Exit Interview with Janet Brown

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Good morning.
"And the beat goes on................."

Janet Brown Bio:
Janet Brown was an adjunct faculty member at Goucher College, Baltimore, MD teaching a graduate course in Arts and Public Policy. She is founder of the Prairie Arts Management Institute, a multi-state professional training program for arts administrators and served on the South Dakota Arts Council. Janet has a BFA in Theatre and a Masters in Public Administration.

Janet was Chair of the Performing and Visual Arts Department at Augustana College in Sioux Falls, South Dakota and Executive Director of South Dakotans for the Arts. Prior to that position, she worked as Assistant to the General Manager of Joseph Papp's New York Shakespeare Festival in New York City, was a fund-raiser for the American Conservatory Theatre in San Francisco and assistant membership director of the Minneapolis Society of Fine Arts.

Janet received the national Selena Roberts Ottum Award from Americans for the Arts, and the Robert Gard Award from the University of Massachusetts Arts Extension Service (AES) for her work as an arts advocate.

She was appointed by Senator Tom Daschle to serve on the Library of Congress Folk Life Center Board of Trustees. A registered lobbyist for 15 years, Janet served on the Board of Directors of Americans for the Arts, and is a founding member of the National Community Arts Network (now the State Arts Advocacy Network.

She was appointed Executive Director of Grantmakers in the Arts in December of 2008 and retired from that post in December of last year. Click **here**for the interview I did with her in 2009.

☛ ***Note:*** **For further insights into Janet's tenure at GIA, click here for an excellent conversation between Janet and Arts Journal's Doug McLennan done last fall.**

Interview with Janet Brown:

Barry: What’s different about arts philanthropy now compared to when you first started at GIA?

Janet: I think with Grantmakers in the Arts members, at least, there is a greater sense of the need to think collectively rather than just about one organization’s impact. Cities like LA and NYC and San Francisco have demonstrated the value of regular meetings of arts funders to develop relationships, learn together and be able to understand the eco-system of philanthropy in their region. National funders also have more communication with local funders in order to better determine how their funding impacts the local community. In addition, I think GIA’s capitalization work has changed many funders viewpoint on cash reserves, funding administrative overhead, permanently restricted endowments and general operating support. There is also a new dialogue about the need for more racial equity in arts philanthropy.

Barry: You made equity and racial relations a priority at GIA, and thus for the arts public and private philanthropic community. Assess the progress the initiative has made, and the biggest challenges the sector still faces in light of the Helicon follow up report indicating that there is actually less money going to the smaller, communities of color, LGBTQ and people with disabilities? How do we address those challenges and change that reality?

Janet: Our racial equity work is an on-going educational initiative. The systemic issues of inequities in arts funding will not be changed in a few years, just like racism won't be solved in American society in the near future. But there is hope because the dialogue is different. GIA has taken a large step in using direct language and serving as a role model for our members regarding the systemic practices facing arts funding. The GIA website lists our statement of purpose and recommendations for action. We also make a distinction between equity, diversity and inclusion and address why GIA is focused on racial equity and not other inequities.

What I discovered is that most of our members are very interested in making some change and addressing this issue, but that change will take time, courage and often times, people will put their jobs on the line. This is a complicated issue for the arts, as the Helicon studies reflect. Arts philanthropy has traditionally, at least in major cities, provided sizeable funding over decades for major institutions, many founded by the individuals over a hundred years ago whose foundations continue that support today. Unlike other goal areas of philanthropy, like poverty, housing, social justice issues, arts philanthropy does not focus on those with the greatest need. There are political challenges that make changing this pattern very difficult.

Fifty years ago, arts patrons and advocates set out to develop major arts institutions in cities that could compete with the great institutions of Europe. I believe in our major cities that we have accomplished that. The western canon based on European art forms is well established. This initial "arts grants" began with the Ford Foundation's work in the 50s and 60s, which required matching local dollars. The matching grant became the model for National Endowment for the Arts grantmaking practices begun in the late 60s and that trickled down to states and local arts agencies. Consequently, over the past 50 years, arts organizations that did not have access to wealth, to match grants, build capacity, etc., have been neglected and relegated to small incremental funding. Art forms outside of the western canon and communities without access to wealth, primarily Asian, Latinx, African, Arab and Native American (ALAANA) have never been able to build the foundations needed to adequately compete for funding. These organizations and artists were relegated to the "other," supported by under-funded programs like the NEA's Local Arts Agency and Intermediate Arts.

Intentional programs to make up for past neglect need to be created. I'm not sure this is possible in the arts world, based on the white power systems today that govern both foundations and government agencies. But I know it's the right thing to do and I know there are brave people making it happen. Institutional philanthropy and governments should be, as in other sectors, supporting the organizations and artists with the most need to help stabilize them so that one day, they can be successful enough to not need institutional dollars. This is where we are with major arts institutions today, but changing continual institutional funding based on legacy and political pressure is not simple and will take time.

There are disclaimers in this conversation, particularly in rural states and small and mid-sized communities that also don't have access to a great deal of wealth or institutional funders.

Barry: You also made capitalization (or should I say undercapitalization) of arts organizations an issue. How far along are we on that front? Is the reality always going to be basically one of "haves" and "have-nots"?

Janet: Good capitalization principles don't have to do with "haves" and "have-nots" but rather on how nonprofit organizations are managing the money they have and how funders need to change their behaviors to encourage healthier financial practices. Practices like funding on a twelve month basis and forcing organizations to zero-base budget have kept the nonprofit sector undercapitalized with the exception of organizations that have worked around these issues. We are an industry that is cash poor. Even the largest organizations have little or no cash reserves even though many have large endowments. This became an emergency during the great recession.

For the past seven years, we preached better understanding of capitalization principles to funders and their grantees through our workshops around the country through webinars, articles, and our annual conference. Both funders and organizations need to encourage budgets that include surpluses, which build cash reserves, encourage board controlled endowments instead of permanently restricted endowments, (except for the larges of organizations, mostly museums), support administrative and overhead costs for projects and provide on-going financial training for grantees. Even the smallest of organizations can build a cash reserve, which takes courage and some tough decision-making. It also means grantees need to be realistic about their business model, based on the economy and resources of their own communities.

Barry: Increasingly, arts organization Executive Directors spend more and more time in fundraising and less time leading their organizations in other ways? What is the impact of that reality?

Janet: Maybe I'm old school, but I believe it's through the fundraising process that an executive director truly understands how programs are functioning and how the community perceives the relevancy of the organization. In fact, I believe that the successful executive director is able to integrate the business model (fundraising is a part of that), mission and programs. When executive directors don't focus on the money, where it comes from and how it's earned, organizations can potentially be in trouble.

Barry: What does the average grantee not know about the average grantor that they should?

Janet: Maybe people do know this, but I was continually struck, during my time at GIA, at the dedication and passion of folks working in the philanthropic and government grantmaking worlds. Most were artists and administrators working in the nonprofit art sector prior to entering the philanthropic or governmental sector. All are strong advocates for increased funding for arts groups and artists inside their organization and with the general public.

Barry: What area are arts grantmakers not funding that you hope to see them fund?

Janet: Obviously, funding ALAANA organizations and artists in ways that will help them develop sustainable management and artistic products. This means working with communities who have not been at the table, understanding them and giving them agency to be self-determining. It could also mean philanthropic affirmative action funding programs. Again, tough stuff but that's what we need.

Secondly, there is a need to fund more research in the arts. There is also a need to fund more infrastructure…something I've talked about for decades. Every state and major city should have a strong arts advocacy organization, which would also advocate for arts in schools and a nonprofit technical assistance provider focusing on best practices for financial and organizational stability. Most arts funders don't or can't look beyond individual organizations to support the collective needs of the sector.

Barry: You and I have discussed Think Tanks before. What role might arts grantmakers play in resurrecting the idea of an arts think tank that might influence national policy?

Janet: Within the membership of Grantmakers in the Arts, we used forums to examine issues of racial equity, financial health, arts and healthcare, aging, education, environment, community service and social justice. These were small gatherings that informed GIA's next steps and led to research, articles, conference sessions and collaborations between funders. The bigger ideas of where philanthropy is going, how can it change and what does the nonprofit art sector need for future decades is, unfortunately, not something that we focused on. Maybe that's the next step for GIA. But think tanks alone don't do much. They need to the seeds that feed practical implementation and change. Really, this is how our capitalization and racial equity work began…as think tanks of funders, moving to recommendations and then moving to action. To do this for the field, in terms of national policy, has potential but is pretty over whelming when one considers how it moves from talk to action. If this were to happen, I'd hope I could be a part of it.

Barry: Assess the current status of the arts placemaking effort? What do you see as the major milestones on that front in the next few years?

Janet: This takes me back to my early days as a community arts developer. I'm not sure what arts placemaking means or is. I believe people make art where ever they live and arts advocates, community members and funders sustain that work if it is authentic and inspires the people who live in that place. I know one can't fabricate authenticity and if it doesn't work for the community, without outside funding, it won't be sustained.

Barry: If you were back at the beginning of your arts career, what is the one skill you would absolutely want to have?

Janet: I would have taken more classes in financial management, understanding balance sheets and audits. Took me way longer than it should have to truly understand financial information. Too many CEO's leave this to their CFOs or accountants. That's a mistake.

Barry: A common complaint of grantees is that they have to jump through too many hoops and that the requirements of a grant are often so onerous as to make it not worth the effort. Comment?

Janet: This is one of my pet peeves that I didn't address too much at GIA. As philanthropy and government grantmaking became more institutionalized so did the mechanisms developed for grant applications and reporting. Some of it is archaic and prohibitive, especially as we look to bring more under-funded organizations into the funding pipeline. We can't expect organizations without development teams to be able to deliver the same kind of applications or reports as those who have been in the system for the past 40 years and have built up that institutional knowledge. Small private funders are working on this in the best ways, I think. But all funders, especially large national funders and governmental funders, need to take a long look at how their processes are prohibitive.

Barry: If you've learned one lesson in your entire arts career, what is it?

Janet: I learned this as a lobbyist and arts advocate, running a statewide organization. No one wants to follow a leader who isn't committed one hundred percent to principles and values. With membership organizations, there is always the temptation to sit on the fence, to be middle of the road, to not do something that might push some members away. That's safe but it's also not productive nor does it excite involvement by new people or make a difference in changing the world. By taking a strong stand on issues like supporting individual artists, improving philanthropic practice and making our world more equitable, you might lose a few folks along the way but more will join because of your clear conviction of purpose. Take a stand and others will stand with you.

Barry: With your departure, the GIA transition to new leadership is a major change for the organization. Transitions can be complex and tricky. Can you comment on that transition?

Janet: Transitions Take Planning, Foresight and Money
Someone asked me what the single most important issue was for a smooth transition and my immediate response was "a strong cash reserve." GIA's cash reserve enabled us to have a transition that has been extraordinary.

In the fall of 2015, I decided I would step down as CEO on December 31, 2017. I began by putting together three transition scenarios with budgets for each. In early 2016, I reached out to a "leadership circle" of my three past chairs and current chair and reviewed these scenarios with them as a group, in confidence. The scenarios ran from simple and inexpensive to less simple, moderately expensive, to complicated and most expensive. They suggested that I propose the first two only. So I honed those two proposals.

In October, 2016 at the GIA conference in Saint Paul, current chair Bob Booker and I met with chair-designee, Angelique Power, to inform her of my decision and outlined the two scenarios and timelines. We also gave Angelique the opportunity to not continue as chair-designee since she didn't sign up for a leadership transition when she accepted the position. Angelique is an amazing woman and although she was disappointed that we wouldn't be working together for her full two-year term as chair, which would begin January 2017, she accepted the new responsibility to oversee GIA's leadership transition and to be chair of the board.

She began by rejecting scenario one and moving to scenario two. Scenario two included a national search and hiring a professional search firm. In November, we announced my resignation date to the board of directors at their regular meeting. Angelique laid out a timeline for the process, which would begin in January 2017. In December 2016, I developed a request for proposals for search firms, improved on by Angelique, and we sent it to ten prominent search firms with experience in the arts. The one interesting emphasis in the proposal asked that firm tell us their experience in finding ALAANA (Asian, Latinx, African, Arab and Native American) candidates. Angelique and I asked eight current and past board member to serve as the GIA leadership selection committee, called the Alchemy Alliance (AA). The committee reviewed and interviewed search companies and selected a firm. At this point, I left the process, which was totally led by Angelique.

GIA made an announcement in January that I would be stepping down in December 2017 and the search firm began its work. There were monthly updates on the process given to the board and the staff by Angelique. The process of interview selection took longer than anticipated and were finalized in June. We were grateful we had started the process early without dallying by the chair, the committee or the board. Final candidates had two separate interviews with the Alchemy Alliance over a period of two-three months. Our goal was to have a candidate selected by the committee for an announcement and discussion at the July board of directors meeting.

At the March board meeting, the executive committee led by chair Angelique Power presented a retirement package for me to the board of directors. It was approved at that meeting, which removed it from the decisions to be made about the new CEO. When that person was hired, the retirement agreement was in place. This avoided any awkward negotiations or discussions of financial commitments between the new CEO and me.

At the July board meeting, the Alchemy Alliance (search committee) announced that Eddie Torres was their top candidate. The GIA executive committee, which meets monthly, made a recommendation that the transition include moving the offices from Seattle to New York City. Prior to the meeting, the treasurer, with some support from me, had put together a budget for this transition and a comparison of salaries, rent and general administrative costs. The board voted to move the office and to hire Eddie Torres as their new CEO. I agreed with this decision since there was no real strategic reason for the offices to be in Seattle except that GIA's first CEO lived there.

Immediately after the board's decisions, our priority became the current GIA staff and how best to assure the smooth implementation of the organization's on-going programs through 2017 and, in particular, our annual conference to be held in October in Detroit. I put together relocation and extended retention offers for GIA's seven staff members in early August. Because of GIA's strong cash reserve, we were able to offer reasonable moving packages and retention packages. If the employee declined to move to New York, we asked them to sign the extended retention agreement which provided them with a bonus payment in January 2018 if they agreed to stay with the organization until December 31, 2017, write a scope of work for their successor and travel to New York City for a maximum of a week to train new staff in 2018. All employees chose to accept the retention agreement, which meant GIA would have continuity in services to members and a well-managed conference, our largest program, through the end of 2017. Ultimately, one employee will remain on staff working remotely from Seattle and one remains part-time as an advisor. Eddie also made arrangements with individual employees to work contractually or hourly in January as needed.

Eddie came to the Seattle office twice between August and October for a total of ten days. We worked together on the 2018 budget, current and future programs, organizational operations and the strategies and timeline for hiring new staff. We agreed that my job was to close out the year and the Seattle office and his was to open the NYC office and hire staff. He hired a deputy director in September who was able to attend the conference and the November board meeting. Eddie and I attended the annual conference in Detroit where he was introduced to the membership as the new CEO. We presented a united front for the membership and hopefully instilled in them confidence that the transition would be a smooth one and would enable the organization to continue to have impact for members with the minimum amount of downtime in programs and services.

We kept two staff members in Seattle working on important projects in January and February. Our director of finance and operations is doing the 2017 audit with our Seattle auditors and the deputy director remained on contract to edit and publish the 2018 Winter Reader, a major publication for the arts philanthropy field. It was our intention to provide as much support for on-going communication programs with Seattle experienced staff while the New York office became fully staffed, and knowledge transfer among old and new staff began to flow. Great credit needs to be given to Seattle staff members who maintained their extraordinary commitment to the organization throughout a five-month period of knowing they would be losing their jobs. This also speaks to the culture of the office, where loyalty and teamwork were values held be the entire staff.

By January 1, 2018, six new staff members had been hired, an office was procured in the South Bronx, the office in Seattle was packed up and furniture, equipment and records shipped to NYC. At its November meeting, the board approved a 2018 budget which included use of cash reserves for transition costs including payment of retention and retirement agreements, the actual move, Seattle staff travel to train new staff and other costs.

When someone asked me the most important element to a smooth transition, my answer was “a strong cash reserve.” Successful transitions are planned, thoughtful of all individual stakeholders and of the on-going mission of the organization. They can also be expensive, but having cash reserves designated for “leadership transition" make the difference between leaving an organization set up for success or leaving a board and new leadership wondering what the future will bring. In this transition, they have an idea about the future even though, in reality, it will be a new organization that will build on the past to shape a new, even more impactful association for the arts grantmaking community of practice.

Barry: What’s next for you?

Janet: I’ve moved back to South Dakota, my home state and where “everybody knows my name.” It’s nice to be home. I’d like to consult with regional and national foundations, and state and local government agencies. I also want to write and teach - focusing on leadership, racial equity and organizational finances and management. I am anxious to work again with nonprofit arts groups. I’m also looking forward to reading several books, going to lots of movies, watching lots of tennis, traveling to see kids and friends, and, of course, continuing to be a better boxer. Boxing life lessons: keep moving, hit hard and don’t forget to duck.

Thank you Janet.

Have a great week everybody.

Don't Quit
Barry