

THE CZECH REPUBLIC AND SLOVAKIA - 1998

Country Director

Jillian Poole

Consultants

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Bradford Kelleher Martin Klingenberg Jay Levenson Elaine M. Lomenzo

Charles Ritcheson Jane Safer A.N. Scallon Sheldon Schwartz

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Fund Consultant Days in Country

1991	7
1992	54
1993	78
1994	78
1995	40
1996	18
1997	22
1998	15

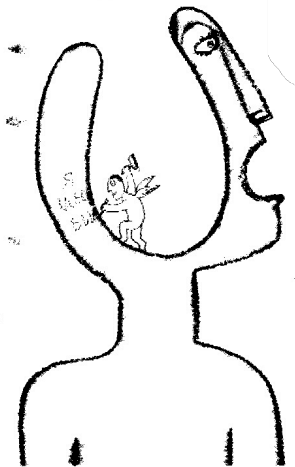
Activities Summary

As we indicated in our 1997 Report, The Fund's Czech activities, which began in 1991, were virtually wrapped up. There was one remaining item that we had agreed to conclude. It concerned The Foundation of Museums and Galleries, which was started at our urging and with our guidance. We agreed to make two final trips in 1998 to ensure this project was fully launched and this was done by Jillian Poole in March and October when she attended Board meetings and worked on attendant matters.

By way of background, this Foundation was designed in 1991 to benefit the four major museums of the Republic. (National Gallery, National Museum, National Technical Museum, Museum of Decorative Arts). The Foundation was to provide the necessary tax exempt vehicle for the museums, give them international contacts, and ultimately, become a funding source for them. It was designed along the lines of an American community foundation, with separate accounts for each museum and a common account for joint projects.

It is hard to remember that in the days when Czechoslovakia (as it then was) was emerging from the Communist era, there was so little trust. The museum directors were not accustomed to meeting together, sharing ideas and making joint plans. Initial concerns about the Foundation revolved around who might make off with the money! (In the end, there wasn't much to make off with).

Putting together an international board proved a great challenge. The Czech propensity not to set firm meeting dates far enough ahead to enable international travelers to make plans, only aggravated the situation. Meetings were disorganized. Administrative responsibility for the foundation kept changing. Finding an effective chairman took many false starts. Minutes were not distributed in an orderly fashion. Bank accounts became ensnarled. In short, there was much to be learned.



To compound difficulties, the director of the National Gallery was continually replaced by the Ministry. Since 1991, there have been three at the main gallery, and two at the Modern Art Gallery. As of September, both posts were vacant.

An ever-evolving legal structure added additional challenges to setting the Foundation on firm footing. Virtually every year the organizational rules changed, and the shape of the Foundation and its incorporation documents underwent revision. By late 1997, the legal picture finally seemed clear. The provisions that were to give the Foundation access to the proceeds of the National Privatization Fund, seemed assured in March. But, once again, by September the legal situation changed and the all-important provisions appeared invalid. The grail of having generous working capital vanished just as the trustees of the foundation had resolved to raise the capital necessary to incorporate.

At the September 1998 board meeting, the last one in which The Fund was to participate, the Board voted to convert the Foundation for the Museums and Galleries of Prague into a Fund for the Museums and Galleries of the Czech Republic. This eliminated certain legal restrictions and gave the organization broader purpose. It also gave other museums and galleries the opportunity to benefit from the international reach of this Board. It is our hope that this project will continue and flourish.

Evaluation

This project was the longest running of any undertaken by The Fund. Was it worthwhile? It was the stated view of the present Foundation Chairman, Dr. Jara Moserova-David, Vice President of the Czech Senate, that The Fund's contribution was invaluable. She and the museum directors had constantly urged our continued participation. The project gave the museums experience in the requirements of an organization involving outsiders, they were obliged to cooperate in ways previously unknown, and the Foundation's Board activity gave them an international reach which has already proven worthwhile.

Further Activities

Virginia Hubbell, a distinguished expert on private and family foundations, has been consulting with the Donor's Forum on establishment mechanisms for charitable foundations, including board structure, mechanisms for evaluation of requests and guidelines for donations. She has offered further guidance, if needed.