



Minutes of the Annual Meeting of Board of Trustees

Tuesday, May 13, 2008, 10:00 am

The Annual Meeting of the Cuyahoga Arts and Culture (CAC) Board of Trustees was called to order at 10:04 a.m. in the 2nd floor Board Room in the Idea Center at Playhouse Square, 1375 Euclid Avenue, Cleveland, Ohio.

The roll call showed Trustees Linda Abraham-Silver, David Bergholz, Steven Minter and Santina Protopapa to be present. It was determined that there was a quorum. Trustee Chris Coburn arrived at 10:07 a.m.

Also in attendance were CAC Staff: Catherine Boyle, Executive Director; Donnie Gill, Grant Programs Associate; Meg Harris, Director of Administration; Achala Wali, Director of Grant Programs.

1. APPROVAL OF MINUTES

Motion: To approve the minutes of the February 12, 2008 Regular Meeting of the Board of Trustees which were previously submitted and read by the Board.

Motion: To approve the minutes of the March 11, 2008 Regular Meeting of the Board of Trustees which were previously submitted and read by the Board.

It was moved by Trustee Bergholz and seconded by Trustee Protopapa to approve the minutes of the February 12, 2008 Regular Meeting and the March 11, 2008 Regular Meeting of the CAC Board of Trustees.

Vote on Motion was as follows:

Ayes: Abraham Silver, Bergholz, Minter, Protopapa

Nays: None

2. ELECTION OF OFFICERS

Motion: To elect Steven Minter to the position of President
To elect Santina Protopapa to the position of Vice President
To elect David Bergholz to the position of Secretary

It was moved by Trustee Abraham-Silver and seconded by Trustee Bergholz to elect Steve Minter to President of the Board, Santina Protopapa to Vice President of the Board and David Bergholz to Secretary of the Board.

Vote on Motion was as follows:

Ayes: Abraham-Silver, Bergholz, Minter, Protopapa

Nays: None

3. CAC STRATEGIC PLANNING REPORT

President Minter stated that during the first year of CAC's existence, being a new organization, it was operating without a strategic framework and that it was now time to introduce such a framework into the organization. In order to determine this strategic framework, CAC engaged Amy Morgenstern of Main Street Enterprises to conduct interviews of key stakeholders in CAC and to facilitate a strategic planning session with the Executive Director and Board. A planning and discussion meeting of the Board of Trustees was held on March 21, 2008. The purpose of this meeting was to discuss the findings of the stakeholder interviews. Additionally President Minter noted that CAC has also been looking at internal personnel practices.

President Minter introduced consultant Amy Morgenstern. Ms. Morgenstern presented her findings in the Power Point attached below, "CAC Stakeholder Report".

At the conclusion of Ms. Morgenstern's review of the report, President Minter noted that an outcome of this recent planning process was a meeting of himself, ED Boyle and Trustee Coburn with members of the board of directors and staff of the Community Partnership for Arts and Culture (CPAC). The purpose of the meeting was to review the Stakeholder Report and discuss the CAC Plan of Action.

ED Boyle then presented a Power Point titled "CAC Draft Plan of Action". The Power Point, attached below, detailed CAC's proposed new mission, vision and goals.

President Minter opened the floor for discussion on power point presentations and stated that CAC mission, vision and goals would be finalized and adopted at the next regular meeting of the Board of Trustees on July 8th.

Jeff Rusnak, M&R Strategies, commented that he had feedback to provide and asked how CAC would like to receive the feedback. ED Boyle responded that she would prefer the feedback in writing. Reports are available electronically and will be on CAC web site.

Karin Stone, CPAC board member, commented on the word "support" being used in the mission and that is seemed a bit passive; that the mission needs a word that is more active and puts more responsibility on the arts and cultural organizations receiving funding through CAC. Ms. Stone noted that she believed the vision seemed more aspirational than the mission and that she agreed with it.

President Minter thanked Amy and CPAC on their input to this process.

4. FINANCES AND OPERATIONS

Meg Harris, Director of Administration, stated that the cigarette excise tax revenue for March and April were \$1,703,706 and \$1,409,299 respectively. The March figure was \$322,541, or

23%, higher than forecast and represents an increase of 15% over March, 2007. The April figure was \$125,025, or 8%, lower than forecast and represents a decrease of nearly 15% over April, 2007. Year to date, the revenues are \$6,062,087 which represents a 1% increase over the same period for 2007, using the .045 Stadium Tax as the basis for comparison. Ms. Harris also drew attention to the May 2008 forecast being \$3 million. This forecast, nearly double the average monthly tax revenue, was based on 2007 and 2006 figures for May which have historically been higher than other months.

Ms. Harris stated that the revenues and expenditures through April were within budgeted figures and that discrepancies are footnoted on the R&E report. Ms. Harris noted that the StarOhio interest rate is currently 2.41% as compared to 5.5% when CAC started investing in StarOhio in May, 2007. She stated this lower interest rate has resulted in interest income lower than forecast interest income.

Ms. Harris stated that she expects the CAC annual audit to begin and to be completed by the end of June. She is awaiting the OCBOA compiled statements from the Local Government Services branch of the Auditor of State. These statements will be prepared with a proposed M,D&A (Management, Discussion and Analysis) letter that CAC may adjust and will include footnotes. As soon as the statements are received, Ms. Harris will forward them to President Minter and Trustee Coburn for review and discussion.

Trustee Coburn, Chair of the Investment Advisory Committee, stated that over the past two months he has explored various options in relation to improving CAC's current yield on investments. He stated that although CAC has a relatively low reserve for investment, \$10 million, CAC did want to look at investments beyond Star Ohio. Trustee Coburn stated that given the investment requirements CAC must conform to as detailed in ORC 3381, it was his conclusion, at this point that it would be hard for CAC to work with an outside investment firm to earn a higher yield than Star Ohio once investment fees were paid to an outside firm. Trustee Coburn concluded that he is continuing to look at other potential avenues of investment for these funds.

5. GRANT PROGRAM UPDATES

Project Support- ED Boyle reported that the Panel Review took place on April 23 and 24 at Trinity Commons. Eight panelists attended (one panelist was unable to attend for personal reasons). Susan Channing was the panel chair. The panel reviewed 75 organizations over the course of the two days. CAC staff is currently reviewing and preparing the Panel scores and comments along with the grant award recommendation and the 2008 PS contract. CAC staff will create a report that will be ready for the board in advance of the June 10 Special Board Meeting. Included in the report will be a summary of the policy discussion that took place at the conclusion of the Panel Review.

Trustee Bergholz commented that he was again impressed by the panel and the process.

Deena Epstein of the Gund Foundation inquired as to when the PS scores would be posted. She was informed that they would be posted on the CAC website, along with award amounts, for general viewing after the June 10 special board meeting.

General Operating Support- ED Boyle stated that the second payment of GOS funds will be made in July. ED Boyle stated that the Board has been provided with a working version of the GOS grant report. The GOS grant report consists of narrative and financial reports and must be completed by all GOS grantees in order to renew their contracts in 2009. She added that the FY07 audit/review would be due by Nov. 2008 and the FY08 audit/review for those within 120 days of end of FY08 year. Site visits will be scheduled as a way to establish relationships with grantees. CAC staff plans to meet first with those grantees that had more issues of concern discussed by Panel.

ED Boyle continued that last week the Ohio Cultural Data Project (CDP) task force hosted several meetings in Ohio with Bonnie Libman of the Cultural Data Project. CAC had requested that the GOS grantees attend this meeting to learn about how the CDP project and format will benefit them as grantees. About 80 attendees viewed the CDP product. The CAC grantees that attended were very excited about the presentation and wanted to help CAC to advocate for this product in Ohio.

ED Boyle requested that the Board move to approve the GOS grant format with the understanding the basic framework has been presented to the Board but that the exact wording of the questions may change.

Motion: To accept the Annual GOS Grant Report requirements and format and to accept the timelines for receipt of reports from grantees

It was moved by Trustee Bergholz and seconded by Trustee Coburn to accept the Annual GOS Grant Report requirements, format and timeline.

Vote on Motion was as follows:

Ayes: Abraham Silver, Bergholz, Coburn, Minter, Protopapa

Nays: None

Individual Artist- Trustee Bergholz stated that the Individual Artist (IA) Support Committee met and agreed that CAC's IA support should be a fellowship providing significant support to individual artists in our community. The fellowship could be up to \$10,000 and should meet the needs of a variety of arts and cultural individuals in various points in their careers. Since CAC cannot make grants directly to individuals, a regranting model is necessary. Community Partnership for Arts and Culture (CPAC) will research and design a program and make a proposal to the Advisory Committee for recommendation to the CAC Board that will include the structure and implementation of an IA program. CPAC agreed to have a proposal to the Advisory Committee by September, 2008 with the plan that the first round of grants would be made in the first half of 2009.

Tom Schorgl of CPAC noted that CPAC will be designing a program based on the fellowship model per CAC's request.

6. OTHER BUSINESS

Human Resources- Trustee Abraham-Silver stated that on April 14th she met with President Minter, ED Boyle and HR consultant Mary Schwendman. The goal of this meeting was to

review the new CAC Employee Manual, revised position descriptions for CAC staff positions, and an annual and interim Performance Evaluation template, process and system of implementation.

Trustee Abraham-Silver stated that last week all members of the Board received the revised and updated Employee Manual. She noted that the considerable time was spent reviewing an earlier draft of this manual and providing suggestions for additions. It was specifically important that the following sections: “Code of Ethics,” “Disciplinary Process and Separation” and the “Sunshine Laws” were all reviewed by counsel. Based on this work and review, Trustee Abraham-Silver recommended adopting this final version of the Employee Manual.

Motion: To accept the Employee Manual

It was moved by Trustee Abraham-Silver and seconded by Trustee Bergholz to accept the Employee Manual.

Vote on Motion was as follows:

Ayes: Abraham-Silver, Bergholz, Coburn, Minter, Protopapa

Nays: None

Trustee Abraham-Silver continued that they reviewed 5 position descriptions presented by ED Boyle. Suggestions were made to rework the position descriptions by including adding items such as thresholds like degree(s) required, years of experience preferred, etc. They paid particular attention to the position description of the Executive Director and urged the team to rewrite that description to be less tactically-oriented and to reflect a higher level of management and leadership responsibilities. The committee also discussed parity between the position descriptions and the current employee salaries and agreed this needed review from ED Boyle and Board in the next year and that any current adjustments.

Motion: To accept the revised employee position descriptions

It was moved by Trustee Abraham-Silver and seconded by Trustee Bergholz to accept the revised employee position descriptions.

Vote on Motion was as follows:

Ayes: Abraham-Silver, Bergholz, Coburn, Minter, Protopapa

Nays: None

Trustee Abraham-Silver stated they spent the majority of their meeting focused on job performance measures and the timeline for implementing a Performance Review process. It was agreed that since the CAC strategic plan would be finished by July, CAC should work to ensure close alignment between staff goals for next year and that final document, but that for right now, CAC would implement a truncated review process and wait to implement the full PE process until the 4th quarter of this calendar year. In other words, ED Boyle will introduce the new PE template to staff now, work with them to set goals for the remainder of the year (the Board will

work directly with ED Boyle on finalizing her goals) and the first time the new PE tool will be fully used is at the end of the calendar year.

Motion: To accept the Employee Performance Evaluation Tool

It was moved by Trustee Abraham-Silver and seconded by Trustee Bergholz to accept the Employee Performance Evaluation Tool.

Vote on Motion was as follows:

Ayes: Abraham-Silver, Bergholz, Coburn, Minter, Protopapa

Nays: None

Trustee Abraham-Silver concluded that she and President Minter had discussed looking at a standard potential percentage increase in salary, retroactive to their one year anniversary dates, and in the future salary increases would be based on merit. Determination of future increases would be guided by what was happening in the NPO and Government sectors. At today's Executive Session, the board will review the recommendations by Trustees Minter and Abraham-Silver regarding any salary increases or adjustments at this time.

Mary Schwendeman, as part of her contract with CAC, will perform the training of the staff and board for use of the Performance Evaluation template and will review the employee manual with staff.

Office Space- ED Boyle said that CAC is currently working with the county to stay in the current CAC office for at least the next nine years and that hopefully by the July meeting CAC will know one way or the other if the CAC offices will remain in the current location.

Public Relations- ED Boyle stated that she and M&R Strategies consultant Jeff Rusnak have been working on how to continue promoting CAC in the community and are looking at what types of marketing collateral Project Support grantees may need from CAC to promote CAC. CAC is currently looking at investing in a short film, brochures, and banners etc. in order to diversify the tools provided to grantees for publicizing their grants. By fall CAC would like to create an annual report. And additional future plans include a more comprehensive communication for grantees as to how they should be publicizing their support from CAC.

Trustee Bergholz asked about creating an online annual report rather than a printed annual report and referred to the Mattress Factory website.

Next Meeting- President Minter reviewed the CAC meeting schedule for the rest of the year, noting that there are two special meetings, one on June 10 and one scheduled for December 2, 2008. The next regular meeting of the CAC Trustees is July 8, 2008.

Public Comment- Lawrence Mays, president of Gentleman of Ballroom asked to address the Board. He said that his organization, which applied for a Project Support grant, was not scored by the panel. He thought that it would be helpful if the applicants could address the panel; that the process should at least give the applicant a chance to speak. He did not feel that the panelists that reviewed his application were well prepared and did not understand his proposal. Mr. Mays said he feels there should be a way that applicants should be able to get funding even if they are

not recommended through the Panel process, perhaps by CAC board review, in the event that the panelists are not correct in their assessment.

7. EXECUTIVE SESSION

The Board of Trustees left the meeting for Executive Session at 11:35 a.m. and returned from Executive Session at 12:23 p.m. President Minter stated that the board had discussed annual salary increases and/or adjustment for the original three CAC staff retroactive to their one year anniversaries.

Motion: To approve salary increases of 4% for Executive Director Catherine Boyle effective January 1, 2008; 3.8% for Director of Administration Meg Harris effective May 1, 2008 and an adjustment including annual increase of 13.75% for Director of Grant Programs, Achala Wali effective immediately.

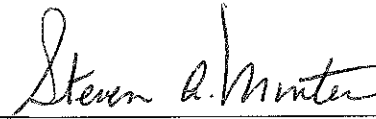
It was moved by Trustee Coburn and seconded by Trustee Protopapa to provide the above increases to ED Boyle, Meg Harris and Achala Wali.

Vote on Motion was as follows:

Ayes: Abraham-Silver, Bergholz, Coburn, Minter, Protopapa

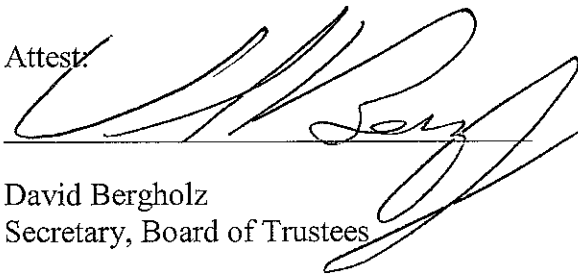
Nays: None

There being no further business, the Annual Meeting of the CAC Board of Trustees was adjourned at 12:25 p.m., May 13, 2008.



Steven Minter
President, Board of Trustees

Attest:



David Bergholz
Secretary, Board of Trustees