Meeting Recap
TEC Webinar – September 30, 2015

# Attendees: Total of 70; approximately 30 at TAB and 40 on-line

DUT – Pittsburgh’s Ambassadors to the World!

- Established in 1937, the Tamburitzans have a rich history of bringing the best of Pittsburgh to audiences around the globe!
- The Tamburitzans have performed abroad 8 times in their history.
- Tamburitzans “By The Numbers”
  - Graduating over 700 Students in almost 80 Years!
  - More than 7700 Performances!
  - Seen “Live” by more than 5.5 Million People!
  - 97%+ Graduation Rate!
- Tamburitzan graduates have gone on to successful careers in business, law, medicine, health care, education, music, entertainment & more!

Historical Perspective – Key Events

- March 2012 – Fr. Sean Hogan announces to celebrants of DUT 75th Anniversary that the DUT were costing the university about $1M per year (in scholarship + operational liabilities). Concerned DUT supporters heard the “call” and decided to engage.
- May 2012 – Following the successful creation/coordination of supplemental events to the 75th Anniversary weekend, the 75th Anniversary committee transforms into a “Legacy Committee”; the goal: determine the intent of DU relative to continued support for the ensemble.
- June 2012 thru August 2013 – Legacy Committee meets regularly & performs “due diligence” to gather pertinent information & understand the economic challenges facing the Tamburitzans. Essentially preparing for discussions with DU.
  - Declining # Shows – from a high of 100+ shows to recent seasons where the total # shows fell into the 40+ range and finally to 38 in the 2014 – 2015 season.
  - Decline in # Student Performers – from a high of 40, the 2014 – 2015 season had 28 in the troupe.
  - Fiscal 2014 – significant change in DU policy relative to DUT Grant-In-Aid: the GIA could no longer be added to “any other University-based funds”. A student had to choose between the DUT GIA -or- any other DU scholarship. This increased the burden on the family contribution.
- August 16, 2013 – Ed Markoff and Jim Miller (Associate VP for Development and Alumni Relations) talk briefly about the status of the Tamburitzans at the Friends of the Tamburitzans golf outing. Ed shares the concerns relative to the uncertain economic support of the Tammies from Duquesne University.
- August 30, 2013 – meeting with Dr. Murray; Bob Vukic and Ed Markoff discuss DUT challenges. Dr. Murray agrees to contact Fr. Hogan and others to share our concerns.
- November 11, 2013 – lunch meeting with John Plante (VP University Advancement) and Jim Miller to discuss the concerns. Importantly, this meeting sanctioned our efforts with President Dougherty and his team.
- December 11, 2013 – meeting with Jim Miller and DU finance executives David Beaupre & Matt Frist; Bob & Ed presented historical information and pertinent data relative to the DUT. Options for the future of the Tamburitzans that were discussed are as follows:
  - 1) Maintain Status Quo – based on observed economic decline (# of shows, # of student-performers, # of auditions as well as reduced scholarship support from Duquesne University), this option is viewed as a “phase-out” strategy.
2) Grow within Duquesne University – increase # of shows, revenue, visibility, alternative income streams, endowment, & staff capabilities. This would require a long-term resource commitment from Duquesne University supported by growth-oriented business development plans.

3) Move to another University – this would require search/inquiry, transfer/sale of assets, communication and implementation plan, managed and phased-in approach.

4) Create a “New Paradigm” as Pittsburgh treasure – “The Tamburitzans”: a non-profit 501c3 with scholarships funded by a consortium of Pittsburgh-based Universities.

Ed & Bob recommended “Option 2” to grow the Tamburitzans from within Duquesne University reflecting a desire to preserve the long-term partnership between the Tamburitzans and DU. Ultimately, Matt Frist was to prepare pro forma financial documents to determine the feasibility of each option and the University would decide the best course of action. We would meet again in early 2014 to discuss Duquesne University decision and go-forward plan.

February 19, 2014 - Based on an analysis of the current situation and considering all options, Duquesne University stated it would not be feasible for the University to maintain current sponsorship and financial support arrangements for the Tamburitzans. The Duquesne University officials in attendance communicated their desire to develop an orderly transition plan that would support and maintain Tamburitzan operations in the short term while the Tamburitzans are transitioned out of Duquesne University within 6 years.

There will be a multi-year transition plan where the Tamburitzans will continue to operate “as normal” for 2 years; then the committee will work toward implementing the new target organization as follows:

- 3rd year: 2016/2017 – new non-profit organization commissioned; DU will contribute $350K towards operations.
- 4th year: 2017/2018 – DU will contribute $175K towards operations.
- 5th year: 2018/2019 – DU will contribute $87.5K towards operations.
- 6th year: 2019/2020+ – $0 support from DU towards operations.

Duquesne will contribute the Tamburitzan bus and Tamburitzan Administration Building including costumes, instruments, equipment, artifacts, books, etc. to the new organization.

Duquesne will retain its present Tamburitzan endowment scholarships approximately $4.2M. As long as Tamburitzan students are attending Duquesne University, the investment income from the Endowments is available to distribute to the student-performers.

DU to partner with Transition Team (eventually named the TEC) with Bob Vukic and Ed Markoff as team leaders.

TEC Members
- Cissy Rebich
- Mark Kosovec
- Rudy Choich
- Bill Dorfner
- John Huckle
- Mark Husnick
- Gene Lubas
- Brad Novic
- Bob Vukic – Co-Team Lead
- Ed Markoff – Co-Team Lead
Tamburitzans – Current State

- On September 5, 2014, Duquesne University announced that the Tamburitzans will become an independent, nonprofit organization over the next 2 to 3 years, and for the first time will audition students from other universities, as well as Duquesne.
- The move will help increase the ensemble’s applicant pool, allow for a more robust performance schedule—thus more operating revenue—and position the group to more broadly pursue charitable support from individuals, the foundation community, corporations and government agencies.
- To help ensure its success, Duquesne University will provide significant support to the troupe. Duquesne is giving the group more than $2 million in buildings, land, costumes, instruments, vehicles and equipment. In addition, the University will provide operating fund support throughout the transition.
- This season (Fiscal 2016) we show an increase in the size of the ensemble to 31 and we have 39 shows confirmed with 7 more pending. Goal is 46+.

Change Agents

- Organization in Transition
- Change is good - necessary - uncomfortable
- No Sacred Cows
- Improvement Imperatives: Financial + Artistic + Cultural

Financial Challenges

- From Fiscal 2011 to Fiscal 2015, DUT annual revenues have declined from nearly $400k to approximately $200k; conversely DU subsidy of the DUT (to cover operating loss) has increased from approximately $300k to $400k.
- In addition to the number of shows declining, the average revenue per show has declined to $5.0k in Fiscal 2015 from a recent high of $6.1 in Fiscal 2012.
- TEC projections for the 1st 3 years post-separation from DU reflect an operating loss of approximately $200k per year that we will need to raise via fund-raising efforts.

Tamburitzans – Future State

- The Tamburitzans troupe will ideally be comprised of 36 undergraduate & graduate students from a consortium of Pittsburgh-based universities including but not limited to: Carlow, CCAC, Chatham, CMU, Duquesne, La Roche, Penn State (Regional), Pitt, Point Park, and Robert Morris.
- Performances and appearances over the academic year will number approximately 60+ and serve as a key source of revenue to fund operations.
- Re-build / increase “brand” awareness through more robust touring schedule, PR/marketing efforts, web & social media presence.
- The Tamburitzans will expand it’s cultural “borders” to include additional cultures beyond Eastern Europe and its neighbors including but not limited to Latin, Western Europe and Asian cultures.
- Financial self-sustainability:
  - Operations would be solvent with revenue supplemented by donations & grants via an effective Fund Raising effort.
  - Scholarship resources would be provided initially by member schools; eventually full-scholarships funded by additional endowments.
Progress To Date

- **Financial/Organizational:**
  - Organizational stability; 501c3 approval imminent (PIFAI d/b/a “The Tamburitzans”)
  - Strategic business plan
  - More profitable shows; re-engage with “lost” venues such as Detroit and Toronto
  - Viable DUT Staff Structure
  - TEC & support organizations “re-engaged” in support of Tammies
  - Gained Pittsburgh-based University “Interest”
  - Increased social media utilization; new website development

- **Artistic:**
  - Increased ensemble size
  - New commercially viable show
  - Increased use of technology (new sound system; video component)
  - Expansion of geographic borders

- **Cultural:**
  - Improve morale; teamwork
  - Community support

Work to be Done

- **Financial/Organizational:**
  - With 501c3 approval, engage robust fund-raising effort via foundations & corporations
  - Increase show count to 60 profitable shows; recapture “lost” venues; expand tour map
  - Increase Tamburitzan staff functionality; add Business Development and PR/Marketing positions; further build brand awareness thru contemporary media outlets.
  - Gain agreement from Pittsburgh-based university to participate in consortium; provide scholarships.
  - Enhance recruitment effort to gain needed talent; increase size of ensemble to allow for more artistic flexibility

- **Artistic:**
  - Improve venue quality; larger theaters that complement our show.
  - Continue to enhance marketability of show; extended show dates in entertainment centers
  - Attract entertainment industry leaders to contribute to our show (name recognition).
  - Continued expansion of geographic borders

- **Cultural:**
  - Unity!
  - Celebrate our commonality; minimize our differences.

Constituency Update

- **Focus:** ONE UNIFIED & ALIGNED constituency support group (the Tamburitzans Patron Organization) whose sole purpose is to promote and support The Tamburitzans. (Goal 1)
- **Target Members:**
  - Tamburitzan Alumni (650+)
  - Past & Current Parents of Tamburitzans
  - Relatives, friends and colleagues of the above
  - Anyone who values the existence of the Tamburitzans
- **Formed under the aegis of the 501(c)3 Corporation (i.e., PIFAI, d/b/a “The Tamburitzans”)**
How Can I Help?

- Become a “Patron” member of The Tamburitzans
- Volunteer to assist at fund-raising activities or other special events (e.g., event chairperson, subcommittee member/worker, etc).
- Help to book or sponsor a show and/or identify potential contacts to schedule additional performances in your geographical area
- Donate – on an individual, personal level – to “The Tamburitzans” on a regular basis to help us meet our fiscal operating goals, scholarship endowments, capital improvement projects, and/or extraordinary expenses (e.g., new bus, etc.).
- Network tirelessly and communicate new contacts and leads relative to foundations, artistic trusts, corporations, and individuals that might be willing to contribute to The Tamburitzans
- Encourage your family, friends and colleagues to join and support The Tamburitzans and its activities

Tamburitzans Patron Organization

- Patron Membership Fees are NOT meant to be a major or sole source of funding for the Tamburitzans but can help to offset operating costs and provide seed money needed to organize & plan events
- The Tamburitzans Patron Organization helps to sponsor and conduct events designed to both generate funds and to increase exposure of the Tamburitzans for future fund generation.
- Grant-giving organizations (i.e., foundations, trusts, etc.) seek to determine the level of “patron support” before providing contributions.
- Patron Membership Levels
  - “BRONZE” (1 YEAR): $25.00
  - “SILVER” (3 YEARS): $65.00
  - “GOLD” (5 YEARS): $90.00
  - “PLATINUM” (10 YEARS): $165.00
  - “LEGACY” (LIFETIME): $300.00
- Preview of Coming Attractions:
  - DUT Performance @ West Mifflin Middle School (November 14, 2015)
  - Season-Ending Performance & Celebration (April 2015)
  - Tamburitzan Invitation Golf Outing (TBA)
  - Night at the Races (TBA)
  - Major Fundraising/Pledge Drive (TBA)
  - 80th Season Homecoming Weekend Extravaganza (TBA)
- How to get involved...
  - Email tamburitzans@duq.edu
  - Phone: 412-396-5185