

MICHIGAN THEATER: STRATEGIC PLAN 2016-2020

MISSION

Mission of the Michigan Theater Foundation:

With joy, bring together diverse people to:

- Build community;
- Enhance understanding;
- Advance public storytelling and the arts;
- Protect our historic buildings.

(Pursuing our mission in the communities we touch should enhance our humankind and aid our planet)

Mission Short Form:

Joyfully enhance community, understanding, preservation, public storytelling and the arts.

VISION for 2020

Vision Preamble

Our mission and general vision are informed by the architecture we preserve and bring to life daily. We are dedicated to the transformational power and intrinsic artistic merit of: (1) this historic downtown architecture, (2) cinema as art, (3) more generally public storytelling and the performing arts.

Great cinema beautifully presented in a public context serves a primal need for stories experienced in community - stories that share, teach and contextualize the human experience. Media-based storytelling, of which movies are the fountainhead, is pervasive, but underappreciated as fine art. Our community-based, mission-driven non-profit family of creative businesses work to champion the art, craft, history and vital role of cinema and more generally the performing arts presented in grand architecture as key cultural components of modern society.

Vision for the Year 2020: INVEST, GROW, BE DIVERSE, LEAD

Our specific vision for 2020 is the maturing of our established potential:

- Major capital improvements at the State and Michigan theaters will expand our capacity and reaffirm our commitment to sustain the effectiveness and glow of our venues.
- Mature management systems and an organizational culture designed to sustain the institution over generations of change and growth will be celebrated as highly effective and vibrant.
- Cinetopia and the Art House Convergence will be established and successful:
 - Cinetopia will "break through," and be recognized as a junior sibling to the Detroit Jazz Festival, with the potential, in future years, to match the Jazz Festival in terms of community impact in Detroit.
 - Art House Convergence will be established as highly sustainable and be considered a thought leader in North American film exhibition and a vital resource for Independent cinema exhibitors, distributors and filmmakers.
- We will address diversity and inclusion in our organization by aligning business objectives with our diversity efforts. By 2020, our board and staff will reflect the

diversity of the communities we serve and we will be effective at telling our stories to diverse audiences.

- Talented marketing staff and new marketing tools, plus a general organizational focus on increasing broad attendance metrics, will see attendance and participation in our family of businesses increase by over 35% (to gross attendance of 400,000), necessitating a similar growth in contributed revenue.
- Be an even better leader in the national independent cinemas and historic theaters sectors and regionally as a cinema culture institution.

In 2020 the Michigan Theater family of businesses will be:

- A community, regional and sector leader in the arts, particularly cinema arts.
- Much more mature, in terms of organizational processes.
- Substantially larger, in terms of budget and regional impact.
- Better able to manage the multiple demands of being an institution with local, regional and national responsibilities.
- Able to attract and retain diverse Board member, employees, volunteers and donors who represent the multifaceted diversity of the communities we serve.
- More dedicated and effective with our cinema centric mission.
- Better able to see how succession to new generations will be accomplished and successful – which will be especially important as:
 - The Michigan Theater's centennial (2028) begins to appear on our institutional horizon;
 - The current Baby-Boomer leadership advances toward retirement.

FINANCIAL GOALS

Overall Financial Goal: Continue to maintain the financial integrity of the Michigan Theater organization as exemplary for all Art House and historic theaters. By 2020, manage each business unit so that every unit returns net revenue (e.g. to pay all costs of operations including overhead costs). Between FY 2016 and FY 2019, the State and Michigan Capital Campaign will disrupt (in many positive and some negative ways) the financial “norms” of yearly operations and budgeting. By FY 2020, more normal operating revenue goals will be reachable. Goals such as: 1) Generating a small (2-5%) annual net revenue to sustain organizational growth and capital maintenance of venues; 2) Growing the building and operating reserve funds so that the “glow” of the facilities and the health of daily operations may be maintained and so that the capital replacement plans for all facilities and equipment can be executed. For the most part we need to defer these “normal” goals, because of operating support funds being deferred to the Capital Campaign, until the FY 2021-FY 2025 planning window.

FY 2019 (October 1, 2018-September 30, 2019)

- A financial goal that is a long-time annual commitment is to use our operational “earned” and “contributed” revenue to pay all operating cost – including depreciation costs. However, during the Capital Campaign (FY2015-FY2018) and throughout this strategic planning timeframe (FY2016-FY2020) depreciation costs are NOT being fully paid by annual operating revenue. This means operations will LOSE up to \$500,000 annually – because that amount, approximately, is our annual depreciation costs. However, because the Capital Campaign will infuse a total of about \$8.8 million or more of capital improvements over FY2016, FY2017 and FY2018, we will, on a practical basis be “paying forward” depreciation costs. In FY2019 and FY2020, some fundraising revenue, which would normally be paid to Towsley Society pledges and other operational fund raising, will have be pledged by donors to the Capital Campaign. Consequently, operating “contributed” revenue will tend to be somewhat depressed compared to historic levels and ratios. Through FY 2022 or 2023 this will negatively affect normal operational revenues and our ability to fully pay down depreciation costs. As Capital Campaign pledges are paid off by donors, we expect most donors to resume their support of the Towsley Society and other operational fund raising programs. As donor revenue flows back to operations (as Capital Campaign pledges are paid off) we expect to once again fully fund depreciation costs starting FY2023 or FY2024.
 - With the opening of the State Theatre in December 2017, we will be able to enhance operational “earned” income and generally improve operating revenue
 - We will use our new facility to generate increased operational net revenues and will be able to make increasing contributions to depreciation in FY2019 and FY2020
- The Agile ticket/concession and Donor Perfect membership/donor sales system continues to be a boon and a bane. A boon because we need these computerized management systems. The Agile software engineers are working with us to solve financial and event reporting issues and “customer facing” ease of use issues. FY2019 is the do or die year for Agile’s improvement or exile. Donor Perfect is less problematic, but, because it is not integrated into our general accounting software, does require extra work to synchronize with our general accounting work. A key goal for FY2019 is to integrate Agile and Donor

Perfect into our new financial system in a more automated way with little or no manual re-entry of data.

- We will continue to introduce Key Performance Indicators (KPIs) as management tools into our Programming, Marketing, Operations, Facilities, Fund Raising, and Organizational management. This is in addition to the four general organizational KPIs that have proved to be good “dashboard” signposts to quickly assess annual operating health:
 - Live show (primarily rental and ancillary live show revenues) revenue;
 - Film admission revenue;
 - Market based contributed revenue – membership/small gift/sponsorship revenue;
 - Philanthropic contributed revenue – Non capital, intermediate/major gift/grant revenue.
 - Tied to the work on Key Performance Indicators for staff use, implement a Dashboard for the Board that shows key performance information in an easy to understand 1-page format.
- Design and build a next generation financial system utilizing QuickBooks Enterprise software and streamlining the process of generating accounting information from the Agile, Donor Perfect, Live Event Invoicing and other information systems, with the new financial system being fully implemented and in full production use before the end of FY2019. The new financial system will be used to report financial information to the Board and will have the following attributes:
 - Financial reports are finished with 3-4 weeks after the end of each quarter
 - Reports will include an income/operations statement and a balance sheet
 - Audited annual financials are finished within 4 months after the end of the fiscal year
 - FY 2020 budget drafts will be prepared in August/September, with Board approval in October
 - Budget will include quarterly financial goals.
 - Quarterly reports will show progress relative to budget for past quarter and YTD
 - Financial information will be tracked and reported on a business unit basis
 - Employee hours, wages, benefits and overhead will be allocated, as deemed appropriate by management and the board, to each business unit.
 - Initial design for the system will be done by March 31, 2019 and implemented by September 30, 2019.
- The Capital Campaign will be completed, with only a trickle of late gifts coming in through December 2018.
- A “payback” plan for the Institutional Capitalization funds used for the State and Michigan Project will be developed by the staff and recommended to the Board as well as a financial plan for the funds received from the sale of the Cadillac Building – which must include providing temporary and permanent offices for our staff.

Financial Performance metrics:

- Favorable audit (no significant issues found) by external auditor

- Keeping tabs on Organizational KPIs, the majority of which are trending positive:
 - Live revenue/rental,
 - Film revenue
 - Market based contributed revenue
 - Philanthropic revenue
 - Net Revenue meeting budgeted expectations
 - Substantially meet FY2019 budget goals as adopted by the Board. In particular, given yearly variances, manage finances so that Net Operating Income is \$150,000 or more.
- Quarterly financial reports done within 30 days of quarter's end - as a result of:
 - Adding accounting staff
 - Streamlining Agile, Donor Perfect, Live Event reconciliation work, etc.
 - Taking HR work to outside contracted firm
 - Complete FY2018 audit by April 30, 2019 with the auditor's report issued by May 31, 2019, and for future years complete audits within four months of the fiscal year end.
- Staff leadership QuickBooks training and access to relevant financial information within the system implemented

FY 2020 (October 1, 2019-September 30, 2020)

- The implementation of the improved financial management system will be normalized and show clear benefit to the organization.
- The Capital Campaign will be completed, but donor's gifts will still be focused on paying their Capital contributions and will be "missing" from operational support.
- The focus on "earned" income from film revenue, concession and rental sales will bolster revenue this year.
- We look to create financial space in future budgets to implement a policy of paying the locally established "Living Wage Rate" to all employees.
- Regardless we must keep in mind our four key revenue vectors:
 - Live show (primarily rental and ancillary concession revenue) revenue;
 - Film admission revenue (including concession sales during film exhibition);
 - Market based contributed revenue – membership/small gift/sponsorship revenue;
 - Philanthropic contributed revenue – intermediate/major/grant revenue.

We keep these vectors in mind so that we may eventually emerge from the happy dislocation of the Capital Campaign with an even stronger ability of operate the Michigan Theater Family of Non-Profit Businesses effectively.

FACILITY GOALS

Overall Facility Goal: Renovating to create the NEW State and Michigan Theaters. The State Theater will be operating at a new level with gross revenue increasing substantially (25% or more) after it is reopened. The State will celebrate its 75th anniversary in 2017 and the improved Michigan Theater will celebrate its 90th anniversary on January 5, 2018. Implement cost effective management of all facilities and attempt to be “green” where financially appropriate. We will also be prepared (in terms of background analysis and assessment) to respond to opportunities to acquire and improve buildings such as Michigan Theater Office Building and Washington Street properties. We should also have some preparation done for understanding under what conditions would we manage a Detroit historic theater that requests our help.

FY 2019 (October 1, 2018-September 30, 2019)

- Have Robertson Morison, or some other qualified professional assess the Michigan Theater’s HVAC maintenance/improvement needs (system is 20 years old this year)
- Finish improvements at the Michigan Theater left from the Capital Campaign
 - Complete projection booth and other film exhibition improvements (finish Michigan Theater cinema automation, finish Michigan Theater booth improvements including installing 70/35mm projectors in January)
 - Continue ceiling plaster repair, and other similar capital maintenance work.
 - Finish organ restoration in summer of 2019.
- Finish punch list work at the State Theatre:
 - Exterior poster cases and other similar incomplete work.
 - Monitor cinema projection systems, elevator, escalator, carpet, electrical, concession equipment, etc. problems (if any) to rectify problems within warranty periods.
 - Tweak other problems with design, execution and decoration issues as they are discovered and found affordable to fix.
 - Seek professional help to improve and, as affordable, make permanent a variety of signage issues at the State Theatre (and Michigan Theater).
- Daily clean, care and inspect the State and Michigan Theaters:
 - Daily facility cleaning and inspection procedures are integrated into daily operations reporting.
 - Facility care priorities, methods, and the actual work accomplished to maintain/enhance the ongoing “glow” of our facilities is assured by senior staff (Russ and Steve) regularly inspecting our facilities and having written reports produced and shared with the Board.
- Respond appropriately to the expected sale of the Cadillac Building in November 2018:
 - To close the Cadillac Building sale the buyer will need to provide an acceptable and iron clad solution to replacing or preserving restrooms for the Michigan Theater.
 - We will need to pay off the underlying Cadillac Building land contract (apx. \$350,000)
 - With the remaining \$2.55 million of sales proceeds we intend to:
 - Clarify how, with \$1.55 million from the sale of the Cadillac Building, we can meet our needs to provide temporary and permanent storage and offices for staff. This is an important priority in FY2019.

- We expect to have \$1 million in funds to add to our Capital Reserve fund (which would take the Capital Reserve Fund to \$3 million)
- Plan to exit our current offices in mid-year 2020
- A possible, but increasingly unlikely (because of the current ownership's resistance) office solution would be to incorporate all or part of the Michigan Theater Office Building into our organization for administrative and/or educational needs.
- Anticipating a Centennial Capital Campaign (2024-2028) think about our long-term capital maintenance and improvements plans.
 - Deeply understand our newly renovated film screening and performing arts facilities – Screening Room, Annex Cinema (now a clearly inferior cinema), the four State Theatre cinemas and the historic Michigan Theater, in terms of the technology and how that technology will need to be maintained and updated through time.
 - Consider small (short-term) improvements that should be made short of the major work that will be anticipated as part of the Michigan Theater's Centennial Campaign
 - Assess large (long-term) improvements that should/could to be made (orchestra pit lift, major renovations/expansion of the stage and dressing rooms, elevator and lifts in the balcony, reception/donor space/ballroom, foodservice capabilities, major renovation of the Screening Room, office and technical support spaces, etc.) especially for the Michigan Theater, the focus of the Centennial Capital Campaign
 - Create a written report of the work that should be considered/anticipated as we look to a Centennial Capital Campaign (this might better be a 2020 goal)

FY 2020 (October 1, 2019-September 30, 2020)

- Assess the amount of administrative and technical support space that would be needed to provide extensive audio/visual learning (a la Jacob Burns Center) for primary, secondary, and adult students.
- Continue to consider small (short-term) and large (long-term) improvements that need be made, especially for the Michigan Theater, but also our film exhibition facilities as a future Capital Campaign is being contemplated for 2025-2028, in anticipation of the Michigan Theater's centennial year in 2028.
- Are we involved with facilities in Detroit? If so, what is the facility impact? Will an involvement in Detroit enhance or limit our ability to provide extensive audio/visual leaning programs in Ann Arbor?
- Maintain/enhance the Michigan Theater and State Theatre's "glow" by aggressively performing annual maintenance work.
- Continue to integrate daily facility cleaning and inspection procedures into daily operations.
- Continue aggressive inspection program by facility and senior management and create written reports that are shared with the Trustees at every Board meeting.
- Respond, as appropriate to opportunity and needs connected to the Michigan Theater Office Building or other facilities determined beneficial to support theater initiatives.

FUNDRAISING GOALS

Overall Fundraising Goal: Complete the Capital Campaign and have established a Planned Giving program with focus on an Endowment Campaign to start up in 2020. Sponsorship by 2020 will be a mature program with 3 to 5 year-round major global sponsors and Cinetopia sponsors will maintain growth parallel with the growth of the festival. The Towsley program will reinstate monthly POE events throughout the year and Membership will better reflect the ethnic makeup of the community. Annual gifts, which took a hit due to the Capital Campaign, will be growing out of that by 2020 and we will expand our grant seeking efforts with additional resources.

FY 2019 Fundraising Goals:

Major and Intermediate Gifts (\$150K)

- Consider creating new giving society around Diamond Angel level (currently \$75K+) with enhanced, well-defined concierge service.
- Transition campaign Leadership Committee into new body to help us assess over-arching interests of major donors – their priorities. “What else can we do to make this a better community?” Do their priorities match ours? Do they mesh? How can we enhance donors’ lives through our programs?
- Initiate Planning Study to determine best avenue(s) for transitioning/continuation of Capital Campaign pledges when they expire. General operations?
- Explore Community Foundation’s matching program for endowments and develop a plan to participate and rollout to our donors and members.
- Consider part or full-time grant-writing position
- Purchase and install Crescendo Planned Giving Software

Towsley Society (\$225K)

- Continue to rebound from Capital Campaign and loss of previous director.
- Continue robust schedule of Point of Entry (POE) events
- Continue and improve schedule of Insiders Series events
- Work to secure a challenge gift for 2019 TS events

Regular Sponsorship (\$250K)

- Continue to rebound from loss of previous director
- Continue to invent and imitate new sponsorship opportunities
- Pursue a new major sponsor

Cinetopia Sponsorship (\$300K)

- Continues to grow at 10:1 ratio to attendance.
- Increase \$50K or more after full year experience for both new sales people
- Consider expanding role of Sponsorship Consultant

Membership (\$650K)

- Increase Premium Membership fees but hold steady on others until 2020 tentatively.
- Initiate Membership sales and service at the State

- Initiate training sessions (at least twice a year) for FOH managers and staff to get thoughtful presentation on membership program as a fundamental pillar of our organization, not as a chore.
- Marshall resources and opinions to begin scanning membership cards no later than January.
- Meet with Marketing team at least quarterly to review and analyze Agile data together so both parties can see what the other's needs are and foster better cooperation and improvements to both areas.

Annual Giving (\$100K)

- Implement monthly or sustainer giving program into annual appeals and possibly more frequently.
- Add aggressive post-campaign seat sales program for both theaters.

FY 2020 Fundraising Goals:

Towsley Society (\$225K)

- Stabilize new post Capital Campaign level.

Major and Intermediate Gifts (\$250K)

- Reengage donors who have finished campaign pledges.

Regular Sponsorship (\$300K)

Cinetopia Sponsorship (\$350K)

- Continues to grow at 10:1 ratio to attendance.

Membership (\$640K)

- Continue to improve membership program to react to new Agile data.

Annual Giving (\$140K)

PROGRAMMING GOALS

Overall Programming Goal:

The historic auditorium of the Michigan Theater is beautiful and functions admirably as a performing arts center. It is used actively by a variety of professional concert promoters, local community and university organizations, as well as for our own self-limited performing arts presentations (children's shows and other occasional live-on-stage events). For now, and the foreseeable future, we will continue to work with these outside organizations to provide the community and region a wide-range of professional and community performing arts shows. However, our core program activity is presenting culturally significant cinema for the Ann Arbor region and, via the Cinetopia Festival, the wider Detroit-Ann Arbor metro area. By 2020, we will have refined the quality of our cinema presentation and be well-established as a nationally recognized cinema arts presenter and curator that will serve as a model to others.

We will enhance the quality of cinema presentation by applying additional capital and management resources:

1. Capital improvements that will result in:
 - a. Renovation of the State Theatre to include four state-of-the-art theaters
 - b. Improvement to film and digital projection systems at the Michigan Theater
2. Refocusing management attention from capital fundraising and construction to achieving film programming excellence and hiring staff to accomplish this key objective

Near the beginning of FY2018, the renovation of the State Theatre will provide two key programming benefits:

1. More screens for the presentation of cinema programs
2. Decreased usage of the historic auditorium of the Michigan Theater as a cinema exhibition space (opening up greater opportunities for performing arts events).

By 2020, annual attendance at State and Michigan programs will reach 400,000.

FY 2019 (October 1, 2018-September 30, 2019)

Live Event Programming

- Consider committing resources more aggressively in presenting (promoting or producing) co-pro live-on-stage concerts and shows to enhance gross and net revenues.
- Consider putting on our own live theater screenings (in addition to NT Live)
- Continue improving Not Just for Kids programming by booking well produced kids' shows that have themes of interest to the Ann Arbor area market (such as the success of Rosie Revere)

Film Programming

- Review the success and failure (attendance, acclaim, sponsorship, etc.) of the prior year's programs and use both real data and anecdotal conclusions to help guide 2019 programs.
- Set attendance and revenue goals for film series and work with staff to include these considerations in all planning steps.

- State Theatre – adjust programming from lessons learned during the first full year of operation in 2018.
- Appoint or hire a “Cinema Program Charge Person” for programming. This person will either be the programming person or chair a small programming committee made up of staff with programming experience and passion. The “Charge Person” will coordinate the programming work of Jan Klingelhofer, organize in-house created specialty programs and encourage, coordinate series and cinema events with other community partners and program Cinetopia.
- Work with new Community Programs Coordinator and Cinema Program Charge Person to curate international, foreign language and specialty film series with community partners such as University of Michigan departments, Jewish Film Festival, CEW, etc.
- Review 2018 results and continue to introduce specific programs to reach new audiences, including ethnic audiences and campus-based audiences at the State Theatre.
- Continue to implement the other goals indicated above in FY 2018.
- Overall attendance will reach 370,000.

Cinetopia Programming

- Cinetopia Festival – review 2018 results to inform programming decisions for 2019. Have final report (financial, attendance, feedback) by start of FY 2019. This year will be a testing and refinement year to prepare for potential collaboration with a multiplex theaters in Detroit.
- Find new Cinetopia partners like Emagine Cinemas, Detroit Free Press, Detroit Film Society, etc. to expand reach and impact of Cinetopia and be willing to “bend” Cinetopia to adapt to new, dynamic and effective partners. This being said, we are not intending to reject our current partners (DIA, UM, Charles Wright, AANM, Cinema Detroit, CCS, Henry Ford, FREC, etc.), however, we now better understand the resources and commitments of these legacy partners.
- Program films at special venues accordingly to their demographic and theme.
- Diversify the programming team to include people of different film tastes and backgrounds and regional geography. Program more “Cinetopia presents” outside of the 11-day film festival to keep Cinetopia alive and top of mind to festival and theater go-ers. Not all great films can be shown during Cinetopia, so reach out to filmmakers and distributors to do one-off special screenings with Q&A throughout the year.
- Build an effective “ground squad” that can distribute posters, flyers, lawn signs, etc. And festival program guides as needed in Ann Arbor, midtown Detroit and targeted Detroit neighborhoods and suburban Detroit locations.
- The staff cost for Cinetopia is \$150,000-\$200,000, including staff and contractors that work on Cinetopia and an apportionment of year-round staff costs. Although we do not expect to fully fund staff costs this year, we need to budget combined pass/ticket revenue and sponsorship revenue to earn \$100,000 above the direct costs of Cinetopia to substantially defray the afore mentioned Cinetopia staff costs. By 2022 we will expect Cinetopia to fully fund all direct costs, staff costs and incidental overhead cost.

FY 2020 (October 1, 2019-September 30, 2020)

By 2020 program elements at the Michigan Theater will look and function as follows:

- **FILM PROGRAMS** will play in the Michigan Theater’s Screening Room and Annex Cinema and on four screens at the State Theatre. They will be contemporary (first-run)

“award worthy” independent American, foreign and documentary films that will appeal to the traditional Art House audience, plus a minority of our contemporary films (more mainstream in nature) will be directed specifically to engage and attract the college student market. We will also program curated “repertory” screenings on an ongoing basis.

“Repertory” screenings will include classic films and theme-based, genre, nationality, cinema artist series and other similar programs. Our cinema screenings will be innovative in their presentation and marketing in our new, wonderful cinema presentation spaces. The historic Michigan Theater auditorium will also be used for screening films, but we will target its use for film screenings to programs we believe will attract at least 400 people per screening. We will be able to show most digital cinema formats in all theaters and the Screening Room and the Historic Auditorium will have an exceptionally wide capability of showing movies printed on film stocks of various gages and technical projection need (e.g. silent films to wide-screen, multi-audio track 70mm formats). Film attendance will reach 225,000.

- **CINETOPIA FESTIVAL** will reach initial maturity and be a free-standing festival with committed staff and will break through to become a significant Detroit-area event. Cinetopia will become a lightning-rod for the Detroit- Ann Arbor film community, encouraging dialogue and possibly promoting the establishment of an Austin Film Society-like organization. By 2020 Cinetopia will attract 50,000 attendees, and have 3 or more dedicated FTE committed to year-round planning and promotion.
- **LIVE-ON-STAGE PROGRAMS** will provide diversified audience touch-points, however those programs will be provided by rental clients and partners like The Ark, Live Nation, AASO, UMS and other community and UM concert promoters. We encourage live-on-stage shows through partnership with local and regional performing arts presenters and, from time-to-time, we will present or produce shows ourselves to assure program diversity and/or pursue business or cultural programs we believe to be important to the community. Live show attendance at the Michigan Theater will be 120,000 annually.
- **EDUCATIONAL PROGRAMS** will include the NJFK series, Film Camp, occasional classroom style film classes and education programs connected to Cinetopia. This limited extent of education and outreach programs will be maintained throughout this planning period. Further growth in this important area will be deferred to 2020-2025.
- **ART HOUSE CONVERGENCE** will provide an industry/media “gravitational” equilibrium to the highly commercial National Association of Theater Owners (NATO) as a “good cop” to the aggressively commercial NATO approach to business. By 2020, AHC will have 3 FTE staff, nearly 1,000 attendees and nearly \$1M in annual revenue. Convergence will collect data about Art House operations and demographics and share it with the field and the media. We will aspire to be a strong advocate for developing audio/visual literacy programs in Public Schools. The role of the Provisional Board will be well established with a clear idea of whether AHC will go independent in the 2020-2025 timeframe.
- **ADDITIONAL LIVE-ON-STAGE PROGRAMMING** One to two years after the conclusion of the State & Michigan Capital Campaign (in FY 2019 or 2020), we will explore the merits of engaging in more aggressively presenting (promoting or producing) live-on-stage concerts and shows to enhance gross and net revenues and “fill” programming voids we see in our market.
- **ANNUAL ATTENDANCE** at State and Michigan programs will reach 400,000 by FY 2020.

MARKETING GOALS

Overall Marketing Goal:

Our overall marketing objectives by 2020 will be:

1. To develop materials with new “look and feel” to reflect the NEW State and Michigan – “new” as a result of \$8.5 million of capital improvements.
2. To effectively use new marketing tools – including Agile’s CRM capability and benefiting from the growing effectiveness of Social Media for promotion.
3. To promote capital improvements with new marketing tools, allowing us to increase attendance at State & Michigan programs from the current level of slightly under 300,000 admissions per year to over 400,000 admissions per year, an increase of 35%, by 2020.
4. As a cinema-centric organization, to become comfortable and effective using film to promote and inform about our programs.

The Michigan Theater Foundation organization will be rebranded with both the Michigan and State theaters being embraced and used by all segments of the Ann Arbor community. The Marketing and Programming will be integrated into a tight team to improve their operations and effectiveness and we will significantly improve the effectiveness of our marketing (and its coordination with programming) by instituting an annual program calendar which will be employed by the whole organization to facilitate marketing, sponsorship, and community partnerships. This will be used to understand our local, regional and national presence and to celebrate with different communities and partners. We will also increase staffing, including interns, as beneficial to better handle the expanded organizational needs for a broad range of marketing activities.

Because development and fund raising marketing are so very important to our financial health it is essential that appropriate marketing messages and recognition of sponsors, members and donors be integrated into program marketing. However, certain specific marketing work for development and fund raising programs, projects and priorities will be created by outside contractors hired by the Development Team staff (not done by or contracted for by the Marketing Department).

The Agile ticketing system will be completely integrated with our business systems and a dedicated member of the staff will be responsible for managing it and providing training such that others are proficient with this system. Analytics will allow us to review the effectiveness of our marketing outreach and help us to adjust our methods. There will be a prominent, defined and ongoing focus on continuous expansion of our core audience through outreach to local and regional communities and facilitating access to tickets and shows.

FY 2019 (October 1, 2018-September 30, 2019):

- Merge michtheater.org and statetheatre2.org into one functional website that enhances online marketing, increase ease and use for online ticket sales, and one brand to better facilitate online membership sales and donations.
- Assess need for additional staffing, such as a web/digital marketing specialist to promote the additional screens/event created by the reopening of the State Theatre, increase in special screenings such as Cinetopia presents and an updated new website.

- Review successes and failures of 2018 to assess best practices – use both real data and anecdotal conclusion. Involve staff in this process.
- Work with the University of Michigan School of Information to determine best uses for the data that is collected via Agile and our website to better leverage existing data.
- Work with new Community Programs Coordinator to improve community outreach and getting the word out about niche films in order to increase attendance and sales to films that don't have national marketing.
- Continue to target new audiences to outreach goals – ideally choose 1-2 each year and create targeted campaigns for each.
- Build upon 2018 goals.
- Revisit the overall attendance Goal for 2020: Michigan + State + Cinetopia (which drives Earned Revenue elements). During FY 2019, a year and more after the re-opening of the State Theatre, we will better understand the effect, potential and “new normal” of the State Theatre's impact on film revenue and concession revenue, as well as, its impact on Michigan Theater live show business and film programming dynamics. Understanding the effect and potential of this “new normal” will allow us to better set budget and programming expectation, across the board in FY2020 and beyond. Increase student attendance at State Theatre films by working with University student groups and enlist them as “ambassadors” to publicize programs through their own circles and social media.
- Adjust advertising allocation to advertise on Google Display network instead of online ads on one specific website. Also reactivate our Google Grant to take advantage of continuous free pay-per-click advertising.
- Ensure that Marketing team has access to continued education in the latest marketing trends and techniques

Cinetopia Marketing

- Review breakdown of 2018 Cinetopia marketing plan and make decisions on how to allocate budget between Ann Arbor and Detroit markets based on Cinetopia 2019 venue decisions
- Reach out to advertising partners earlier (by February) to prepare for advertising blitz
- Review different PR firms and decide which firm to work with to help with PR before, during and after Cinetopia
- Assess roles of Marketing & Programming staff during Cinetopia and make decisions on what temporary staff needs to be hired prior to and during Cinetopia.
- Assess spending on photographers and videographers from 2018 and make decisions on what and who is needed for 2019
- Increase ticket sales revenue to \$100,000 and offer more types of passes to increase pass purchases, especially in the Detroit area.

FY 2020 (October 1, 2019-September 30, 2020):

By 2020 marketing at the Michigan Theater will look and function as follows:

- **DEVELOPMENT AND FUND RAISING:** Clear communications between the Development Team and the Marketing Department, will place fund raising messages (most created by outside contractors) into daily marketing messages as appropriate. A network of contracted marketing resources will provide the “muscle” needed to have our fund raising

message clearly understood and supported by our sponsorship, grant and community supporters.

- **FILM PROGRAMS** of contemporary (first-run), “award-worthy” independent American, foreign and documentary films that will be marketed to the traditional Art House audience, plus a minority of our contemporary (more main stream in nature) films will be marketing specifically to engage and attract the college student market. Additionally, “repertory” screenings of classic films and theme-based, genre, nationality, cinema artist-based and other similar programs will be marketed to targeted audiences. Film marketing will be performed passionately and energetically, embracing new CRM and social media marketing tools, as well as those traditional methods of promotion and marketing that remain cost-effective. With great programming and effective marketing film attendance will exceed 225,000 annually.
- **CINETOPIA FESTIVAL** By 2020 Cinetopia, through expansive and effective marketing, will attract 50,000 attendees and \$250,000 of ticket sales revenue and be well-established as a festival and destination event for the region. Strategically it will also serve to expand the geographic range of our daily film marketing through the capture of e-mail and snail mail addresses and social media followers for our film programs throughout the year, broadening our membership base and generally helping us to “up our game” as the Detroit area’s most respected Art House and cultural film programmers, not only during the festival, but 365-days a year.
- **LIVE-ON-STAGE PROGRAMS** will be supported by marketing so that our customer-base is provided diversified programming touch-points, however those programs will be provided by rental clients and partners like The Ark, LiveNation, AASO, UMS and other community and UM concert promoters. We will promote our Live-on-Stage shows with the same energy and passion as our films using new CRM and social media marketing tools, as well as those traditional methods of promotion and marketing that remain cost effective. Live show attendance at the Michigan Theater will be 125,000 annually.
- **EDUCATIONAL PROGRAMS** and their promotion will be stabilized so that Adult Film Appreciation courses become a regularly occurring program each fall and winter. Further growth in this important area will be deferred to 2020-2025.
- **ART HOUSE CONVERGENCE** marketing, like development and fund raising marketing, will be handled by outside contractors with minimal involvement from the Marketing Department. However, the Art House Convergence is an important part of our national brand and can be incorporated, as appropriate, into our institutional marketing.
- **ADDITIONAL LIVE-ON-STAGE PROGRAMMING** One to two years after the conclusion of the State & Michigan Capital Campaign (in FY 2019 or 2020), we will explore the merits of engaging in more aggressively presenting (promoting or producing) live-on-stage concerts and shows to enhance gross and net revenues and “fill” programming voids we see in our market. This would certainly require additional marketing resources.
- **ANNUAL ATTENDANCE** at State and Michigan programs will reach 400,000 by FY 2020.

OPERATIONS GOALS

Overall Operations and Customer Service Goal: Maintain the significant improvement to the daily delivery of good customer service throughout the disruptive renovation process of both Michigan and State theaters, continue to develop an organized work environment with clear roles and the needed flexibility within FOH operations. Assist with full implementation and smooth operation of the Agile ticketing system and possibly expand the use of Cinetopia Volunteer software for year-round use at the Michigan and State theaters. Manage the excellence and consistency of customer service across all of our facilities and programs (including Cinetopia).

A significant shift in operating procedures will be moving from the customer and operational notion of "abundantly available seating" (pre-State Theatre closing) to the (NEW State and Michigan) notion that "seating availability is limited". This is because, before closing, the State Theatre had auditoria with about 300 seats each, so the State very rarely "sold out." Similarly, for movie screenings at the Michigan Theater, movie screenings never sell out at the historic auditorium and only occasionally would screenings sell out in the Screening Room (which seats 200). With the recently added Annex Cinema at 69 seats, and the New State Theatre having auditoria of approximately 50, 75, 100, 125 seats, "sold out" shows on weekends for newly opened movies is expected to be a regular occurrence. It will mean implementing different complementary ticketing policies, different deployment of member benefits (especially for Premium members), implementing reserved seating for movie screenings at the State and Michigan and generally different types of audience expectations for coming to the movies at the State and Michigan Theaters. And the expectations need to be more positive than negative.

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DAILY PROGRAM OPERATIONS

- Especially now that all of our auditoriums are excellent in terms of cinema exhibition capabilities, continually improving our customer's experience for cinema at both Michigan and State Theaters is paramount. In part this means:
 - Daily operations are always appropriately staffed with nice, well-trained and well-groomed staff
 - Daily operations staff benefits from new HR leadership and better employee orientation and work procedure documentation
 - With the input of the new Head Projectionist we will improve "THE SHOW," i.e. the way each film presentation plays at the State and Michigan – for example:
 - Shows start at the proper time
 - House lights dim and curtains open dramatically and are perfectly timed
 - Pre-show sponsor recognition, ads, trailers, promotional videos are entertaining, not overly long and generally beautiful to look at with well-modulated sound
 - The pre-show builds to the feature film which is set-up at the peak of audience readiness
 - The feature is shown with perfectly presented image and sound
 - End of show is thoughtfully timed in terms of house lights coming up in appropriate stages and curtains closing at the end of the show
 - Every element of "THE SHOW" is executed as perfectly as possible at every showing

- Similarly, as part of “THE SHOW” the role of pre-show announcement by staff, volunteers and Board will be carefully considered and implemented as appropriate and desired
- Demonstrate substantial progress with Agile ticketing systems problems:
 - Continue to surface issues with the Agile and Development software and resolve these problems. This will require effective work, primarily by Agile, but also by our operations staff, development staff and accounting staff
 - The customer facing elements of Agile are made more customer friendly
 - Systems and techniques are implemented to sell every seat, so that staff clearly understands that a show is only genuinely considered "sold out" when literally no seats are available in the theater
 - Computer connectivity effecting Agile ticket selling are fully resolved
 - Accounting challenges (reporting, reconciliation, etc.) with Agile are resolved
 - Other technical, marketing and customer experience issues are addressed by Agile to the satisfaction of our staff, or another ticketing alternative will be pursued
- Other show presentation and customer service systems and techniques are discovered and implemented as needed to keep audiences excited by the programs presented in our fine quality cinema venues
- Live shows at the Michigan are well coordinated with the Programming (primarily Patty the key venue leasing staff person) and appropriately staffed - according to the diverse types of shows and variety of audiences attending those shows
- Shorten the billing time for live shows to no longer than 30 days after the event, and set a goal that all event bills are collected no more that 90 days after the event

CONCESSIONS/FOOD AND BEVERAGE

- To achieve industry standards we need to increase our average sales per person at cinema presentations by \$1 per person (or more). This will require thoughtful planning and training by management and intelligent sales work on the part of our daily operations staff. Increased average sales per person will come from:
 - Increased sales of beer, wine and mixed drinks – especially at the State Theatre
 - Adding non-traditional food service items – especially at the State Theatre
 - Generally, we need to attract people earlier and get people to linger at the State Theater to increase food and beverage sales
 - We must constantly evaluate the food service (concession, beverage and catering traffic and operations) looking for ways to maximize revenue from what we believe might develop into an enhanced revenue stream
- Daily operating staff must be continually well trained to effectively sell alcoholic beverages, meaning regular TAM (Techniques in Alcohol Management) training

MEMBERSHIP SALES, SERVICES AND MEMBER DATA CAPTURE VIA OPERATIONS

- The key interface our member have with the State and Michigan Theaters is through daily operations. Daily operations staff must be “tuned” to serve members especially well

- Selling new memberships and renewing memberships, as well as dispensing parking coupons and generally answering member questions need to be a seamless aspect of daily operations. Membership staff, operations staff and marketing staff need to be aligned to optimize memberships sales and services
- The NEW State Theatre as well as improvements to the Michigan Theater will be key tools, particularly in this to increase membership enrollment and engagement
- As part of selling tickets at the door, we must include in our sales processes the scanning of all membership cards – so that membership and marketing have the data they need to effectively market membership and movie sales

VOLUNTER MANAGEMENT AND OPERATIONS

- Expand volunteer engagement as considered appropriate by management and operating staff so as to enhance operations and member and customer service (e.g. serving as ushers, membership service staff (if properly trained), office help, greeters, pre-show announcements (if properly trained) etc.)
- More fully implement the use of our volunteer management software for more efficient scheduling and communication with our volunteers
- Set volunteer participation metrics (e.g. how many volunteers “work” for us and how many volunteer hours are logged) and increase volunteer participation and volunteer satisfaction

IATSE UNION MANAGEMENT

- Management will continue to document IATSE personnel performance thereby insuring fairness, accountability and effectiveness
- Effectively implement the newly negotiated IATSE contract (effective 10-1-2018)

FACILITY AND JANITORAL OPERATIONS

- Dan Stewart, a full-time and talent facility repair staff person keeps the Michigan and the State in tip-top condition
- Janitors are effectively managed and consistently deliver a spotless and pleasant smelling facilities
- The exterior alleys are well lit, rigorously policed and maintained so they feel safe and clean to our customers
- Outside contractors are hired as needed to perform large scale or specialized maintenance work (HVAC, etc.)

CAPITAL CONSTRUCTION MANAGEMENT

- This aspect of operations will effectively be “in the rear view mirror” in FY2019. Consequently, more management time can be focused on movie presentation quality, member and customer data collection through Agile and, most especially, improving significantly concessions sales
- Work with O’Neal Construction to execute punch list items at the State and the Michigan, and solve other renovation design or execution problems as we become aware of them.
- As these matters present themselves (which should be in the first quarter of FY2019), be prepared to respond to the sale of the Cadillac Building and any opportunities regarding

the Michigan Theater Office Building or other space that might be needed to relocate the desired functional space, offices and storage

FILM FESTIVAL AND OTHER SPECIAL OPERATIONS (AAFF & CINETOPIA)

- AAFF: work to coordinate operations, tech issues, hospitality, scheduling of movie times
- Cinetopia: work through staffing/resource management requirements leading up to and during Cinetopia- including tech staff, facility needs and scheduling needs. Need to be part of planning earlier- need to have Operations person connected to FOH Operations and Hospitality involved in planning meetings from the beginning.

OPERATIONS PERFORMANCE METRICS (K.P.I.s)

- Concession revenue – Daily sales per person
- Alcohol revenue – Need trackable sales metric
- Customer Experience metrics – One question survey (like Alamo Draft House)
- Employee training on Customer Interaction – COO observational assessment on individual employees as part of employee evaluations
- Membership service metric – part of one question survey (two or three questions if a member)
- Poster displays that are properly updated, neat, squarely mounted and professional – random weekly survey by an House Manager to generate a report

FY 2020 (October 1, 2019-September 30, 2020)

Continue to improve Customer Service for both Michigan and State Theaters so that by 2020 operations are efficient and smooth and an excellent customer experience is paramount to operations management.

DAILY PROGRAM OPERATIONS

- Daily operations are always appropriately staffed with nice, well-trained and well-groomed staff
- Daily operations staff benefits from new HR leadership and better employee orientation and work procedure documentation
- The operations staff is highly effective at managing the new "limited seating" paradigm (as opposed to the "unlimited seating" paradigm prior to the State Theatre renovation), particularly on weekends and/or for especially popular movies - this means:
The new reserved seating for the movie program aspect of operations is generally accepted and, for our best, more regular customers, it has become preferred
- Systems and techniques are taught and implemented to sell every seat and a show is only genuinely considered "sold out" by the staff when literally no seats are available for sale
- We look to create financial space in future budgets to implement a policy of paying the locally established "Living Wage Rate" to all employees.
- Other systems and techniques are established as needed to keep audiences excited by the vitality of the business and well-served in the new limited seating, because of many more screens and program offerings

- Daily operating staff is well trained to effectively sell alcoholic beverages (as well as popcorn, soda pop and candy), and the new enhance food stuffs and premium concession items at the State
- We will constantly evaluate the food service (concession, beverage and catering traffic and operations) looking for ways to maximize revenue from what we believe might develop into and enhanced revenue stream
- Daily operating staff provides brief welcomes and introductions for each film screening
- Live shows at the Michigan are well coordinated with the Programming (primarily the venue leasing staff) and appropriately staffed - according to the diverse types of shows and variety audiences attending any particular show

VOLUNTER MANAGEMENT AND OPERATIONS

- Volunteer Coordinator staff person with clearly defined role and responsibilities to manage volunteer staff and provide adequate and appropriate volunteer staffing on a daily basis.
- Provide Volunteer Coordinator with software scheduling and other tools needed to effectively schedule and communicate with volunteers.
- Continue to grow the Volunteer program through outreach in the community: from 150 to about 250.

IATSE UNION MANAGEMENT

- A new IATSE contract is in place that appropriately reflects the nature of the operations at the Michigan and the State
- Union staff are effectively managed in accordance with the contract, are deployed cost efficiently and perform as the professional craftspeople they are trained and represented to be

AGILE OPERATIONS - Operation staff is will train extensively on the Agile sales systems

- Daily movie ticket selling is flawless and well-coordinated with Marketing and Program staff functions
- Daily operating staff is empowered to change screening venues, fix any incorrect ticketing issues and make other needed last minute selling decisions as appropriate
- Concession selling is aided by effective use of the Agile systems in regards to efficiency selling to customers, inventory control and spotting concessions sales trends and benefiting from other useful sales data
- Operations will have worked out all issues with the Development Department to assure the Agile systems serves members and donors effectively in terms of delivering member and donor entitlements and perks (e.g. Agile helps Operating staff with selling and promoting concession sales, membership sales, donor loyalty and gift acquisition)

FACILITY AND JANITORAL OPERATIONS

- A full-time and talent facility repair staff person keeps the Michigan and the State in tip-top condition. Janitors are effectively managed and deliver consistently a spotless and pleasant smelling facilities. The exterior alleys are well lit, rigorously policed and maintained so they feel safe and clean to our customers. Outside contractors are hired as needed to perform large scale or specialized maintenance work (HVAC, etc.)

CAPITAL CONSTRUCTION MANAGEMENT

- Renovating to create the NEW State and Michigan Theaters will be completed on time and within approved budgets by the end of FY 2018 (State Theatre by the end of 2017)
- The State Theater will be operating at a new level with construction completed sometime in 2017 so that we may celebrate its 75th anniversary
- The improved Michigan Theater will celebrate its 90th anniversary on January 5, 2018 and all construction will be completed by FY 2018 year's end.
- We will also be prepared (in terms of background analysis and assessment) to respond to opportunities to acquire and improve buildings such as Michigan Theater Office Building and, if the Cadillac Building is sold, acquire the space needed to relocate the desired functional space, offices and storage.

FILM FESTIVAL AND OTHER SPECIAL OPERATIONS (AAFF & CINETOPIA)

- Staffing and work systems are careful thought through and will be implemented to minimize the stress of special film festival events, especially the Ann Arbor Film Festival and the Cinetopia Festival, as well as Art Fair, Holiday store, etc.
- Volunteer management will be key to "smoothing out" and destressing these special events

ORGANIZATION AND BOARD GOALS

Overall Organizational Goal: In keeping with our management focus of best practices over the last ten years, we will continue to work to accomplish financial management, Board functions, facility, personnel and operational management best practices. Using the new senior management team, as well as outside consultant help, we will re-examine our established organizational staffing and management methods to align our methods and personnel with the “NEW” Michigan Theater (+ Cinetopia, State, Art House Convergence, Cadillac Building) organizational needs and goals. In particular, beyond artistic excellence, we will work to achieve: 1) Clear and concise organizational communications; 2) Workload management; 3) Clear lines of responsibility and accountability; 4) Improved human resource management; and 5) Sustainable financial outcomes. The overall goal for these improvements is to bring the organization to a higher level of organizational function and excellent professional management, for overall effectiveness and artistic excellence. A key aspect of revising our business model and improving our management systems and practices is clearly understanding how expenses in our various areas of business impact overall revenue and how to manage those areas of business effectively for financial viability. In addition to improving our management systems and practices, assuring efficient personnel costs, and increasing community engagement, we will evaluate having a more expansive volunteer work support structure to support daily operations (The Ark and the State Theatre in Traverse City may provide insight into this matter). We should also continue to focus on engaging community, regional and national leaders to participate in Board of Trustee level work so that we may be assured of future outstanding Board leadership.

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MISSION/VISION – Internalize new mission in organizational processes:

With joy, we bring diverse people together to: Enhance understanding and build community; Advance public storytelling and the arts; Protect our historic buildings.

- Encourage staff and Board to understand and internalize our new mission by drawing attention to the new mission (Short version: *Joyfully serving community, history, public storytelling and the arts*) at the beginning of Board and staff meetings and printing mission on business cards.
- Encourage a more general knowledge of our mission by occasionally publishing the mission in advertising material and putting it on screen and in programs in front of audiences regularly.

TRANSFORMATION – A natural result of the Capital Campaign/Improvements:

Capital Campaigns and the subsequent capital improvements that result tend to transform organizations beyond mere physical changes made by capital investment. Organizational processes tend to mature and improve or the need to make such improvements become clear to achieve growth and take advantage of increased institutional capabilities. In this Strategic Plan, first articulated in FY2016, this anticipated transformation was imagined as having the Michigan Theater Foundation generally evolve toward becoming “THE Cinema Culture Institution of Metro Detroit.” However, it now appears clear that this aspect of our transformation would seem more appropriate as a key vision point for the 2021-2025 Strategic Plan. Over the next two Fiscal Years, 2019 and 2020, the management and Board needs focus on refining and learning to fully utilize our new and improved cinema exhibition assets, grow the local/regional audience for

cinema and solidify the futures of Cinetopia and the Art House Convergence. This focus will take us in the direction of the anticipated transformation. The aspirational notion of becoming THE Cinema Culture Institution of Metro Detroit still seems highly appropriate as we work in the years to come to fully utilize the potential of our community's investment in the State and Michigan Theaters and the potential for true community benefit through the power of the arts.

CONSTRUCTION MANAGEMENT

- Construction at the State and Michigan Theaters is completed. However . . .
- Punch list items still must be followed up on at the Michigan and State. These include:
 - Exterior poster cases at the State
 - Refinements to automation systems at the State and Michigan – this is both trouble shooting computer “bugs” that crop up, providing further training to projection staff and making sure all systems are performing to specifications through warranty periods
 - Finishing details of the booth renovation at the Michigan
 - Installing 70/35 mm film projectors at the Michigan in January
 - Making improvements (as affordable) to the State and Michigan Theaters as we discover flaws in design or execution of renovation work

CAPITAL CAMPAIGN MANAGEMENT

- The Capital Campaign exceeded its \$8.5 million goal. We will continue to pursue capital gifts, possibly a few major gifts, but primarily Michigan Theater “Seat Sponsorships” through the end of calendar year 2018. We expect to raise in excess of \$8.8 million, which will allow us to pay for the \$300,000 “change order” of installing an escalator in the State Theatre.
- Communications with and care for all donors is especially important during this post campaign period.

TRANSITION TO NEW MTF CULTURE

- A general goal for the 2016-2020 Strategic Planning period is to move beyond a “Startup” style culture that relied upon great personal persistence, nearly blind enthusiasm for the work, some perilous risk taking, being somewhat ambivalent about the true cost of the risks, and generally, not paying much attention to how this sustained “Startup” environment might contribute to employee burn out. Our goal is to move toward a more “mature” organizational culture with a strong/supportive work environment, clear expectations and goals, strong communication and integration to achieve the very challenging goals we set for ourselves in a sustainable manner.
- Tools to accomplish this move to a more mature organizational culture include:
 - A new budget and accounting systems that will be implemented in FY2019, to create better visibility of revenues/expenses/resource allocation for better decision making.
 - Establishing and tracking meaningful Key Performance Indicators (KPIs) to establish clear financial goals for individuals and departments
 - New accounting systems and KPIs will be designed to develop deep understanding of how different expenses impact short term and long term

revenue, how the performance of different resource investments can be evaluated, and how to use financial information to inform organizational strategy decisions.

- Improve HR systems and practices, as indicated below, will also be essential to this new more “mature” organizational culture.

HR PRACTICES AND POLICIES AND STAFF RESOUCCE MANAGEMENT

- Begin work with new HR systems contractor hired at the end of FY 2018. This will include at a minimum:
 - Updated HR policies and practices.
 - Full understanding and compliance with government HR regulations.
 - Regular performance evaluations performed for all employees, from CEO to lowest wage hourly worker.
 - Continuously review staff organization chart and management systems: job descriptions, clear lines of management and responsibility and performance goals.
 - The ultimate goal of HR practice and policy improvements is to make the Michigan Theater Foundation a great place to work and grow professionally.
- New three year (FY2019-FY2021) IATSE union contract negotiated and in place.
- Annually revisit Succession Plan for senior management, particularly the Executive Director. Revise the plan as necessary per Board discussion.

BOARD

- Adjust management processes to support the new Board leadership and the post Capital Campaign era for the Board.
- Work with the Board leadership to clearly establish and implement these new processes and techniques of communications and support.
- Engage diverse community, regional and national leaders so that we may be assured of future outstanding Board membership and leadership.

VOLUNTEERS

- Support and encourage volunteers by providing a paid MTF staff members to organize and support volunteers.
- Expand the number of active Michigan Theater Foundation volunteers by 50% indexed against FY 2016 levels of volunteer participation.
- Do regular surveys of volunteers to assess their satisfaction and solicit their suggestions on how to improve our support of volunteers.

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THE NEW MICHIGAN THEATER

- The shift from the old work environment to the new Michigan Theater work culture will be evident in all work processes.
- The new budget and accounting systems will be well established to provide deep understanding of how to use financial information to inform organizational strategic decisions.
- The new management systems will help to clearly tie staff resources to goals and priorities, involve relevant management in decision making process and communicate roles and responsibilities.

- New Human Resource policies and practices will be fully implemented and will help us create a great place to work.
- We look to create financial space in future budgets to implement a policy of paying the locally established “Living Wage Rate” to all employees.
- A management Succession Plan, particularly the Executive Director will be in place
- We will engage local, regional and national leaders to provide outstanding Board leadership.
- Volunteers will have a daily and active role to support daily operations and engage the community.