



Global Gala 2nd Report, September 2023

This second report about the InterPride 40th anniversary Gala is a work-in-progress. The figures hereunder mentioned will change depending on upcoming sponsorship contracts. The figures mentioned in the next pages are dated September 16, 2023.

This report shares with the Membership, backgrounds and answers to the questions that some member organizations asked the Board of InterPride on May 9, 2023 and on September 1, 2023. The document ends with InterPride's remarks inviting the membership to three open sessions before the October 2023 Annual General Meeting & World Conference in San Diego.

You will find below the collated and transparent answers from the Board Members and the Project Managers, followed by a few observations we share with you in good faith and will.

This document was prepared with the input of Project Managers Madonna Cacciatore and Ryan Starzyk, as well as Board Members Dave Wait, Alan Reiff, Marsha H. Levine, Darien Chen, Linda DeMarco, Uwe Hörner, Debbie Brixey, Jordan Braxton, Jen LaBarbera, Natalie Thompson, and Hadi Damien.

Document completed on Saturday 16 September 2023.

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Answers to the questions emailed on Friday 1 September 2023

1. How often does the Treasurer and others with financial responsibility provide updates to the Board? On what dates were those updates provided between January and April 2023?

Each month, during the Board meeting, the Treasurer presents a financial update report in the form of a Profit & Loss statement. Our Board meetings between January and April 2023 took place on January 13, February 15, March 18, and April 30, 2023. During these calls, Madonna Cacciatore, the Project Manager in charge of the Gala, also presented her updates about the production of the Gala. A more detailed and updated financial report will be presented at the Annual General Meeting & World Conference in San Diego, next month (October 2023).

2. The budget presented in Guadalajara showed an income from this event of \$465,000 and costs of \$275,000, resulting in a net income of \$190,000. On what date did the Board note that these figures were wildly inaccurate, and huge losses would be incurred?

We realized that we would not meet the income projections after the membership vote on the 2023 budget during the 2022 Annual General Meeting & World Conference. The monthly Gala reports mentioned that ticket sales were less than anticipated, and that sponsorships were not as good as expected for immediate income, even though sponsorships with projected income were being worked on. By the 1st quarter of 2023, the Gala production committee realized the income expectations were not going to be met. Therefore, some changes to expenditures were made, such as reducing the size of the room from 500 to 300 persons to cut costs. Gala logistics, such as lighting and signage, were reduced to save money. These changes were presented in the Project Managers reports, 3 and 4 months prior to the event. Because of the funds already spent, it was decided to reduce costs and proceed with the Gala.

3. What was the basis for the budget above, showing \$465,000 income? What research was conducted on the likelihood of success?

The budget was developed and proposed by a former Co-President with the participation of the Project Managers. It was then approved by the Board of Directors to be sent to the Membership to vote on it during the Annual General Meeting & World Conference in Guadalajara 2022. Tickets sales, silent auction, and sponsorship were all "forecast". This Gala was positioned as a fundraiser, a 40-year anniversary for the organization, as well as an opportunity to raise the organization's profile to attract new sponsors and generate more income to support member organizations in need, as stipulated in the Strategic Plan in which the membership showed a strong need for increasing the Solidarity Fund, the Scholarship fund, and the Humanitarian Aid Fund. The initial idea to simultaneously hold multiple Galas in

various cities was too ambitious to proceed with, so we dubbed the Gala “Global Gala”, and decided to go for one city. We researched different options to determine what the most appropriate city would be, and as it was important to have a point person on the ground focused on the event logistics, we chose Los Angeles given that our Project Manager was stationed in Los Angeles, which eases expenses and allows for better location management.

4. On what dates before the event were the board updated on the financial status of the Gala, and what was the status on each date?

As mentioned in our answer in question #1, we received monthly reports from the Project Manager and the Treasurer. We were also asked to help sell tickets and find sponsorships if we could every month up to the event.

5. Could the losses have been avoided, either in full or part, by canceling the Gala? What was the schedule of dates for cancellation penalties?

Losses could not have been prevented by canceling the Gala. Contracts were in place, and penalties would have had to have been paid if the Gala were not held. Costs would have been incurred on deposits, and none of our conversations deemed it wise to cancel the event. The Gala was already moved from November 2022 to April 2023 to give more time to meet goals. Measures were taken throughout the production process to mitigate losses. Moreover, canceling the Gala would not only have cost money, but also undermined the integrity of the organization.

6. What reporting and control mechanisms were in place to ensure cost control in relation to the Gala?

Board meetings were held monthly to review the planning and budgeting for the Gala. Several items were eliminated based on these meetings (lighting and signage to name a few) were reduced to save money.. There were also monthly meetings with the Gala committee, and two months prior to the Gala, these meetings became weekly to ensure cost control and logistical organization of the Gala.

7. Were these control mechanisms followed at all times? If not, why not?

They were followed. Because contracts could not be canceled without incurring a loss, we proceeded in order to promote the Organization and the Gala to new possible funders.

8. What competitive tendering process was used to select the producer of the Gala? How many offers were considered, and what were the price ranges of the different producers?

In reviewing the needs for the production of the Gala, it was clear we needed a local producer onsite. Looking at options, we reached out to a production company who was well known in the Pride circle, and who had experience in this kind of event. We checked on references with other Pride committees, and negotiated a fair contract.

9. What competitive tendering process was used to select the sponsor coordinator? How many offers were considered, and what were the price ranges of the different coordinators?

When we realized that we needed a broader outlook towards sponsors, the Project Manager, the Gala producer, as well as our PR firm, Lucky Break PR recommended the person they had experience with. Considering we wanted to get a jump on sponsorships right away, we checked on this person's references, and decided on a contract with this person. Months after the Gala, this person is still working with us for free to continue relationships forged during the Gala.

10. What was the process of selecting the location for the Gala, the city and the venue of the event? Which other cities/venues were considered?

As stated in the answer to question #3, various options were looked into. The Project Manager and the Fundraiser we contracted had experience working in that location, and we were advised they had contacts to ensure that acts and other needs could be sourced.

11. InterPride offered various sponsorship packages for the Gala, the total value of which was over \$500,000. What is the board's analysis of why the sponsorship income was less than \$21,000 for this event?

It was discussed that sponsorship income was not going to be immediate, and some contributions would not materialize for a few months until contracts are signed. Furthermore, the income was not only based on sponsorship, but also on ticket sales, donations, and merchandise. Ticket sales were lower than anticipated, which can be attributed to multiple factors, – inflated cost of travel and accommodations, limited visibility and promotion of InterPride as an organization, and limited member engagement in the gala, among other things.

The likelihood of non US-based members attending this event was always going to be small, as it fell at the beginning of Pride season when organizers were still in planning or event management mode. It was likely too expensive for most non US-based members to attend when flights and hotels would also need to be factored in. For some Board members, the whole concept of a gala raised concerns over the optics of spending money on a "luxury" dinner when Prides were struggling to even put on events. The ideological tension between hosting a fundraising and awareness-raising gala event and the reality of many struggling Prides around the globe was an additional complicating factor, and is a tension that we continue to grapple with as we move forward. Sponsors expect to reach their target audience when spending money, and this was not evident.

Some have asked why the Gala took place if sponsorships were not coming in as hoped. The past months, sponsorship income has been down for Prides all over the globe. Companies that have historically come in as sponsors are more cautious to be publicly allied with Pride, and their sponsorship decisions reflect that. Inflation also seems to be playing a role in this. Yes, we should have secured the costs of the event before producing it to avoid a temporary budget freeze, and Sponsorship dollars have yet to come in. Sponsorships, especially cultivating new ones, take time and lots of effort which has been in the works before the Gala and continues to this day. Even with inflation and the recent overall drop in Pride sponsorships, our sponsorship prediction may have been overly ambitious for many reasons - InterPride's experience pursuing sponsorships is fairly new, and aside from our 2 contracted Project Managers, everyone doing the work of InterPride is working as a volunteer with limited time and capacity.

12. Following the request for information about the Gala, and InterPride's subsequent awareness that several members have raised concerns about the economic losses, why were these concerns not addressed in the Gala Report?

The budget section of the first Gala Report included the information that we had at the time, given that some sponsorship conversations that began through the gala are still ongoing. Moreover, we acknowledge that the report could have included more narrative around the financial aspect of the gala, recognizing the then-disparity between the income and the expenses, and providing an explanation of how the organization anticipates recovering those costs through relationships built through the Gala, which is still a work in progress.

The Gala of InterPride took place on Saturday 29 April 2023. By then, the Gala had generated an income of \$59,250, received in-kind donations for the value of \$68,355, and cost InterPride \$205,811. The difference between the money paid for the Gala (\$205,811) and the money made from the Gala by 30 April 2023 (\$59,250) totaled \$146,561. The Gala garnered further interest from existing sponsors, who pledged to increase their contribution to InterPride. The Gala also introduced InterPride to prospective partners, who have been discussing the best way to partner with InterPride. From these conversations, three deals are currently being discussed between InterPride and sponsors directly affiliated to the Gala. The first sponsor is contributing \$60,000 that will be transferred to InterPride by mid-September 2023, latest. This executed sponsorship agreement brings our Gala income to \$119,250. The other two sponsors anticipate coming in as multi-year sponsors with InterPride: one for \$300,000 over 3 years (\$100,000 per year), and one for \$400,000 over 2 years (\$200,000 each year in 2025 and 2026). Upon the successful signing of these agreements, we will have not only met, but exceeded our net income goals for the Gala by \$423,439, which is 2.2 times \$190,000. Other interested partners suggested we re-engage with them after summer of 2023.

The Gala report is a work-in-progress – as we are still capturing the sponsorship contributions month after month – through which we wanted to show pictures, videos, and press links, in addition to our financial statements that are still being updated. This report clearly states the conversations we are having, when we can expect further movement, and the amounts that are in discussion. If we are able to achieve

these goals, we come out on top and then some, but we can't do that if we don't have the people in place to continue to cultivate these relationships.

Our team, although small, spent a lot of time and energy on creating an impactful event, and we are grateful for their expertise and hard work. As this team and our entire Board continue to work to close the gap between expenses and income, and build long-term relationships with funding partners, we hope that our members can offer patience, grace, and gratitude to the individuals on the team who worked tirelessly to create an event to highlight and showcase our organization. While we welcome questions and accountability from our members, we also want to emphasize and center the humanity of the team that works extremely hard every day.

To provide additional context to the membership, and to remind us all how the idea of the Gala initially came up, the Board of InterPride added the following question: Why did we initially do this Gala? What was the main purpose of this Gala?

The idea of a Gala came up based on consultations held with delegates of member organizations, as well as Board Members, and volunteers in the committees and working spaces of InterPride. It was clear that the membership requested more financial support, especially for our funding programs. With a growing InterPride, it was important to harness the 40th anniversary of the Organization to showcase the work InterPride does throughout the Globe. More people and institutions needed to know of our work, so the Gala was an opportunity to invite leading advocates and corporate people to an event to learn about our past 40 years and to see the future we can have for Pride organizers from over the world. The Gala idea came to raise the level of public awareness about Pride organizers, increase the Organization's brand value, build sponsorship contacts for long term support, and increase high-level personality involvement. The collected funds will support the membership, contribute to the Humanitarian Fund, to the Scholarship Fund, and to the Solidarity Fund, as well as support staffing to better do the work of the Organization and support volunteers with limited time and capacity.

This was the first Gala in the 40 years of the existence of InterPride. We were able to raise our profile on a larger scale, show who we are, and what we do. Growth comes when we stretch ourselves and take calculated risks. This is exactly what we did with the Gala. We invested in the Organization, the membership, and have opened the door for more opportunities.

Upon much discussion post the event, the initial reaction to the lack of revenue is disappointment, and thus it is easier to devalue and minimize the efforts of those who spent much time and effort to produce this event. This project was part of a 2-year discussion prior to its taking place, and much was done to accommodate many of the concerns raised over that period of time.

Some delegates of member organizations actively engaged in a campaign that runs counter to the best interests of the Organization, a clear violation of our Values Statement — by negatively waging tactics against the Gala (encouraging people not to participate, making childish memes on social media, harassing our honorees, and directly reaching out to sponsors to not continue to support InterPride or the event).

This attempt to create discouragement does not seem to be consistent with supporting the Organization to succeed and to grow and help uplift the Pride movement.

Answers to the questions emailed on Tuesday 9 May 2023

1. A full balance sheet for the event, including all expected income and expenditure

Here is the [budget](#) with the goals and actuals. This budget includes notes in the in-kind section but I've listed them below as requested.

Here are the actual ticket purchasers:

Order Date	Ticket Quantity	Ticket Type	Ticket Price
2/6/23 8:29 AM	1	InterPride Member Individual (Limit 2 tix per org)	\$200.00
2/6/23 8:29 AM	1	InterPride Member Individual (Limit 2 tix per org)	\$200.00
2/9/23 1:16 AM	1	InterPride Member Individual (Limit 2 tix per org)	\$200.00
2/10/23 9:06 PM	1	InterPride Member Individual (Limit 2 tix per org)	\$200.00
2/10/23 9:06 PM	1	InterPride Member Individual (Limit 2 tix per org)	\$200.00
2/21/23 9:03 PM	1	InterPride Member Individual (Limit 2 tix per org)	\$200.00
2/22/23 4:25 AM	1	InterPride Member Individual (Limit 2 tix per org)	\$200.00
3/17/23 5:37 PM	1	InterPride Member Individual (Limit 2 tix per org)	\$200.00
3/17/23 5:37 PM	1	InterPride Member Individual (Limit 2 tix per org)	\$200.00
3/19/23 12:58 AM	1	InterPride Member Individual (Limit 2 tix per org)	\$200.00
3/19/23 12:58 AM	1	InterPride Member Individual (Limit 2 tix per org)	\$200.00
3/19/23 1:09 AM	1	InterPride Member Individual (Limit 2 tix per org)	\$200.00
3/19/23 1:09 AM	1	InterPride Member Individual (Limit 2 tix per org)	\$200.00
3/19/23 2:19 AM	1	General Admission Individual Ticket	\$325.00
3/19/23 2:43 AM	1	InterPride Member Individual (Limit 2 tix per org)	\$200.00
3/19/23 2:43 AM	1	InterPride Member Individual (Limit 2 tix per org)	\$200.00
3/21/23 2:10 PM	1	InterPride Member Individual (Limit 2 tix per org)	\$200.00
3/21/23 2:10 PM	1	InterPride Member Individual (Limit 2 tix per org)	\$200.00
3/22/23 9:12 PM	1	InterPride Member Individual (Limit 2 tix per org)	\$200.00
3/26/23 11:19 PM	1	General Admission Individual Ticket	\$325.00

2. The original contract with Avalon Hollywood, and any contract amendments

- Quote from [Beverly Hilton](#)
- Quote from [El Ray](#)
- Quote from [The Fonda Theatre](#)
- Venues considered [spreadsheet](#).
- Avalon [quote](#)
- Avalon agreement [November 2022](#)
- Avalon amended agreement with date change [April 2023](#)

3. **All invoices to InterPride and subcontractors related to**
 - a) **venue hire** (See answer to question #2)
 - b) **entertainment** (including artist travel and accommodation)
See JJLA's contract [here](#)
 - c) **food and drink** (included above in Avalon's contract)
 - d) **production** (included above in JJLA's contract)
 - e) **any other costs relating to the event**

4. **List of partners and sponsors, detailing:**
 - a) **Partnership fee, whether cash or in-kind** (cash listed in answer #5)
 - b) **Detail of in-kind or pro bono offers:**
Totaling \$43,355.00 in in-kind:
 1. The W Hotel Hollywood \$30k in-kind:
 - a. Hotel rooms for attendees of the Mid-Year Meeting. The list included attending Board members and staff for 3 nights each, Native American honorees for one night, Deborah Cox headliner for 2 nights (rehearsal and event). Linda DeMarco purchased an additional room that she gave back to staff as a changing room.
 - b. Conference rooms and food for attendees of the Mid-Year Meeting.
 - c. Hotel rooms for gala talent including 10 days for UK DJ so we didn't have to spend any \$\$.
 - d. Silent auction items (2-night VIP stay at the W Hollywood)
 - e. Happy Socks - gift bags for talent and Ruby level guests and volunteers. 10 gifted boxes \$860 plus multiple pairs of socks added.
 - f. Veggie grill - 150-200 sliders for staff/volunteers and crew working full day. \$1,000+ value (delivered)
 2. 50 Atmosvu Candles in boxes Value \$1,495. Volunteers, talent and Ruby level guests
 3. Lucky Break PR \$10k value for press/media and gala coverage
 - c) **How in-kind or pro bono offers have been used or are planned to be used?**
They were used at the silent auction, in gift bags for guests, or in food & beverage to feed volunteers.

5. **Number of:**
 - a) **Purchased tickets, and at what price**
See budget and purchases, answer to question #1
 - b) **Complimentary tickets**
See budget and purchases, answer to question #1
 - c) **Board member tickets**
See budget and purchases, answer to question #1
 - d) **Partners / Sponsor tickets**
See budget and purchases, answer to question #1

e) Other tickets

See budget and purchases, answer to question #1

- Participating member organizations were: D.C. Capital Pride, LA Pride, Henderson Equality Center, Amsterdam Pride, Pride by the Beach, Riverside Pride
- 5 Board members bought tickets. One of them purchased a full table, and two of them bought full price tickets and donated back.
- 5 Committee members bought tickets.
- Sponsors:

Starpoint Properties	Bronze	\$5,000	\$5,000
Pride365	Bronze	\$5,000	
Digital Reality (confirmed 3/30)	Ruby Brand	\$7,500	\$7,500
LA PRIDE	Membership	\$2,500	\$2,500
Center Theater Group	In-kind	\$0	
D.C. Capital Pride	Membership	\$2,500	\$2,500
Capital Cares ERG	ERG	\$2,500	

6. A debtor list detailing all outstanding income expected for the event

Here is a list of all outstanding income expected:

- a) TikTok relationship - working on a 3-year deal beginning FY 2024
- b) Maximus - working on a 2-year deal beginning FY 2025
- c) Musoko fundraiser form Happy Socks, generating \$1,200
- d) Happy Socks \$60,000 + in-kind socks and gift bags given to guests
- e) 4 Donations to silent auction from membership.

InterPride's Closing Remarks

As a network of pride organizers, InterPride is about delivering actions for members. We are working on a change in leadership style to deliver more help and value to member organizations. We want to hear about Pride activism and what's going on on the ground, and how we can support our member organizations. To this end, we need the active and respectful participation of member organizations to capture local perspectives for InterPride's relevance.

We hear that some member organizations may feel abandoned and left out, showing lingering animosity towards InterPride that needs to be addressed. We recognise that better communication between InterPride and its members is needed in order for us all to move forward and work for the greater good of our Pride impact.

With the desire to look for solutions before the October 2023 Annual General Meeting & World Conference, the Co-Presidents will be holding 3 separate online meetings that accommodate different time zones. As listed below, these meetings will take place at the end of September/beginning of October 2023, and will address further questions and inquiries ahead of the Annual General Meeting & World Conference, so that the time in San Diego is spent more productively. The Annual General Meeting & World Conference should not be the only space where members share their concerns with InterPride's Board, and we hope that these sessions help provide additional productive avenues for members to address concerns with the Co-Presidents.

- [CLICK HERE](#) to register for the 23 September 2023 | 2:00 PM GMT session
- [CLICK HERE](#) to register for the 24 September 2023 | 6:00 PM GMT session
- [CLICK HERE](#) to register for the 1 October 2023 | 12:00 AM GMT session