



# **2009-2011 Budget**

**REFLECTING THE NEW REALITY**

**WASHINGTON STATE HISTORICAL SOCIETY**

# GOALS

- **Emerge as a more valuable organization**
- **Use the current crisis as an opportunity to reset and refocus**



# STRATEGIES

WASHINGTON STATE HISTORICAL SOCIETY

# STRATEGY

**1 Identify and take actions to enhance lines of business that have the greatest strategic value:**

- **Museum Exhibits**
- **Web Presence**
- **Statewide Outreach**

# STRATEGY

**Align support services in  
furtherance of key product lines:**

- **Collections**
- **Membership & Public Relations**
- **Administration**
- **Facilities**

# STRATEGY

**3** Implement strong cost control mechanisms:

- **Zero-based budgeting for key variable cost activities using a new “working capital pool of operating funds”**
- **Concentrate museum operating hours to maximize audience capture rates**
- **Internalize maintenance at SCMOC**
- **Eliminate or repurpose fading programs**

# STRATEGY

**4** Keep a strong cash reserve pending further budget cuts:

- **Estimated \$512,000 as of July 2, 2009**

# STRATEGY

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**Vigorous pursuit of grants and  
donated income**

# STRATEGY

## Intensify management processes:

- **Weekly budget forums with Chief Financial Officer, Assistant Director for Human Resources, plus invited Division/Department heads**
- **Empower teams within Exhibit, Digital, and Communications forums**
- **Attention to metrics**
- **Manage to demand**
- **Keep hiring freeze in place**

# STRATEGY



**Sustain technology infrastructure:**

- **Our lifeline to 21<sup>st</sup> century information systems and culture**

# STRATEGY

**Revitalize tactical outlook:**

- **Protect the brand: “Be Statewide”**
- **Extend relationships with key partners**
  - **Internal: Gift Shop and Café vendors**
  - **Local: MOG & TAM**
  - **State: Parks, Archives, Arts Commission, SPI, NW Mac, UW-T, Office of the Secretary of State**

# STRATEGY

## Revitalize tactical outlook (continued):

- **Invigorate customer relationships**
  - **Test variable pricing**
  - **Develop social networking/marketing prospects**
  - **Shift promotional emphasis to radio, cable TV, and trade publications**
  - **Implement e-commerce options for :**
    - **Museum ticket sales**
    - **Membership, donations, and image licensing**
    - **Book and Columbia Magazine sales**

# STRATEGY

## Leverage strengths:

- **Flagship museum**
- **Historical collection**
- **Education department**
- **Creative class of workers**
- **Women's history brand**
- **Senior staff leadership**
- **Solid Board of Trustees engagement**

# STRATEGY

Keep the innovation pipeline full:

- “Cook on Ice”
- History of Tacoma Revitalization Effort
- “Civil War to Civil Rights”
- Redeploy human assets across departmental lines

# Report Biennium 2009-11 Proposed Operating Budget Summary

By Product Group Activities, Version Y

	B09 Maintenance			B11 Changes					B11 Maintenance			B09 vs. B11 %
	FTEs	Dollar	%	Budget Reduction			Redeployment		FTEs	Dollar	%	
				FTEs	Dollar	%	FTEs	Dollar				
<b>Key Production Group Activities:</b>												
Exhibits	4.3	\$ 785,508	9.1%	(0.6)	\$ (179,378)	14.4%	0.2	\$ 51,167	3.9	\$ 657,297	8.9%	-16.3%
IT/WEB	3.1	\$ 1,168,330	13.5%	0.2	\$ (237,583)	19.1%	0.1	\$ 30,504	3.4	\$ 961,251	13.0%	-17.7%
Statewide Outreach Services	10.2	\$ 1,734,218	20.1%	(2.1)	\$ (422,716)	34.0%	(0.3)	\$ (31,504)	7.8	\$ 1,279,998	17.3%	-26.2%
Working Capital					\$ 468,735					\$ 468,735	6.3%	100.0%
<b>PGA Sub Total</b>	<b>17.7</b>	<b>\$ 3,688,056</b>	<b>42.7%</b>	<b>(2.6)</b>	<b>\$ (370,942)</b>	<b>29.8%</b>	<b>(0.1)</b>	<b>\$ 50,167</b>	<b>15.0</b>	<b>\$ 3,367,282</b>	<b>45.6%</b>	<b>-8.7%</b>
<b>Support Services:</b>												
Agency Administration	4.7	\$ 1,037,076	12.0%	(0.2)	\$ (52,951)	4.3%	(1.0)	\$ (169,368)	3.5	\$ 814,757	11.0%	-21.4%
Member, Donor, Public Relation	6.7	\$ 1,102,282	12.8%	(1.6)	\$ (336,207)	27.1%	1.1	\$ 115,181	7.4	\$ 881,256	11.9%	-20.1%
Facilities Maintenance	7.8	\$ 2,044,478	23.7%	(2.3)	\$ (265,543)	21.4%	0.0	\$ -	5.6	\$ 1,778,935	24.1%	-13.0%
Collections Management	5.5	\$ 757,786	8.8%	(1.8)	\$ (217,142)	17.5%	0.0	\$ 4,020	3.7	\$ 544,664	7.4%	-28.1%
<b>Support Services Total</b>	<b>24.7</b>	<b>\$ 4,941,622</b>	<b>57.3%</b>	<b>(5.9)</b>	<b>\$ (871,843)</b>	<b>70.2%</b>	<b>0.1</b>	<b>\$ (50,167)</b>	<b>20.2</b>	<b>\$ 4,019,612</b>	<b>54.4%</b>	<b>-18.7%</b>
<b>Agency Total</b>	<b>42.3</b>	<b>\$ 8,629,678</b>	<b>100.0%</b>	<b>(8.5)</b>	<b>\$ (1,242,785)</b>	<b>100.0%</b>	<b>(0.0)</b>	<b>\$ 0</b>	<b>35.1</b>	<b>\$ 7,386,894</b>	<b>100.0%</b>	<b>-14.4%</b>
<b>By Funds:</b>												
State General Fund	31.0	\$ 6,416,000	74.3%	(5.1)	\$ (1,128,000)	90.8%			25.9	\$ 5,288,000	71.6%	-17.6%
Local Museum Fund	11.3	\$ 2,213,678	25.7%	(3.4)	\$ (114,784)	9.2%			8.0	\$ 2,098,894	28.4%	-5.2%
<b>Fund Total</b>	<b>42.3</b>	<b>\$ 8,629,678</b>	<b>100.0%</b>	<b>(8.5)</b>	<b>\$ (1,242,784)</b>	<b>100.0%</b>			<b>33.9</b>	<b>\$ 7,386,894</b>	<b>100.0%</b>	<b>-14.4%</b>