



**Regular Meeting of the  
Cuyahoga Arts & Culture Board of Trustees**

South Euclid-Lyndhurst Public Library  
1876 South Green Road, South Euclid, OH  
Tuesday, September 21, 2021, 3:30 pm

*Note: Board meeting will also be livestreamed at <https://youtube.com/cacgrants>.*

- 1. Call to order, approval of minutes**
  - a. Call to order
  - b. Call the roll
  - c. Motion to approve April 14, 2021 minutes
  
- 2. Public Comment on Today's Agenda**
  
- 3. Executive Director Report**
  
- 4. Action Items and Reports – Finance and General Business**
  - a. Finance Report
  
- 5. Connect with Culture: Welcome Assembly**
  
- 6. Adjourn**

Next Regular Meeting: Wednesday, November 10, 2021 - 4pm  
Parma Public Library  
6996 Powers Boulevard, Parma, OH 44129  
*Meeting livestream will be available on YouTube.*



**Minutes of the Annual Meeting of the Board of Trustees**  
Wednesday, April 14, 2021

A meeting of the Cuyahoga Arts & Culture (CAC) Board of Trustees was called to order at 4:02 pm as a virtual meeting in accordance with Ohio General Assembly House Bill 197.

The roll call showed that Trustees Hanson, McGowan, Mendez, Scott Taylor, and Sherman were present. It was determined that there was a quorum.

Also in attendance were: CAC staff: Jill Paulsen, executive director; Luis Gomez; Meg Harris; Cheyanne Jeffries; Heather Johnson-Banks; India Pierre-Ingram; and Jake Sinatra.

**1. APPROVAL OF MINUTES**

Motion by Trustee Scott Taylor, seconded by Trustee Hanson, to approve the minutes from the February 10, 2021 Board meeting. Discussion: None. Vote: all ayes. The motion carried.

**2. ELECTION OF OFFICERS**

Trustee McGowan shared with the Board the slate of officers with Trustee Sherman as Chair of the Board, Trustee Mendez as Vice President, and Trustee Scott Taylor as Secretary.

Motion by Trustee McGowan, seconded by Trustee Hanson, to approve the election of officers. Discussion: none. Vote: Aye: all ayes. The motion carried.

**3. PUBLIC COMMENT ON MEETING AGENDA ITEMS**

There were no public comments on the meeting's agenda.

**4. EXECUTIVE DIRECTOR'S REPORT**

Ms. Paulsen thanked everyone for joining her and the Board online. Ms. Paulsen's remarks can be found [here](#).

**5. BOARD ACTION – GRANTMAKING**

**Approval of 2022-2023 General Operating Support guidelines**

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Ms. Murphy shared the 2022-2023 General Operating Support guidelines memo with the board.

Motion by Trustee Mendez, seconded by Trustee McGowan to approve 2022-2023 General Operating Support guidelines. Discussion: none. Vote: Aye: all ayes. The motion carried.

### **Approval of 2022 Project Support Guidelines**

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Mr. Gomez shared the 2022 Project Support guideline memo with the Board.

Motion by Trustee Hanson, seconded by Trustee Scott Taylor to approve 2022 Project Support guidelines. Discussion: Trustee Mendez asked the reason for moving from \$25,000 to \$20,000 maximum grant amount. Mr. Gomez shared that this was based on the revenue decline and is aligned with our forecasting. Ms. Johnson-Banks shared that the groups who primarily received the maximum \$25,000 were primarily not arts and culture. Ms. Johnson-Banks shared that eligible groups may move to Cultural Heritage where they will receive flexible funding. Vote: Aye: all ayes. The motion carried.

### **Approval of 2022 Cultural Heritage guidelines**

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Ms. Johnson-Banks shared the 2022 Cultural Heritage guidelines memo.

Motion by Trustee Mendez, seconded by Trustee Scott Taylor to approve the 2022 Cultural Heritage guidelines. Discussion: Trustee Hanson asked if the organizations had received previous project support grants. Ms. Johnson-Banks shared that to be eligible a group needs to have received at least two years of grants. Trustee Scott Taylor asked if the cultural heritage verification is based on staff and board, population, and or programming. Ms. Johnson-Banks shared that it is and will be verified during the eligibility check. Vote: Aye: all ayes. The motion carried.

## **6. FINANCE REPORT**

Ms. Harris shared the financial report with the board. Ms. Harris' report can be found [here](#).

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Trustee Hanson asked if the 12 million in grant expense was accrued or cash expense. Ms. Harris stated that the 12 million reflected approved grant awards for the year, which are partially paid out with non-paid portion on the balance sheet. She added that operating support grantees had received 50% of their grant awards, which is \$5.1 million and the remaining \$6.8 million on the balance sheet was for approved project support grants and the balance of operating support grants. By the end of August an additional \$4.1 million will be paid out to operating support grantees. The balance left is for project support and the final payment for operating support.

## **7. BOARD ACTION – Finance and General Business**

### **Appointment of members of the Audit and Finance Advisory Committee**

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Ms. Harris shared all current members are being reappointed, Ed Bell (6 years), Luis Cartegna, Cindy Riehl, and Gary Hanson have agreed to be reappointed for a one-year term. Ed Bell indicated this will be his last term on this committee.

Motion by Trustee Scott Taylor, seconded by Trustee McGowan, to approve the reappointment of members of the Audit and Finance Advisory Committee. Discussion: none. Vote: Aye: all ayes. The motion carried.

### **Public Records Manager Designee**

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Ms. Paulsen requested that the Board designate Meg Harris as the Public Records Manager.

Motion by Trustee Sherman, seconded by Trustee Hanson, to designate Meg Harris as the Public Records Manager. Discussion: none. Vote: Aye: all ayes. The motion carried.

### **Appointment of Two CAC board members as ex-officio board members of Arts Alliance**

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Ms. Paulsen requested that the Board approve the appointment of Trustee Sherman and Trustee Mendez as ex-officio board members of the arts alliance.

Motion by Trustee Hanson, seconded by Trustee Scott Taylor, for the appointment of two CAC board members as ex-officio board members of Arts Alliance. Discussion: none. Vote: Aye: all ayes. The motion carried.

### **Approval of Contracts**

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Ms. Paulsen shared the contract with Playhouse Square for a one-year lease extension to CAC's current office space, the terms are the same as the prior year.

Motion by Trustee Hanson, seconded by Trustee Mendez, to approve the one-year lease extension for CAC's office space (1501 Euclid Ave. Ste. 407). Discussion: none. Vote: Aye: all ayes. The motion carried.

### **8. ADJOURNMENT**

Motion by Trustee Scott Taylor, seconded by Trustee Mendez, to adjourn the meeting. Discussion: None. Vote: all ayes. The motion carried. The meeting was adjourned at 4:55 pm.

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Charna Sherman, President, Board of Trustees

Attest:

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Michele Scott Taylor, Secretary, Board of Trustees

# Executive Director's Report

## Regular Meeting of the Board of Trustees: September 21, 2021

Welcome to our first, in-person regular board meeting since February 2020. I look forward to finally being together after a year and half of public Zoom meetings.

We will meet at the South Euclid-Lyndhurst library. Thanks to the Cuyahoga County Public Library system for providing a space that allows for physical distancing and video streaming. Moving forward, CAC will livestream all its board meetings to offer grantees and interested residents an easy way to stay connected to our work. Per library policy, masks are required for all in attendance.

As the COVID-19 impact snapshot in this packet reaffirms, the creative economy – along with the thousands of Clevelanders that it employs and serves - remains deeply affected by the pandemic.

The delta variant has stunted our hopeful “return to normal.” Organizations of all sizes and disciplines are reinventing, daily, what it means to provide safer classes, concerts, and performances for the public. Thankfully, the nonprofits that CAC funds continue to make smart business decisions and center public health needs in their daily work. Please take a moment before the meeting to review a few key documents in this packet.

- *COVID-19 Impact Snapshot*: 65 CAC grantees experience ongoing job and revenue loss.
- *Spotlighting Success in Trying Times*: See how CAC-funded resident-led arts projects are helping community members cope during the pandemic.

While the September agenda is short, these materials lay the groundwork for our November and December grantmaking meetings. The conversations we have on the 21<sup>st</sup> help frame the decisions you make in Q4.

Please note the 2022-23 allocation planning presentation included in this packet. It mirrors the ongoing planning and discussions we have had with you this year. We anticipate recommending flat funding for our grant programs next cycle. While tax receipts continued to decrease, as anticipated, revenue was higher than forecast in 2020 and our expenses lower than budgeted, a result of many grantees moving their projects and associated grants into 2021. The result means that we can maintain grant program funding, drawing on the reserve to do so, in a way which allows CAC to also plan appropriately for the longer-term use of the reserve for the remainder of this levy cycle.

Finally, I look forward to introducing our full board to Jeremy Johnson, the CEO of Assembly for the Arts, our new partner in serving the local creative community. See the one-pager at the end of this packet. Jeremy and I have used it in a few joint presentations; it outlines how CAC and Assembly work together, along with this new nonprofit's 2021 priorities.

I thank you in advance for spending time with the materials in this packet and participating at our in-person meeting on the 21st

Respectfully,

Jill

## **CAC Board of Trustees Meeting – September 21, 2021 Updates from Staff**

Each year, Cuyahoga Arts & Culture staff members identify team objectives to guide our work that are mindful of the staff team [agreements](#) that we have made with one another, and grounded in CAC's [Mission, Vision & Values](#). Our team objectives fall into three areas: 1) grantmaking; 2) communication and raising awareness; and 3) effective teamwork and operations.

**What follows is brief update on the progress made since last the Board met in April.** View a list of our [2021 team objectives](#), which guide our work.

### **GRANTMAKING**

#### **2021 Grantmaking**

##### General Operating Support (GOS)

Mid-Year Reports for 2021 have been received and reviewed, releasing the next second grant payment of 40% to all 65 grant recipients. Through this reporting, CAC continues to request in-depth information around the ongoing impacts of COVID-19. A summary of these data is included in this packet. Instructions for Year-End Reports and 2022 Goals are in progress.

##### Project Support (PS)

Staff continue working with Project Support grant recipients as they carry out 2021 projects. All organizations are asked to take the proper measures to comply with COVID-19 guidance and reach out to their grant manager if material changes to their projects are necessary.

##### Resident-Led Grants

CAC made grants to 14 arts and culture projects directly related to the impact of COVID-19 through Neighborhood Connections' 2021 COVID-19 Rapid Response Grants, with a total of \$24,459 in matching funds. A final cycle of [Neighbor Up Action Grants](#) is currently underway, with an application deadline of October 14th. If you know a Cleveland or East Cleveland resident planning an arts-based project in their neighborhood, please encourage them to apply.

The 2021 CAC Match Fund through ioby (in our backyards) is now complete. The fund provided a dollar-for-dollar match for project funds raised by residents up to \$3,000. More than 25 projects have been fully funded through the match program in 2021, bringing public funding to neighborhoods across the community. View examples of funded projects through ioby and Neighbor Up in these materials.

##### Support for Artists Grants (SFA)

SPACES and Julia de Burgos Cultural Arts Center have made their artist awards for the year and are working with recipients to execute their work. Karamu House will launch their program this fall. All three programs will be completed by the end of the year. Cleveland Public Theatre recently completed their 2020 Premiere Fellowship program. Learn more [here](#).

##### Technical Assistance

CAC offers technical assistance to support grant recipients in their work where it aligns with our organizational values and ensures success in our grant programs. Current offerings for GOS grantees include a three-part series with Gradient Consulting around Operationalizing Equity & Belonging in the Arts, goalsetting workshops, and financial planning with an equity lens.

For all current grant recipients, CAC also continued to cover the registration costs for participation in Racial Equity Institute’s Groundwater, Phase I, and Latinx Challenge programs.

## **2022 Grantmaking**

### 2022 Grant Application Process

Applications for 2022 funding from to CAC’s Project Support, Cultural Heritage (CH), and GOS grant programs were due August 5th at 4:30 pm. We received a total of 217 applications, including eleven to CH and five for GOS. Sixty-four current GOS grantees meeting certain criteria did not have to submit a full application to remain eligible for funding during the 2022-23 grant cycle; all confirmed that they continue to meet CAC’s eligibility requirements.

### Technical Assistance

Every year CAC staff offer robust technical assistance to ensure applicants have the tools and information to succeed in our process. This summer, those well-attended offerings included:

- three virtual application and grant opportunities workshops;
- four Q&A sessions where applicants could connect with staff and learn from peers;
- workshops on 990s and SMU | DataArts Cultural Data Profile;
- two rounds of virtual office hours for applicants to meet one-on-one with CAC staff to address their organizations’ applications and specific questions; and,
- emails and personal phone calls regarding technical assistance and reminders fielded by the entire CAC team.

### Panel

Twenty-four arts and culture professionals from outside Northeast Ohio have been recruited to serve as panelists who will evaluate applications to our core grant programs. Panelists have received training and are in the process of reviewing applications. CAC’s public grant review panels will be held virtually for the second year in the row the week of September 27. Project Support applicants requesting up to and including \$5,000 will continue to be reviewed through a written panel process. Learn more [here](#).

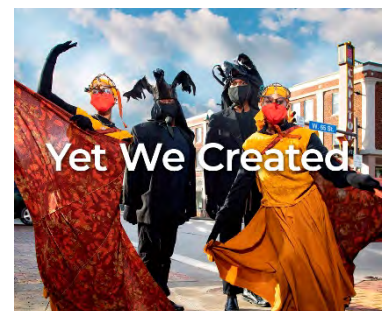
### National Endowment for the Arts (NEA)

In August, CAC applied to the NEA’s American Rescue Plan – Grants to Local Arts Agencies for Sub-granting program. If recommended for funding, CAC would receive up to \$500,000 to regrant to arts and culture nonprofits in Cuyahoga County over the following two years; funding will be prioritized for arts organizations that did not receive their own NEA COVID-related support.

## **COMMUNICATIONS / Connecting with residents**

### **Yet We Created: 2020 Report to the Community**

In June, CAC released its next digital Report to the Community, titled “Yet We Created.” The report summarizes the devastating impact of the COVID-19 pandemic on CAC grant recipients over the past year, as well as ways that CAC funding has helped groups to navigate challenges and respond creatively. The report has been viewed by hundreds of CAC stakeholders, including an email distribution to thousands of grantees, public officials, and other engaged residents. You can view and share the report at [www.cacgrants.org/2020](http://www.cacgrants.org/2020).



### **Arts & Culture Networks Nights: Connecting during COVID-19**

Virtual Arts & Culture Network Nights continued via Zoom on April 22, June 24, and August 26. More than 30 people attended each event. CAC's aim for these sessions is to continue to bring the arts community together for relationship building, mutual support and to spark new initiatives with others. Our next session will take place on Thursday, October 28 at 6:00 pm. We look forward to inviting Assembly for the Arts into this work as we plan for next year.

### **Media Relations and ClevelandArtsEvents.com**

CAC is raising awareness of funded programs and events through our media partnerships with WKYC Channel 3 and FreshWater Cleveland in 2021. These partners help drive traffic to ClevelandArtsEvents.com (which attracts more than 15,000 pageviews per month) and spotlight lesser-known grantees, with a focus on racial equity. See media placements below for recent examples of paid media partner content.

### **Media Placements**

In addition to consistent crediting for Cuyahoga Arts & Culture in the media by our partners, below is a sampling of recent media clips focused on CAC's work:

- [Government relief offers lifeline to performing arts community | Theater | clevelandjewishnews.com](#)  
April 9, 2021
- [India Pierre-Ingram - Great After-School Ideas! | wkyc.com](#)  
May 10, 2021
- [Assembly For The Arts Unveils Plan To Unite Local Cultural Sector | Arts & Culture | Ideastream Public Media](#)  
August 19, 2021
- [Students, artists team up with Cuyahoga Arts & Culture to tout LGBTQ+ Pride and racial equity \(freshwatercleveland.com\)](#)  
August 26, 2021

See a [full list of media placements](#) since CAC's last Board meeting.

## **3. BUILDING INTERNAL CAPACITY / Effective Teamwork and Operations**

### **Building Internal Capacity**

Staff participated in, or presented at, the following workshops and trainings.

- artEquity - Finding the Keys: [Antiracist Approaches to Radical Recruitment in the Arts](#) (Heather Johnson-Banks, Meg Harris)
- Peak Grantmaking 101 series (Julia Murphy)
- We All Count Introduction to the Data Equity Framework (Julia Murphy)
- Candid – What's Next? Summer Fundraising Planning Circle (Heather Johnson-Banks, Jill Paulsen)
- Cleveland Leadership Center – Civic Leadership Institute (Heather Johnson-Banks, Jill Paulsen)
- Philanthropy Ohio – Equity Peer Convening (Heather Johnson-Banks, Julia Murphy)
- Philanthropy Ohio – Diversity, Equity and Inclusion Committee (Heather Johnson-Banks, India Pierre-Ingram)
- Crain's Business [2021 Women of Note](#) recipient, Jill Paulsen



## **Effective Teamwork + Operations**

### Operationalizing Racial Equity

CAC participated in [Philanthropy Ohio's Racial Equity Capacity Assessment](#). The online assessment will evaluate internal racial equity policies, and culture as well as external practices related to grantmaking. Philanthropy Ohio will share a collective report of the assessment's findings later this year.

### Creating an Antiracist Workplace

The Internal Equity Team has a new name to better describe our work, the Core Racial Equity Working Group (CREW). Working with Equius Group, the CREW developed a description of the working group and serves as the advisory and recommending body to CAC for internal racial equity initiatives that lead to a racially equitable workplace. CREW will work closely with the executive director to help implement objectives and to promote knowledge, skills, and best practices throughout the organization. The team represents a collective voice to advise the organization on best practices for organizational change derived from various sources. CREW also created a key terms glossary to promote shared understanding among the team when talking about racial equity. Learn more about CREW and their goals [here](#).

### Teambuilding

CAC completed our virtual 'retreat' sessions with Erica Merritt of The Equius Group. The sessions supported CAC's path forward on the Multi-Cultural Organizational Development Continuum, robust team dialogue, and strengthening our team's connection. Outcomes of these sessions are the Core Racial Equity Working Group Description, team agreements, and greater understanding of our collective strengths.

## FINANCIAL UPDATE

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### 2021 YTD

**Revenue.** Tax revenue through August 31 was \$8,106,024. This is \$298,820 (3.8%) above forecast but still \$217,351 less than the same period in 2020. The rate of decline in revenue is 2.6% YTD. Interest revenue through August was \$131,816. The overall expected yield of funds held in reserve has decreased over the past two years and will be adjusted appropriately for future budgets.

**Expenditure.** The majority of CAC's budget is comprised of grants which were approved in 2020. These grants are accrued at the beginning of the year and recognized on the balance sheet. Non-grant expenditures through July were \$647,993 and are tracking \$84,000 below budget due to timing of payments.

**Investments.** As of August 31, CAC inactive monies are invested as follows:

- STAR Ohio: \$2,794,567 (yield .07%)
- RedTree Investment Group: \$12,903,863 (yield 1.24%)

### 2020 Audit

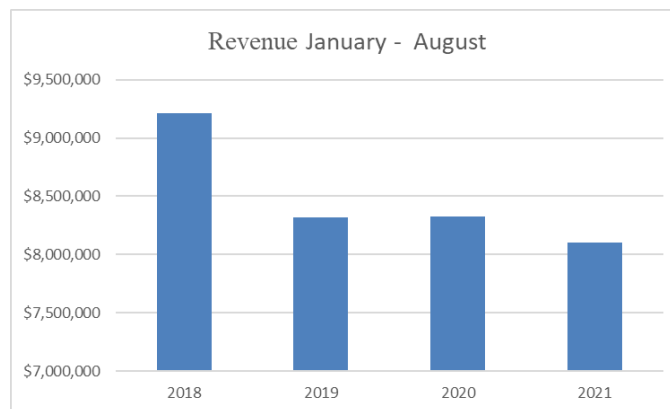
[CAC's 2020 audit](#) was released by the Ohio Auditor of State on August 24, 2021. There were no comments for findings and CAC received the [Auditor of State Award](#) for its clean audit.

### Audit and Finance Advisory Committee

The CAC Audit and Finance Advisory Committee met on August 25, 2021 at the Tech Hive in Cleveland, OH. The committee reviewed the committee's charter and CAC's internal controls policy and procedures. There were not recommended policy changes to the either of these documents.

### Budget Projections at Year End

Tax receipts continue to decline with revenue through August 2.6% lower than the same period in 2020. As past revenue trends demonstrate, year-over-year revenue receipts through the 8-month period are a good predictor for year-end revenue receipts. As we prepare to award grants for 2022 later this year, it will be important to take into consideration the continued decline in tax receipts and the implications of this for multi-year grant commitments.



Year	2018	2019	2020	2021
Revenue Jan - August	\$ 9,209,588	\$ 8,316,748	\$ 8,323,382	\$ 8,106,030
Change year-over-year YTD	-6.10%	-9.69%	0.08%	-2.61%
Change year-over-year at YE	-5.00%	-9.04%	1.4%	

<b>Cuyahoga Arts &amp; Culture</b>				
<b>Through 8/31/21</b>				
	<b>Actual YTD</b>	<b>Budget YTD</b>	<b>\$ Over/Under Budget</b>	<b>% of Budget</b>
<b>Ordinary Revenue/Expenditures</b>				
<b>Revenue</b>				
Excise Tax (through Sept.)	\$ 8,106,024	\$ 7,807,204	\$ 298,820	103.83%
Interest	\$ 131,816	\$ 133,200	\$ (1,384)	98.96%
Other revenue			\$ -	
<b>Total Revenue</b>	<b>\$ 8,237,841</b>	<b>\$ 7,940,404</b>	<b>\$ 297,437</b>	<b>103.7%</b>
<b>Expenditures</b>				
<b>Arts &amp; Cultural Programming</b>				
Salaries, Wages and Benefits	\$ 236,725	\$ 251,801	\$ (15,075)	94.0%
Grant Panel Expenses	\$ -	\$ -	\$ -	
Grant Management Expenses	\$ 22,781	\$ 43,139	\$ (20,358)	52.8%
Awareness Activities	\$ 19,352	\$ 20,300	\$ (948)	95.3%
Grants**	\$ 12,178,349	\$ 12,381,634	\$ (203,285)	98.4%
<b>Total A&amp;C Exenditures</b>	<b>\$ 12,457,206</b>	<b>\$ 12,696,873</b>	<b>\$ (239,667)</b>	<b>98.1%</b>
<b>General &amp; Administrative</b>				
Salaries, Wages and Benefits	\$ 218,116	\$ 222,390	\$ (4,273)	98.1%
Facilities, Supplies, Equipment	\$ 48,494	\$ 58,200	\$ (9,706)	83.3%
Professional Fees	\$ 102,526	\$ 136,324	\$ (33,798)	75.2%
Depreciation	\$ -	\$ -	\$ -	
<b>Total G&amp;A Expenditures</b>	<b>\$ 369,136</b>	<b>\$ 416,914</b>	<b>\$ (47,778)</b>	<b>88.5%</b>
<b>Total Expenditures</b>	<b>\$ 12,826,342</b>	<b>\$ 13,113,787</b>	<b>\$ (287,444)</b>	<b>97.8%</b>
<b>Net Ordinary Revenue</b>	<b>\$ (4,588,502)</b>	<b>\$ (5,173,383)</b>	<b>\$ 584,881</b>	

\*\* Outstanding 2021 grant obligations are on the balance sheet.

<b>Non-grant cash disbursements YTD</b>	\$ 647,993	\$ 732,153	\$ (84,159)
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Cuyahoga Arts & Culture  
Balance Sheet as of

**Aug 31, 21**

**ASSETS**

**Current Assets**

**Checking/Savings**

<b>KeyBank</b>	139,597
<b>RedTree (U.S.Bank)</b>	12,903,863
<b>Star Ohio</b>	2,794,567

**Total Checking/Savings** 15,838,027

**Accounts Receivable**

**11000 · Accounts Receivable** 1,133,491

**Total Accounts Receivable** 1,133,491

**Total Current Assets** 16,971,518

**Fixed Assets**

<b>15000 · Furniture and Equipment</b>	75,223
<b>15001 · Software and Webdesign</b>	10,000
<b>17000 · Accumulated Depreciation</b>	-83,429

**Total Fixed Assets** 1,794

**TOTAL ASSETS** 16,973,312

**LIABILITIES & EQUITY**

**Liabilities**

**Current Liabilities**

**Accounts Payable**

**20000 · Accounts Payable** 3,000

**Total Accounts Payable** 3,000

**Other Current Liabilities**

**24000 · Payroll Liabilities** 5,854

**24200 · GOS Grants** 1,193,656

**24300 · Project Support Grants** 1,400,371

**Total Other Current Liabilities** 2,599,881

**Total Current Liabilities** 2,602,881

**Total Liabilities** 2,602,881

**Equity**

**32000 · Retained Earnings** 18,958,933

**Net Income** -4,588,502

<b>CIGARETTE TAX RECEIPTS FY 20 VS FY 21 YTD</b>				
	<u>2020</u>	<u>2021</u>		
<b>Month</b>	<b>2020</b>	<b>2021</b>	<b>\$VAR</b>	<b>20-21%VAR</b>
JANUARY	\$ 1,076,305.39	\$ 879,251.89	\$ (197,053.50)	-18.3%
FEBRUARY	\$ 994,450.54	\$ 767,148.61	\$ (227,301.93)	-22.9%
MARCH	\$ 1,061,588.50	\$ 1,160,248.70	\$ 98,660.20	9.3%
APRIL	\$ 984,297.91	\$ 1,110,191.70	\$ 125,893.79	12.8%
MAY	\$ 857,554.60	\$ 887,123.22	\$ 29,568.62	3.4%
JUNE	\$ 1,974,335.05	\$ 1,919,137.93	\$ (55,197.12)	-2.8%
JULY	\$ 264,637.95	\$ 249,437.79	\$ (15,200.16)	-6%
AUGUST	\$ 1,110,212.04	\$ 1,133,490.66	\$ 23,278.62	2%
SEPTEMBER	\$ 1,204,394.78			
OCTOBER	\$ 1,067,270.43			
NOVEMBER	\$ 949,644.47			
DECEMBER	\$ 1,187,772.61			
<b>TOTALS</b>	<b>\$ 12,732,464.27</b>	<b>\$ 8,106,030.50</b>	<b>\$ (217,351.48)</b>	<b>-2.6%</b>



# COVID-19 Impact on Cuyahoga County Arts & Culture Nonprofits & Creative Workers

2021 Update: March 2020 – June 30, 2021

**The ongoing COVID-19 pandemic has been devastating for local nonprofit arts organizations and creative workers. Despite the wider economy reopening, arts institutions are not making up lost ground.**

After more than fifteen months, layoffs continue as organizations operate with less capacity. Federal funding is helping to make up some lost revenues and helping groups to adapt programming and connect with residents. But overall, the pandemic continues to negatively impact our economy and quality of life.

As of June 30, 2021, **65 Cuyahoga County-based arts and cultural nonprofits report:**

<b>Total people laid off, furloughed, or hours reduced:</b>	<b>4,793</b>
<b>Total revenue loss:</b>	<b>\$146,025,012</b>
<b>Total federal funds received or drawn down to Cuyahoga County:</b>	<b>\$81,294,617</b>
<b>Total revenue loss not recouped:</b>	<b>\$64,730,395</b>

### Job Loss Continues

In 2021, **layoffs have not declined** but have continued at a steady rate consistent with that of 2020 in most arts organizations. **1,636 more jobs have been affected** by layoffs, reduced hours, or canceled contracts. This represents a **loss of compensation totaling \$13,184,144.**

Few organizations have begun re-hiring, with a total of **459 positions refilled** and **78 new job positions created** as a result of change of services due to the pandemic.

### Revenue Loss is Slowing

In the first 6 months of 2021, **organizations lost \$27,023,358** in earned and contributed revenue (ticket sales, admissions, donations, etc). If revenue loss continues at this rate, 2021 losses will be half as much as in 2020, but still a second year of significantly reduced revenues.

**What CAC Grantees Are Saying**

*“We are suffering significant earned revenue losses, and will continue to. We continue to operate with a lean staff and budget and seek additional funding to survive these losses.”*

### Programs and Services Transformed

**1,270 programs and activities were canceled** or put on hold in 2021. At the same time, 14,706 events or activities were amended to be online, outdoors, with lower capacity, or altered with other pandemic-era considerations. Despite less income and staffing capacity, organizations are continuing to connect with their communities in new ways.

### Federal Funding Provides Stopgap

In total, since the beginning of the pandemic, **65 Cuyahoga County arts institutions have received \$81,294,617 in federal funding**, which covers roughly half of pandemic-related revenue loss during this timeframe.

### Cuyahoga Arts & Culture's Response

CAC funds 65 nonprofits of varying sizes and disciplines through its General Operating Support (GOS) grant program. These arts organizations annual budgets range from \$50,000 to more than \$60 million. CAC's GOS program provides the largest, most flexible, and consistent local funding (\$10.2M in 2021) to arts nonprofits in our region.

In 2020, CAC awarded \$3 million, provided by Cuyahoga County through the CARES Act, to 94 arts and cultural nonprofits to help cover expenses incurred as a result of the COVID-19 pandemic.

Since the beginning of the pandemic, CAC has funded 27 projects with a total of \$62,500 through our matching grant with Neighborhood Connections to arts and culture projects developed in response to the pandemic.

In 2021 CAC has applied to receive ARP funding through the NEA, with the goal of sub-granting it to Cuyahoga County's nonprofit arts and culture community. We continue to offer technical assistance and have committed to steady funding in 2021.

*Source: CAC general operating support year-end report submitted July 31, 2021.*

#### **What CAC Grantees Are Saying**

*"Like most other organizations, the threat of the Delta variant weighs heavily on our planning. Though we look forward to beginning to restore our levels of revenue and participation over the next year, we have plans in place in case we are forced to shut down and/or change our protocols if the situation gets worse."*

### **COVID-19's Impact on the State & National Creative Economy**

#### In Ohio:

- According to the June 2021 Ohio Labor Market Information, **Ohio's Creative Industry continues to suffer from the highest unemployment rate among all sectors.** Arts and entertainment have been the highest unemployed sector since May 2020. Before COVID-19, Ohio's creative economy was a \$41B industry, employing nearly 300,000 people.
- Johns Hopkins University reported that as of January 2021, **arts and entertainment nonprofit job loss is more than 36%.** This is the most extensive job loss of any nonprofit sector.

*Source: Ohio Citizens for the Arts, August 2021.*

#### Nationally:

- McKinsey & Company anticipates that it will **take the arts sector until 2025 to recover** to pre-COVID-level of contribution to national GDP.



## Spotlighting Success in Trying Times: CAC-funded projects help residents manage through the pandemic

In response to the COVID-19 pandemic, artists and neighbors have used CAC funding to respond creatively to challenges, inspire, and give hope. See below for a sampling of projects that demonstrate how our community is finding success in trying times.

### **ioby-CAC Match Fund**

CAC funded more than **26 arts and culture projects** led by Cuyahoga County residents during the pandemic through ioby’s (in our backyards) CAC Match Fund. CAC invested \$70,000 in 2021 to provide dollar-for-dollar matching up to \$3,000 for creative crowdfunding projects led by neighbors. Many residents used funds to provide safer programming or respond to pandemic-specific challenges.

#### **Drive-In concert by Moises Borges and Mo'Mojo Bands**

In May 2021, to bring Clevelanders back together after a long period of social isolation, quarantining and hardships, Moises Borges and Mo’Mojo Bands came together to state a safe “drive-in” concert in Shaker Heights. The goals of the project were twofold:



First, to financially support side musicians, like drummers, bass players, wind instrument players, etc. who could not do a live show on their own and have faced the worst and long-lasting economic impact of COVID-19. Second, the event aimed to celebrate the return of live music to outdoor concerts in Cleveland.

#### **Make Your Mark E. 130th St. Mural**

This project grew out of the E. 130th Working Group planning for the 2020 Soul of Buckeye summer festival. Since the pandemic limited public gatherings, project leader Josiah B. chose to continue the momentum of previous festivals by bringing together youths and artists from the community in a collaborative project known as Make Your Mark.

The E. 130th Make Your Mark project brought to life the experiences and imagination of youth facilitated by professional muralists to install a vibrant mural on E. 130th St. between Buckeye Road and Shaker Square. Eight youth participants worked with local muralists Lauren Pearce and Brandon Graves to express their ideas about their neighborhood and community artistically. The muralists will now transform the youths’ ideas into a permanent mural covering the enclosed ground floor parking area at the Shaker Square Towers.





## **Neighbor Up Rapid Response Grants**

CAC funded **14 arts and culture projects** directly related to the impact of COVID-19 through Neighborhood Connections' 2021 COVID-19 Rapid Response Grants, with a total investment of \$24,459 in matching funds.

### **Literary Cleveland – Voices from the Edge**

This spring, Literary Cleveland ran a series of 8-week writing courses for 60 essential workers. Participants worked in healthcare, critical retail, food production, and education.

The project gave essential workers the opportunity to process their experiences in the pandemic through writing. Additionally, participants connected and bonded with others on the frontlines, completing a writing project of their choice.

***After the workshops, one participant wrote:***

*"I did not completely realize how much this pandemic had affected me until I started writing and sharing it with the group. I thank our instructor...and the supportive class that made me feel safe and allowed me to be vulnerable."*

Literary Cleveland is producing an online anthology, published later this fall, based on the essential workers' writings during the project.

### **Neighborhoods in Action - COVID Cares Program**

Neighborhoods in Action provided outreach to individuals that were 'shut-in' during the pandemic to help combat depression and other mental health issues. The program also provided an outlet for creative expression and experiences at home.

They partnered with Life Exchange Center to conduct the screenings, Boys and Girls of King Kennedy to reach younger children and East Technical High School Staff, as well as the Alumni Association to reach high school students. Grant funds were used to build pandemic recovery kits, including markers, craft supplies, and other at-home activities.

## **Support for Artists Grants**

In 2021, CAC invested in **10 collaborative "civic practice" projects** between Cuyahoga County artists and nonprofits who were trained in a shared approach through the Learning Lab program by Center for Performance and Civic Practice. Many of the resulting projects responded directly to nonprofit or community needs during the evolving pandemic.

### **La Capsula del Tiempo Podcast – Julia Rosa Sosa and Esperanza Inc**

A group of Latin American students living in the United States put their opinions of Romance, Education, Lifestyle, Family, Identity, Hobbies, Passions and what it is to live in a pandemic in a podcast that at the same time is a Time Capsule.

The project was led by Esperanza Inc and Julia Rosa Sosa, a theatre and performance artist, based in Cleveland. After rerouting plans of creating an original play for the Thomas Jefferson High School students, Sosa landed on an idea that could keep the students safe from COVID-19 exposure and could be a space for self-expression. The result was a ten-episode podcast that also serves as a Time Capsule to gather all their opinions and life experiences.





# CAC 2022-23 Allocation Planning

April – Sept 2021

## Our aim today:

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Level set

Gain clarity on next steps

Build confidence



## Through our annual allocation, CAC aims to:

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- Be responsive to residents & arts orgs.
- Plan for today and be flexible for future.
- Demonstrate leadership. Live our values.
- What else?



## Key Dates

### CAC timelines

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- April – Sept: prep work
- Sept 21: preview recommendation
- Nov 10: approve 2022 allocations  
PS22, CH22, GOS 22-23
- Dec 15: approve 2022 org budget



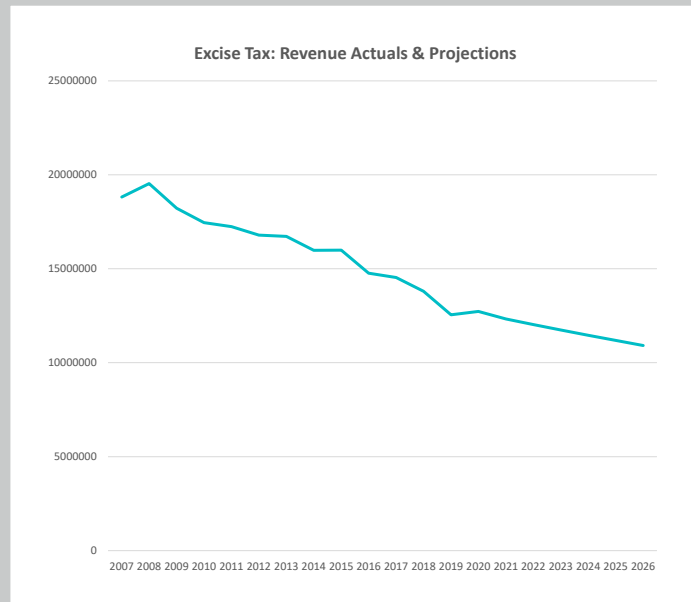
## CAC revenue actual & projections

2008: \$19.5m actual

2021: \$12.4m projected

2026: \$10.9m projected

As of August 2021, revenue is down 2.6% over August 2020.



## Assumptions embedded in initial planning

Focus now:

- 2022-23 big bucket allocations.
- Revenue side.
- Modeling tool not approved budget.

Assumes tax revenue will decrease average of 2.4% from the prior year.

Community input is vital to informing CAC's work. It will impact future allocation recommendations.

Providing operating support to arts organizations will remain CAC's priority. (majority of funds)



# Modeling / Projections as of September 2021

See assumptions, as noted on slide 6

## 2022 PROJECTIONS - as of Sept 2021

	2019	2020	2021	2022	2023	2024	2025	2026	2027	
Anticipated Revenue	\$ 12,897,591	\$ 13,017,704	\$ 12,576,420	\$ 12,233,786	\$ 11,913,295	\$ 11,604,776	\$ 11,328,061	\$ 10,982,988	\$ 800,000	\$ 126,188,071
Anticipated Expense	\$ 13,905,545	\$ 12,839,425	\$ 13,918,000	\$ 13,776,831	\$ 13,794,559	\$ 12,812,552	\$ 12,830,816	\$ 12,649,353	\$ 7,350,000	\$ 127,320,103
Planned draw from reserve	\$ (1,007,954)	\$ 178,279	\$ (1,341,580)	\$ (1,543,046)	\$ (1,881,264)	\$ (1,207,776)	\$ (1,502,754)	\$ (1,666,365)	\$ (6,550,000)	\$ (1,132,032)
Reserve at year end	\$ 18,700,333	\$ 18,878,612	\$ 17,537,032	\$ 15,993,986	\$ 14,112,722	\$ 12,904,946	\$ 11,402,192	\$ 9,735,827	\$ 3,185,827	\$ 17,951,671
Elements of Expense	Actual	Actual	Budgeted	Projected	Projected	Projected	Potential issues with approving grants in Nov due to cash balance on hand, may need to adjust grant payout timing.			
General Operating Support Grants	\$ 10,200,000	\$ 10,200,000	\$ 10,200,000	\$ 10,200,000	\$ 10,200,000					\$ 95,800,000
Project Support Grants	\$ 1,822,645	\$ 1,057,090	\$ 1,833,634	\$ 1,500,000	\$ 1,300,000					\$ 13,130,033
Cultural Heritage Grants (other)	\$ 90,000	\$ 174,290	\$ 115,000	\$ 200,000	\$ 400,000					\$ 2,174,290
Resident-Led Grants (Ioby/NC)	\$ 75,000	\$ 75,000	\$ 148,000	\$ 150,000	\$ 150,000					\$ 1,118,000
Support for Artists Grants	\$ 543,843	\$ 307,923	\$ 312,000	\$ 400,000	\$ 400,000					\$ 3,227,587
Downtown Concert Grant	\$ 150,000		\$ 125,000	\$ 125,000	\$ 125,000					\$ 1,050,000
Cultural Data Project Grant	\$ 20,000		\$ 20,000	\$ 20,000	\$ 20,000					\$ 180,000
CAC Operations	\$ 1,004,057	\$ 1,015,496	\$ 1,164,366	\$ 1,181,831	\$ 1,199,559					\$ 10,640,387
	\$ 13,905,545	\$ 12,849,799	\$ 13,918,000	\$ 13,776,831	\$ 13,794,559					\$ 127,320,297

Note: 2024+ expenses in this table are for high-level modeling purposes. CAC will use broad community input to inform future recommendations. For example, planning for 2024 grantmaking will begin in 2022+.

## Appendix: Additional Information



Approved vs. Actual Grants

Project Support	Approved Grants	Actual Grants Made	Funds not Issued	Number of Approved Grant Recipients
2017	\$1,905,842	\$1,856,232	\$(49,610)	183
2018	\$1,757,910	\$1,716,664	\$(41,246)	197
2019	\$1,877,544	\$1,822,645	\$(54,899)	221
2020	\$1,600,898	\$1,057,090	\$(543,808)	212
2021	\$1,833,633	\$1,777,039	\$(56,594)	230
Total	\$8,975,827	\$8,229,670	\$(746,157)	

General Operating Support	Approved Grants	Actual Grants Made	Funds not Issued	Number of Approved Grant Recipients
2017	\$12,700,000	\$12,694,741	\$(5,259)	58
2018	\$10,200,000	\$10,200,000	\$-	61
2019	\$10,200,000	\$10,200,000	\$-	61
2020	\$10,200,000	\$10,200,000	\$-	65
2021	\$10,200,000	\$10,200,000	\$-	65
Total	\$53,500,000	\$53,494,741	\$(5,259)	

Note: CAC approves grant amounts for Project Support and General Operating Support every year. Due to the nature of Project Support (occasionally grantees don't complete projects or scale back their work), CAC does not always distribute the full approved grant amount. This results in less total PS funding distributed than was initially approved. This table demonstrates the *difference* between grants approved vs. grants paid out.

Planning for 2022:  
Snapshot of modeling from 2017 vs. 2021

Comparison of Projections

	2022 Projection made in 2017*	2022 Projection made in 2021	Change	
Anticipated Revenue	\$ 11,803,723	\$ 12,233,786	\$ 430,063	
Anticipated Expense	\$ 13,213,933	\$ 13,776,833	\$ 562,900	
Draw from reserve	\$ (1,410,210)	\$ (1,543,047)	\$ (132,837)	
<b>Elements of Expense</b>				
General Operating Support Grants	\$ 9,000,000	\$ 10,200,000	\$ 1,200,000	12%
Project Support Grants/CH	\$ 1,900,000	\$ 1,700,000	\$ (200,000)	-12%
Support for Artists Grants	\$ 400,000	\$ 400,000	\$ -	0%
Downtown Concert Grant	\$ 150,000	\$ 125,000	\$ (25,000)	-20%
Resident-led Grants	\$ 75,000	\$ 150,000	\$ 75,000	50%
Cultural Data Project Grant	\$ 20,000	\$ 20,000	\$ -	0%
Other grants	\$ 200,000	\$ -	\$ (200,000)	-
CAC Operations	\$ 1,468,933	\$ 1,181,833	\$ (287,100)	-24%
	\$ 13,213,933	\$ 13,776,833	\$ 562,900	

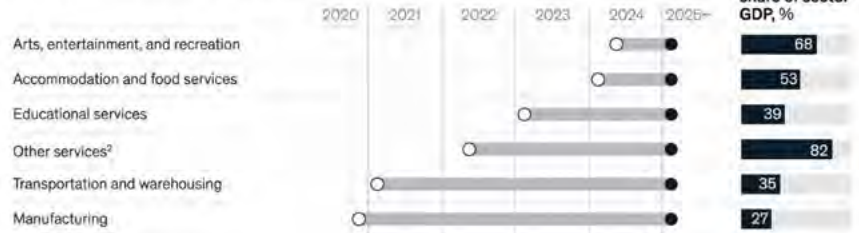
\*Note: Projections made in 2017 for 2022 were models used for planning purposes only.

# How Long to Recover?

**In a muted recovery, it could take more than five years for the most affected sectors to get back to 2019-level contributions to GDP.**

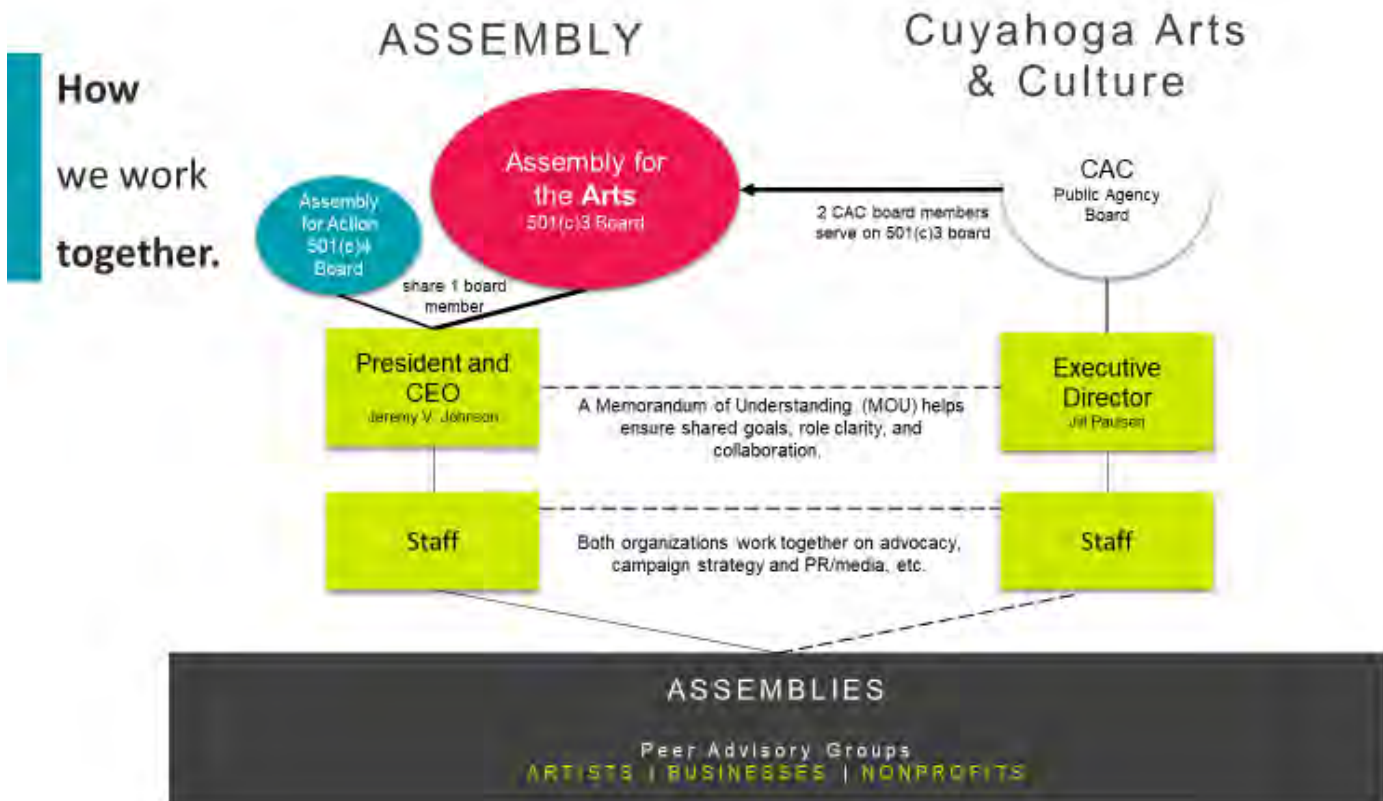
**Estimated time to recover to pre-COVID-19 sector GDP<sup>1</sup>**

○ Virus-contained scenario ● Muted-recovery scenario



Source: McKinsey & Co., July 2020

## Connect with Culture: Background on Assembly for the Arts



## Assembly's 2021 priorities

### Advocacy

- Mayoral Forums
- Public Funding
- Robust advocacy Agenda

### Racial Equity

- Education + Context
- Support Systems for BIPOC creative businesses, artists and nonprofit employees

- Promotion and connections that bridge racial divides

### Marketing/Positioning Cleveland's Arts Scene

### Services to help artists, businesses, nonprofits

- Membership services
- Fiscal Sponsorship and Support