

October 19, 2023

Since we opened our doors in 1946, Theatre Baton Rouge has been a premier community arts institution in the Capital Region. We have strived to provide exceptional, live theater for generations, and hundreds of thousands of people have experienced Theatre Baton Rouge as audience members, actors, volunteers, or production workers.

But community theaters across the country are dealing with the impacts of COVID-19, inflation and rising costs, and a changing landscape of the theater world, and many are closing their doors as a result. Theatre Baton Rouge has not been immune to this trend, and our ability to continue to operate is in jeopardy. Without an outpouring of community support, Theatre Baton Rouge may not be able to keep our doors open. The demise of this historic cultural institution would be a catastrophic loss for the Baton Rouge community.

Our current financial crisis has resulted from a range of factors, from an unprecedented surge in production costs over the past few years due to post-pandemic inflation, to aging facilities and infrastructure, to a reduction in sponsorships and grant funding. The organization experienced significant internal obstacles in identifying and addressing these funding gaps that have delayed addressing the mounting financial challenges we now face.

The Board of Governors takes full accountability for the current financial state of the organization and is unified in our commitment to putting in place sustainable, corrective actions to ensure significant accounting and operational changes are made to avoid these issues arising again in the future.

These financial operations changes will include:

- Outsourcing key bookkeeping and accounting functions to ensure the highest level of financial best practices and standards are maintained.
- Improving our internal processes and controls for spending-related decision making and reporting.
- Outsourcing services to volunteers or professional services where appropriate to reduce staffing costs.
- Completely revamping our budget development, approval, and tracking process to meet or exceed industry standards.
- Generating new revenue sources by diversifying our income streams and incorporating low-overhead revenue sources into our business model.
- Creating balanced income sources from our various revenue streams to establish greater long-term economic stability.
- Ensuring all staff and board members have the necessary training and support needed to oversee the financial reporting components successfully.
- Implementing bylaw changes that put into place best practices for planning, reporting, and response actions for operations and financial reporting.

As part of these efforts, Theatre Baton Rouge is also undergoing a re-commitment to our volunteer-centric model, including:

- An improved culture of appreciation and enthusiasm for our critical volunteers who serve the theater and community through their contributions of time and talent.
- A renewed commitment to transparency in all aspects of the theater's operations and decision-making processes.

- New tools to enhance communication with all organizational stakeholders.
- New training and development opportunities for volunteers and other community members.

We are committed to a greater focus on our service to the Baton Rouge community and our role as a critical arts venue for cultural, educational, and social enrichment in this community, including:

- Enhancements to our education programming.
- Greater audience input into programming.
- An investment into growing our Young Actors Program and expanding the reach and impact of the program.
- A renewed focus on community outreach and service.

We are committed to reaching out to peer institutions across the country to leverage best practices and learn from their successes and failures, ensuring we do not operate in a vacuum.

Lastly, we will strive to be more intentional in cultivating our relationships with donors and sponsors who provide the backbone of support for the theater, including:

- More consistency in linking donations and sponsorships to impact.
- Collaborating with donors to serve the mission of Theatre Baton Rouge and envision a theater arts community that serves the needs of this community.
- A commitment to stewardship and transparency with donors and supporters and ensuring appropriate accountability and effective reporting for all financial operations moving forward.

We remain committed to offering excellent theater, education, and community enhancement to the region. We want to assure our donors that we are fully committed to being good stewards of our resources and our generous donor support, and that our sole focus is on ensuring that the theater is well-positioned to continue to deliver exceptional, live theater to this community for decades to come.

We need your help to ensure that Theatre Baton Rouge's stage can continue to shine brightly for the next 75 years. Join us in our efforts to build a stronger, more resilient theater arts organization moving forward, one that will be well-positioned to weather any storm that comes its way. We welcome all voices, all volunteers, all members of our community to join us in our efforts.

Help light the stage for all those in Baton Rouge who have found a theater home at TBR. Help us continue to raise the curtain for years to come.

Here's how you can help:

- <u>Reach out</u>
- <u>Volunteer</u>
- <u>Donate</u>