contractors. The
Board of Trustees at present has ten members.

The mission of the School is “. . . to provide quality education in music and
musical opportunities to people in the greater Berkshire community regardless of race,
religion, ethnic origin, disability, age, or ability to pay. The purpose of the school is to
provide a nurturing environment that encourages preservation and development of our
musical heritage and enrichment of life through education in the art of music.”\textsuperscript{32} The

\textsuperscript{30} Information from City of Pittsfield, (Web page available at www.pittsfieldweb.com) accessed
\textsuperscript{31} Winnie Crane (1910-91), was a native of Texas and moved to the Berkshires in 1932. She
served as President of the Board of the Berkshire Music School for thirty-seven years. She was an
incorporator of the Tanglewood Festival (then the Berkshire Symphonic Festival), and served on the
Massachusetts State Arts Council.
\textsuperscript{32} Berkshire Music School Prospectus for the 2003-04 academic year.
school is non-selective and accepts students of all ages and abilities for instrumental instruction.\footnote{For the current 2003-04 academic year, the school offers instrumental teaching for all the orchestra instruments, as well as classical and jazz guitar, voice, and piano. Six faculty members are certified in the Suzuki technique, and seventeen have had some form of graduate study.}
Financial Analysis

The school currently faces some considerable financial difficulties. Table four below details the net assets and endowment for the Berkshire Music School for the fiscal period 1997-2003.³⁴

Table four: Net Assets and Endowment for the Berkshire Music School, Fiscal Period 1997-2003³⁵

<table>
<thead>
<tr>
<th>Fiscal year ending</th>
<th>Net Assets</th>
<th>Endowment</th>
</tr>
</thead>
<tbody>
<tr>
<td>1997</td>
<td>$1,963,597</td>
<td>$1,764,091</td>
</tr>
<tr>
<td>1998</td>
<td>$2,021,731</td>
<td>$1,756,576</td>
</tr>
<tr>
<td>1999</td>
<td>$2,024,896</td>
<td>$1,763,106</td>
</tr>
<tr>
<td>2000</td>
<td>$2,091,579</td>
<td>$1,742,520</td>
</tr>
<tr>
<td>2001</td>
<td>$1,753,062</td>
<td>$1,427,848</td>
</tr>
<tr>
<td>2002</td>
<td>$1,333,325</td>
<td>$963,164</td>
</tr>
<tr>
<td>2003</td>
<td>$1,232,898</td>
<td>$896,561</td>
</tr>
</tbody>
</table>

As the table shows, the school’s net assets, including the endowment, have been falling since the fiscal year ending 2001. Over the course of just four years, fiscal period 2000-03, the value of the school’s net assets has been almost halved. The root of the problem lies in the stock market collapse in 2000. However, starting in either fiscal year 2001 or 2002, with the endowment no longer yielding enough interest to balance the budget, the school began to withdraw from the endowment principal, thereby reducing it further. If the school is unable to replenish the endowment, and it is declining at an alarming rate, it will lose all financial security and close.

³⁴ The fiscal year for the Berkshire Music School runs from 1 August to 31 July.
Table five below shows the school’s earned and unearned income, and expenses, for the fiscal period 1997-2003.

Table five: Earned Income, Unearned Income, and Expenses for the Berkshire Music School, Fiscal Period 1997-2003

<table>
<thead>
<tr>
<th>Fiscal year ending</th>
<th>Contributions</th>
<th>Grants (MCC)</th>
<th>Earned income</th>
<th>Expenses</th>
<th>Profit/loss</th>
</tr>
</thead>
<tbody>
<tr>
<td>1997</td>
<td>$57,163</td>
<td>$14,245</td>
<td>$217,163</td>
<td>$391,963</td>
<td>($103,392)</td>
</tr>
<tr>
<td>1998</td>
<td>$35,149</td>
<td>$15,900</td>
<td>$221,692</td>
<td>$434,473</td>
<td>($161,732)</td>
</tr>
<tr>
<td>1999</td>
<td>$36,215</td>
<td>$14,530</td>
<td>$223,206</td>
<td>$457,771</td>
<td>($183,820)</td>
</tr>
<tr>
<td>2000</td>
<td>$45,961</td>
<td>$16,154</td>
<td>$245,966</td>
<td>$475,208</td>
<td>($167,127)</td>
</tr>
<tr>
<td>2001</td>
<td>$51,991</td>
<td>$12,810</td>
<td>$253,892</td>
<td>$529,343</td>
<td>($210,650)</td>
</tr>
<tr>
<td>2002</td>
<td>$25,329</td>
<td>$10,310</td>
<td>$261,007</td>
<td>$502,861</td>
<td>($206,215)</td>
</tr>
<tr>
<td>2003</td>
<td>$84,626(^\text{36})</td>
<td>$3,900</td>
<td>$288,859</td>
<td>$594,175</td>
<td>($216,790)</td>
</tr>
<tr>
<td>2004</td>
<td>-</td>
<td>$3,900</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

As to be expected, earned income, in the form of tuition fees and instrument rental, forms the greater part of the school’s annual income. Contributions from individuals and corporations form the second most important funding source, and, as the table above shows, these have fluctuated considerably over the years. An all-time low was reached in the fiscal year ending 2002, when contributions amounted to only $25,329. In acknowledgement of the increasing importance of private contributions to the school’s financial health, the Board of Directors created the position of Director of Development and an appointment was made in September 2002.

The school also receives funding from the Massachusetts Cultural Council. The amount the school was granted in the fiscal years ending 2003 and 2004 reflects the 62% cut in the MCC’s appropriations.

\(^{36}\) Includes the value ($30,000) of the donation of two pianos.
The table also shows that while the school has seen a reduction in its income, its expenditure has increased. Over the fiscal period 1997-2003 the school’s expenditure increased by more than $200,000, an amount easily exceeding the rate of increase for earned income.
DEVELOPMENT

History

Given the deteriorating condition of the school’s finances, fundraising has, necessarily, become very important. Prior to fiscal year 2001, which can be viewed as a turning point in the school’s financial fortunes, fundraising had not been so critical. For example, the school was receiving in excess of $10,000 per annum from the MCC (see table five), interest from the endowment was adequate to not only balance the budget but often provided enough to build on the principal itself, and the school was receiving, until fiscal year 2003, an annual donation of $10,000 from an individual contributor.

Initially, the school’s Executive Director and Board of Directors were slow to develop an adequate and effective development strategy. Indeed, it appears that the Executive Director and the Board failed to grasp the severity of the situation and were ill-equipped to deal with it.\(^{37}\) Table six, for example, shows the unrealistic goals set for the 2003 fiscal year.

Table six: Contributions to the Berkshire Music School, Budgeted and Actual, for Fiscal Period 2002-04

<table>
<thead>
<tr>
<th>Source</th>
<th>FY02 (actual)</th>
<th>FY03 (budgeted)</th>
<th>FY03 (actual)</th>
<th>FY04 (budgeted)</th>
<th>FY04 (year to date)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Board members</td>
<td>$1,770</td>
<td>$5,000</td>
<td>$2,400</td>
<td>$3,000</td>
<td>$1,700</td>
</tr>
<tr>
<td>Annual Fund Individual</td>
<td>$10,650</td>
<td>$77,000</td>
<td>$14,808</td>
<td>$25,000</td>
<td>$14,604</td>
</tr>
<tr>
<td>Annual Fund Corporate</td>
<td>$2,100</td>
<td>$75,000</td>
<td>$5,400</td>
<td>$20,000</td>
<td>$3,000</td>
</tr>
<tr>
<td>State Grants</td>
<td>$10,310</td>
<td>$10,310</td>
<td>$3,900</td>
<td>$4,000</td>
<td>$3,900</td>
</tr>
</tbody>
</table>

\(^{37}\) The Executive Director was forced to resign by the Board of Trustees at the end of the 2002-03 academic year. The new Executive Director, Tracy Wilson, who was appointed in October 2003, has held positions in marketing and development at the Kennedy Center in Washington, DC, the Berkshire Museum, Jacob’s Pillow, and more recently at the Tanglewood Festival for the Boston Symphony Orchestra.
Despite the fact that in fiscal year 2002 the Annual Fund yielded only $12,750, the goal set by the Board for the new Director of Development for the following fiscal year was $152,000. Unsurprisingly given the economic recession, only a fraction of the budgeted amount was raised. Learning from this, far more realistic goals were set for fiscal year 2004.

During the same fiscal period, 2002-03, the school had a haphazard approach to fundraising events, and projects were often undermined by poor publicity and insufficient planning. For example, five fundraising events were planned for the 2003 fiscal year. The first two events of the year, a concert and reception in honor of Dr. Priscilla Taft and a December Street Festival, both raised money. The Taft event raised $150 and the Festival $546. A cabaret event held on St. Valentine’s Day lost $383. The Prelude Party, an annual event and the premier fundraising opportunity in the school’s calendar, was cancelled due to a lack of planning. The final event, the Student Marathon, raised only c. $7,000, an amount substantially lower than in previous years.\(^{38}\)

With the arrival of a new Executive Director in October 2003, the school now has the beginnings of a coherent and effective development campaign. The present strategy is outlined below.

**Current Situation**

**Individual Donors**

In the current fiscal year, 2003-04, the school has increased its efforts to solicit contributions from individuals. The table below shows individual donors divided according to level of giving.

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\(^{38}\) Numbers supplied by the Director of Development.
Table seven: Individual Donors by Giving Levels, Fiscal Years 2002-04

<table>
<thead>
<tr>
<th>Fiscal year</th>
<th>$0-50</th>
<th>$51-100</th>
<th>$101-250</th>
<th>$251-500</th>
<th>$501-1000</th>
<th>$1001+</th>
<th>Total no. donors</th>
<th>Total amount raised</th>
</tr>
</thead>
<tbody>
<tr>
<td>2002</td>
<td>42</td>
<td>27</td>
<td>23</td>
<td>3</td>
<td>5</td>
<td>0</td>
<td>100</td>
<td>$12,455.00</td>
</tr>
<tr>
<td>2003</td>
<td>87</td>
<td>35</td>
<td>16</td>
<td>6</td>
<td>6</td>
<td>2</td>
<td>151</td>
<td>$18,321.00</td>
</tr>
<tr>
<td>2004</td>
<td>99</td>
<td>74</td>
<td>21</td>
<td>4</td>
<td>6</td>
<td>3</td>
<td>207</td>
<td>$24,783.76</td>
</tr>
</tbody>
</table>

Over the fiscal period 2002-04, there has been a steady increase in the number of individual contributions. Indeed, with the addition of 96 new donors in 2004 the school has nearly doubled the number of individual contributors and the amount received in the space of two years. Although the amounts donated cover a wide range, in 2004 the smallest individual donation was $10.00 and the largest $1,599.76, the vast majority of contributions are for small amounts. This no doubt reflects the fact that Pittsfield, where the greater majority of the donors live, is not an affluent area.

Table eight below show renewal trends for individual donors for the fiscal years 2003 and 2004.

Table eight: Individual Donor Renewal Trends, Fiscal Years 2003 and 2004

<table>
<thead>
<tr>
<th>Fiscal year</th>
<th>Downgraded from previous year</th>
<th>Remained same</th>
<th>Upgraded from previous year</th>
<th>Total number of donors</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003</td>
<td>17</td>
<td>31</td>
<td>29</td>
<td>77</td>
</tr>
<tr>
<td>2004</td>
<td>22</td>
<td>53</td>
<td>33</td>
<td>108</td>
</tr>
</tbody>
</table>

As the table shows, in fiscal year 2003, of the 77 who renewed their contributions from fiscal year 2002, 31 stayed at the same level, 17 downgraded, and 29 upgraded. Of the 108 donors who renewed their contributions in fiscal year 2004 from the previous year, 53 remained at the same level, 22 downgraded, and 33 upgraded. Fifty-eight donors made contributions in all three fiscal years 2002, 2003, and 2004.
To find new prospects, the Development Director compiles a list of prospects, which is continuously updated, from contributor lists belonging to other local cultural organizations. These new prospects are then solicited by letter. In addition, the school is in the process of identifying the major donors to arts and cultural organizations in the area. Once this is completed, the intention is to contact them about supporting the school.

Under the new leadership at the school, there has been a far greater commitment to the personal cultivation of donors. For example, in order to develop closer ties with current donors, the school keeps them regularly up-to-date with news, and they are informed exactly how their contributions are being used. In addition, donors are invited to special events so that they can feel connected and involved with the school.

**Corporate Donors**

The school has been successful in establishing close ties with some of the major businesses in Pittsfield, including some of the major banks who have their headquarters in the area, notably Berkshire Bank, and a number of other local firms. Table nine shows corporate contributions by level of giving.

Table nine: Corporate Donors by Giving Levels, Fiscal Years 2002-2004

<table>
<thead>
<tr>
<th>Fiscal year</th>
<th>$0-50</th>
<th>$51-100</th>
<th>$101-250</th>
<th>$251-500</th>
<th>$501-1000</th>
<th>$1001+</th>
<th>Total no. donors</th>
<th>Total amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2002</td>
<td>0</td>
<td>1</td>
<td>5</td>
<td>0</td>
<td>2</td>
<td>0</td>
<td>8</td>
<td>$2,280.00</td>
</tr>
<tr>
<td>2003</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td>2</td>
<td>2</td>
<td>0</td>
<td>13</td>
<td>$3,795.00</td>
</tr>
<tr>
<td>2004</td>
<td>1</td>
<td>3</td>
<td>2</td>
<td>4</td>
<td>3</td>
<td>1</td>
<td>14</td>
<td>$7,400.00</td>
</tr>
</tbody>
</table>

In the current fiscal year 2004, the school received contributions from eight new donors, and, although the total number of donors for fiscal year 2004 was only one more than in fiscal year 2003, the amount received was approximately double.
Table ten below shows renewal trends for corporate donors in the fiscal years 2003 and 2004.

Table ten: Corporate Donor Renewal Trends, Fiscal Years 2003 and 2004

<table>
<thead>
<tr>
<th>Fiscal year ending</th>
<th>Downgraded From previous year</th>
<th>Remained same</th>
<th>Upgraded From previous year</th>
<th>Total number of donors</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003</td>
<td>0</td>
<td>2</td>
<td>3</td>
<td>5</td>
</tr>
<tr>
<td>2004</td>
<td>2</td>
<td>1</td>
<td>5</td>
<td>8</td>
</tr>
</tbody>
</table>

Of the 5 corporations who renewed their contributions to the school in fiscal year 2003, 2 remained at the same level, 0 downgraded, and 3 upgraded. Of the 8 donors who renewed their contributions in 2004, 1 remained at the same level, 2 downgraded, and 5 upgraded. Four corporations contributed to the school for all three fiscal years, 2002, 2003, and 2004.

Using information from the Chamber of Commerce, newspapers, and other local publications, the school has created a list of businesses that have a particular connection to the local economy. Prior to the current fiscal year 2004, very little action was taken to solicit contributions. Now, with a more dynamic Executive Director and active Board of Trustees, the following procedure is followed in order to solicit new prospects. The first step is taken by a member of the board who makes an initial introduction, which is then followed by a face-to-face meeting, usually with the Executive Director. Funds are requested either for general operating costs or, more likely, for specific projects. In return, the donor receives recognition in the program, advertisements, and other publicity materials, and, if appropriate, is acknowledged at the event as a sponsor.
The school has concentrated its personal solicitation efforts on the larger businesses in the area, leaving smaller ones to be solicited by letter. If a personal contact already exists, this letter is then followed up by a phone call.

**Government and Foundation Grants**

Although the school made a number of grant applications to foundations, in the current fiscal year, 2004, only two came to fruition: the Pumpkin Foundation, for the school’s scholarship fund; and the New England Foundation for the Arts, for a special project jazz workshop and outreach. The amount in grants totaled $4,020.00.

The school does not receive any funding from the federal government, but it has for a number of years received a grant from the Massachusetts Cultural Council. As previously noted, the school was a victim of the cuts made in the MCC’s budget in 2003, and the grant the school now receives has been reduced by two-thirds. In the current fiscal year, 2004, the school received additional grants from the Lee Cultural Council and the Pittsfield Cultural Council. In fiscal year 2004, the school received a total of $5,000.00 in government grants.

**Special Events**

Special events are fundraising opportunities; they help boost the school’s profile in the community, they generate media coverage, they attract patrons who are always possible future donors, and they are a chance for current donors to become further involved. Typically, the school hosts four or five events a year, with the premier event, the Prelude Party and Student Marathon, taking place in April/May.

During the tenure of the previous Executive Director, September 2001-July 2003, special events were neglected. The faculty recital series was abandoned, and many of the

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39 A Patron is anyone who attended an event at the school.
events that were held were poorly planned and managed. The database records only 7 patrons for fiscal year 2002 and 72 for fiscal year 2003.

With the arrival of the new Executive Director in October 2003, special events are once again a vital part of the school’s calendar. During this past academic year, 2003-04, the school hosted six special events including a recital given by one of the school’s major donors, a faculty recital, the first in two years, a St. Patrick’s Day event, which included a book signing by a local author, a Christmas Street Party, held in conjunction with other local cultural organizations and businesses, and a Cabaret event. Finally, the Prelude Party, which launches the Student Marathon, an entire weekend of student performances, was reinstated after a hiatus of two years.

An innovation for the current academic year has been the appointment of a student representative to the Student Marathon. Money is raised through student sponsorship, as well as contributions from individuals and corporations. Since the marathon is essentially a student event, the student representative accompanied members of the full-time staff to the meetings with potential contributors and also made phone calls to faculty and students to encourage their participation.

Additionally, performances were given as part of a special project jazz workshop and outreach, and student recitals were held regularly throughout the year. Although these were not fundraising events, they still served to promote the school.
MARKETING

By the beginning of the current academic year, 2003-04, after two years of many missed marketing opportunities, the public profile of the school had reached a very low point. During those two years, the once tri-annual newsletter, which informed the community, students, alumni, donors, and patrons of news of the school, appeared infrequently, was riddled with mistakes, and eventually was stopped altogether. Press releases often never materialized, and advertising for special events was often left until the very last minute.

With the advent of a new Executive Director in October 2003, marketing became the joint responsibility of the Executive Director and the Development Director. The following describes the marketing strategy currently in place, discusses publicity and promotion, and issues regarding student recruitment and retention.

Publicity and Promotion

The school has a very limited budget of $12,000 per annum for advertising, so it aims to maintain a steady presence in the public eye rather than embark on periodic high-profile campaigns. To achieve this, the school uses a combination of direct and electronic mailings, press releases, and newspaper and radio advertising.

Publicity and promotion for the school begins in August when a direct mailing of brochures, in preparation for the upcoming academic year that starts in September, is made to the current student body, alumni from the previous two years, current donors, patrons, local businesses, and current and past faculty. Additionally, advertisements are placed in the local media. A second promotional boost takes place in late December/early
January, just prior to the start of the winter session, when flyers are distributed throughout the local community.

Notable events at the school are advertised in the calendar listings issued in the local daily, weekly, and monthly publications at no cost to the school, and through press releases, which are sent to approximately thirty media outlets within a hundred mile radius of Pittsfield. A conscientious effort has been made during this current academic year, 2003-04, to establish closer ties with the local press, and press releases sent to local papers such as the Berkshire Eagle, Record, and Schedule are now followed up with a phone call.

The school is also beginning to take advantage of email to publicize upcoming events. The Development Director is in the process of compiling two electronic mailing lists: music teachers, who are informed about master classes and other similar events; and the Members of the Visitors Bureau, which includes nonprofit organizations and businesses.

**Recruitment and Retention of Students**

The student population totaled 454 for the current academic year, 2003-04. Approximately 75% were between 6 and 18 years of age. The youngest student was age 2 and the oldest 81. The most popular instruments are the piano, violin, voice, and guitar.

Table eleven below shows the number of students studying each instrument.
Table 11: Number of Students by Instrument for the Academic Year 2003-04, Berkshire Music School.

<table>
<thead>
<tr>
<th>Type of instrument</th>
<th>Number of students&lt;sup&gt;40&lt;/sup&gt;</th>
</tr>
</thead>
<tbody>
<tr>
<td>Piano</td>
<td>134</td>
</tr>
<tr>
<td>Strings</td>
<td>104</td>
</tr>
<tr>
<td>• Violin - 75</td>
<td></td>
</tr>
<tr>
<td>• Cello - 19</td>
<td></td>
</tr>
<tr>
<td>• Double Bass – 6</td>
<td></td>
</tr>
<tr>
<td>• Viola - 4</td>
<td></td>
</tr>
<tr>
<td>Voice</td>
<td>55</td>
</tr>
<tr>
<td>Guitar</td>
<td>31</td>
</tr>
<tr>
<td>Woodwinds</td>
<td>38</td>
</tr>
<tr>
<td>• Flute – 20</td>
<td></td>
</tr>
<tr>
<td>• Clarinet – 5</td>
<td></td>
</tr>
<tr>
<td>• Saxophone – 5</td>
<td></td>
</tr>
<tr>
<td>• French horn – 4</td>
<td></td>
</tr>
<tr>
<td>• Bassoon – 3</td>
<td></td>
</tr>
<tr>
<td>• Oboe - 1</td>
<td></td>
</tr>
<tr>
<td>Percussion</td>
<td>10</td>
</tr>
<tr>
<td>Brass</td>
<td>6</td>
</tr>
<tr>
<td>• Trumpet - 6</td>
<td></td>
</tr>
<tr>
<td>Dance</td>
<td>11</td>
</tr>
<tr>
<td>Cabaret &amp; Musical Theater</td>
<td>19</td>
</tr>
<tr>
<td>Introduction to Suzuki</td>
<td>14</td>
</tr>
<tr>
<td>Preschool &amp; Toddlers</td>
<td>15</td>
</tr>
</tbody>
</table>

The school’s catchment area reaches as far north as Williamstown, about 18 miles from Pittsfield, as far south as Sheffield, approximately 25 miles away near the Connecticut border, as far east as Chester, roughly 18 miles away, and as far west as East Chatham in New York State and around 20 miles distant from Pittsfield. The largest group of students is from Pittsfield, 186, and the greater proportion of the rest are from neighboring towns and communities such as Lee, Dalton, Richmond, Lenox, Great Barrington, Stockbridge, and West Stockbridge. The school essentially enjoys a local monopoly, and because of this it has never had to put much effort into actively recruiting...

<sup>40</sup> The data base is incomplete and only provides full information for 437 students.
students. The Northampton Community Music Center, which rivals the Berkshire school in the quality of faculty and the range of classes offered, is sixty miles away in Northampton, MA, and the Sonatina School, although only twenty miles away in Williamstown, MA, has very limited faculty and facilities and only offers instruction for piano, violin, and guitar.

To attract students, the school relies on the direct mailings and advertisements, which take place in August, and on word of mouth, such as the recommendation of a current or student or teacher. At present, with the student body at approximately 400, the school is at two-thirds capacity, and more students would mean more income from tuition fees and instrument rental.
RECOMMENDATIONS

The Berkshire Music School not only has to rebuild its financial health, but it has to cope in an environment where funds are limited and where there is a shrinking interest in classical music. The first step for the school, and for any small nonprofit organization in a similar situation, is to cut unnecessary expenditure and increase earned income. Thus for the upcoming academic year 2004-05 the school has, for example, increased tuition by 4%, has cut the number of required makeup lessons from 2 to 1, and has extended the number of lessons in the school year from 32 to 34. Additionally, the school has made the more significant change of terminating the position of Director of Development. Although this will potentially reduce the school’s resources yet further, it will mean a saving of $40,000 per annum plus benefits.

In addition to cutting costs, the school needs to maintain its current position. It needs to continue with its present schedule of classes, sustain the size of its existing student body, and safeguard its current sources of funding. Reducing the number of classes offered would undoubtedly result in a loss of students. By maintaining the existing number of students and sources of funding, the school can at least conserve its present level of earned and unearned income.

The school then needs to increase the amount it receives in unearned income. To achieve this, the school needs to encourage its current donors to upgrade their contributions, and it also needs to aggressively find new donors and other sources of funding. There is still considerable potential for corporate donors from local businesses in the area and the school has done very little to pursue grants from foundations. To encourage donors to upgrade, the school could offer incentives at very little cost to itself.
For example, the benefits for individual donors could include a free trial lesson with a
donation of $150 or more, and the benefits for corporate donors could include a package
of five lessons at a discounted rate for the families and/or employees with a donation of
$500 or more.

In addition, the school needs to increase its earned income and to do this it needs
to expand the size of its student body. More students would mean more income from
tuition and rental fees. At present the school is not operating at full capacity. The total
enrollment for the school for the academic year 2003-04 was 454 and the school has
room for approximately 600. Since the part-time faculty is employed as independent
contractors, an extra 150 students would not mean any additional cost for the school.
These extra students should not only be recruited from the school’s existing target
geographical area, but also from further a field.
MY RECOMMENDATIONS - DEVELOPMENT

- Donor Survey. Through a survey of its current donors, the school could establish a profile that in turn would help to identify potential donors. This survey should include: reasons for giving to the school; whether the donor contributes to other arts and cultural organizations; whether the donor is satisfied with the benefits received; and whether the donor would like to be more involved with the school and how.

- Donor Analysis. An analysis of the donor database would yield useful information. For example, donors who lapsed or downgraded their contributions could be personally followed up, and major donors could, and should, be identified and cultivated.

- Corporate Donors. The school has yet to seriously explore the possibility of contributions from local businesses. Much more time needs to be spent researching and meeting with potential corporate donors, and this is something the Board of Trustees could take more initiative with.

- Individual Donors. As well as cultivating major donors, and given that Pittsfield is not an affluent area, the school should also concentrate on soliciting individual donations at the lowest level, $0-50.

- Publication of Donor Names. As a form of acknowledgment, donors could be listed in the school’s brochures and other promotional material more prominently.

- Board of Trustees. The board currently has ten members. Expanding the membership of the Board with people dedicated to the school would increase the school’s capacity and resources. For example, Board members could be involved
with researching grants, researching and contacting potential donors, volunteering time at school events, and through individual contributions.

- Faculty. The school could seek more in-kind contributions from the faculty. More faculty involvement with special events would help morale and contribute to a feeling of community.

- Grant Research. The research of potential grants from foundations and government sources needs to be wider and more systematic.

- Matching Grants. An event such as the Student Marathon should be an ideal opportunity to establish matching grants with major donors.

**MY RECOMMENDATIONS - MARKETING**

*Publicity and Promotion*

- Website. The school needs to develop its own website. Through the Internet the school would be able to promote and publicize itself in a way unmatched by any other means, and information about the school could be easily accessed by interested parties. At present, the school has a page on a website belonging to the National Guild of Community Schools.

- Newsletter. The tri-annual newsletter should be reinstated and distributed via direct mailings and through email. It is a simple and effective way to report news, promote events, and boast achievements.

- Merchandizing. The school’s name already appears on pens, pencils, bags, T-shirts, and sweatshirts. To this could be added stickers, a very effective form of advertising, for instrument cases and cars.
Poster for General Information. Although the school produces posters to promote special events, it does not have one containing general information that can be displayed year round in schools, colleges, and other institutions.

**Student Recruitment and Retention**

- Survey of the Current Student Population. The school collects personal information such as name, age, address, occupation of parents, length of previous study, and how the student heard about the school. A survey, in the form of a questionnaire, would enable the school to learn more about its current study body, which in turn would facilitate identifying potential students. The questionnaire could include the following: reasons for taking lessons (for example inspired by a live concert or recording); family background, including parent’s education; family participation in the arts and culture at home and in the local area.

- Outreach Projects. The school created a very successful Jazz Outreach project this year. By creating more outreach projects, the school would boost the presence of music in local schools, promote itself, and possibly recruit students. According to a brief survey carried out at the beginning of this academic year by the Director of Development, although general music is offered in most local schools, with many of the larger ones offering band and orchestra, very few offer instrumental lessons and many have been affected by recent budget cuts.

- Contacting Local Music Teachers and Schools. The school could contact, with letters and posters providing information about what it has to offer, music teachers and the music departments of the local elementary, middle, and high schools, and the Berkshire Community College.
Open House. In 2003 the school held a one-off event called Animals on Parade, an open house and fun day for infants. This idea could be expanded and made into a regular annual event. A non-intimidating day of musical activities could be planned to encourage parents and their children to explore the possibilities offered by the school. For example, one activity could be finding “your” instrument.

Expansion of Classes Offered. The school could offer theory, history, and music appreciation classes. This would enable the school to offer a more complete education in music, it would provide the opportunity for serious students to prepare for college, and it could boost the school’s reputation as a comprehensive educational institution.

Test for Musical Ability. The school could offer a quick and painless ear-training test for the curious. As a voluntary measure, this would not undermine the school’s mission to accept students of all abilities.

Resource Center Competition. In 2001 the Boston Symphony Orchestra and the Tanglewood Festival established a resource library at the school. The collection, valued at over $30,000, includes books on art, acting, and music, and also a substantial number of recordings. A quiz or competition using the collection would not only be educational but would publicize the center and encourage its use.

Instrument Kit. Again utilizing the Resource Center, kits focusing on individual instruments could be assembled for use by students and parents. They could include, for example, a brief history of the instrument, computer sound files,
pictures and photos, anecdotes and biographical sketches of famous and important performers, and recordings.
CONCLUSION

The decision by the Board of Trustees to force the resignation of the Executive Director in June 2003 after two years in the position will probably prove crucial to the survival of the school. Since her appointment in October 2003, Tracy Wilson, the new Executive Director, has already had an enormous positive impact. New donors and patrons have been brought to the school, special events are once again part of the calendar, the Board of Trustees has been galvanized, and morale has been raised.

The school, however, is still fighting a financial crisis with very limited resources. The school does not have the time, money, or staff, for example, to make the necessary corporate solicitations, purchase mailing lists and foundation databases, fund telemarketing campaigns, hire consultants, or research and write grants, all of which would greatly ease its efforts. Indeed, in order to trim costs further, the school has had to take the decision to terminate the position of Director of Development, a saving of $40,000 per annum plus benefits, a step which will, potentially, reduce resources to an even greater degree. It is, however, a necessary decision, and, until the school regains a more solid financial footing, the Executive Director will assume all responsibilities for marketing and development.

There is optimism for the future. The school has only just begun implementing its marketing and development strategies, and it has a very experienced leader showing the way. Supporters are beginning to gather, and the school has been a fixture in the community for so long that it will fight for its survival.
BIBLIOGRAPHY


