



Minutes of the Regular Meeting of the Board of Trustees

Tuesday, November 11, 2008, 10:00 am

A Regular Meeting of the Cuyahoga Arts and Culture (CAC) Board of Trustees was called to order at 10:01 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, and Steven Minter and to be present. Santana Protopapa arrived at 10:10 p.m. and Chris Coburn was absent. It was determined that there was a quorum.

Also in attendance were CAC Staff: Catherine Boyle, Executive Director; Meg Harris, Director of Administration; Achala Wali, Director of Grant Programs; Donnie Gill, Grant Programs Coordinator and Community Partnership for Arts and Culture President Tom Schorgl and Vice President Megan Van Voorhis.

1. APPROVAL OF MINUTES

Motion: To approve the minutes of the September 9, 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 Abraham-Silver to approve the minutes of the September 9, 2008 Regular Meeting.

Vote on Motion was as follows:

Ayes: Abraham-Silver, Bergholz, Minter,
Nays: None

Trustee Protopapa was not present at the time of this vote.

2. EXECUTIVE DIRECTOR'S REPORT

ED Boyle started by noting that due to recent economic news, she'd like to publicly address how CAC's funds are received and where they are invested and deposited. She explained that CAC's funds come directly from the State and into CAC's STAR Ohio account. STAR Ohio (State Asset Reserve of Ohio) is an investment pool for Ohio governmental subdivisions to deposit their funds which provides safety and liquidity and has maintained S&P highest rating of AAAM, since 1995.

The State Treasurer, Richard Cordray is STAR Ohio's investment advisor and administrator. Carnegie Capital Management of Cleveland acts as the fund's co-administrator and National City Bank is the fund's transfer agent and custodian.

On September 19, Treasurer Cordray sent all STAR Ohio partners a letter assuring that STAR Ohio did not hold any securities issued by AIG, Goldman Sachs, Lehman Brothers, Merrill Lynch and Morgan Stanley and although STAR did have bonds with Freddie Mac and Fannie Mae, he noted their AAA ratings had just been reaffirmed that very week.

On October 24, the State Treasurer wrote again about the acquisition of National City Bank by PNC bank of Pittsburgh and assuring partners that all securities are purchased and held in the name of STAR Ohio so access to funds would not be affected.

She also noted that when CAC was set up as a government entity and received its first tax receipts, Cuyahoga County Treasurer Jim Rokakis's cash management staff assisted CAC in setting up its depository accounts with KeyBank, the County's depository bank and STAROhio.

She noted that CAC's 2007 audit has not been received but CAC. The issues she expects to see in the audit will most likely be related to CAC policies in compliance with state law, one of which is the need for CAC to establish an Audit Committee. CAC's Audit Committee should be made up of more than just CAC Board members. ED Boyle noted she has a meeting scheduled with the County Treasurer Jim Rokakis next week and on her agenda is asking him if he'd serve on the Audit Committee or recommend someone to serve on CAC's Audit committee. President Minter noted that CAC should also consider having someone from the local business community also serve on CAC's audit committee.

ED Boyle continued with her report, stating that in their recent meetings with Grantees, CAC staff has been alerting grantees to the need for an accounting of the use of CAC funds on a semi-annual basis, and they have been understanding of that concept.

Moving on to the grant programs, ED Boyle noted that the next cycle of Project Support (PS09) is up and running, a workshop had been held the day before at MOCA and was attended by approximately 80 potential grantseekers. Achala Wali, CAC's Director of Grant Programs put together a panel of experts to advise grantseekers on issues such as grant proposal writing tips and resources, putting together a project budget, what to expect of the Panel review process and assembling a team from your organization to put together a good project. .

ED Boyle noted that she and Ms. Wali have had at least 20 meetings with grantees, mostly GOS grantees, but some Project Support as well and there are at least 10 more scheduled before the end of the year.

She explained that CAC has contracted with Sally Winter, formerly the Northeast Ohio Regional Coordinator of the Ohio Arts Council (OAC), to research and report back to CAC on how other public funders manage and use site visits. CAC staff find that as a part of CAC's accountability in terms of the public funds, there should be a way to provide better oversight, especially for the Project Support grants. Staff feels a responsibility to understanding, for instance, what the attendance was, who was in attendance, whether the project was administered as the grantee said it would be in the application, and whether the grantee adequately and accurately credited CAC's

support. ED Boyle said she'd been concerned that the small size of CAC's staff does not allow for attendance at many of CAC's project support grantee programs. Because she is certain other public sector funders must encounter this same issue, she asked Ms. Winter to research this topic, and with her many years of experience with the OAC, help CAC develop a program for site visits.

Trustee Bergholz noted that it was important that staff maintain the fairness and objectivity of CAC's grantmaking processes in terms of site visits and reporting back on site visits.

ED Boyle assured him that will certainly be a consideration as CAC develops a set of protocols or a plan for site visits.

ED Boyle noted that in 2009 she intends that CAC will issue its first biannual report to the community and that she has been communicating this to the grantees at their meetings with them and stressing the importance of the grantees including stories in their in end-of-year GOS Annual Grant Report.

ED Boyle noted that she and Community Partnership for Arts and Culture (CPAC) President Tom Schorgl had been meeting regularly as part of the ongoing partnership between CAC and CPAC. Recent discussions have centered around how the two organizations may develop a joint communications plan as well as development of a joint committee of the CAC and CPAC boards that will focus on advocacy for the arts and cultural sector.

President Minter noted that he and CPAC Board Chairman Tim Mueller are in the process of setting up a meeting and it will hopefully be scheduled in December. President Minter also reported that he had met with Jamie Ireland and they looked back over the past year and discussed legislative issues and what sort of advocacy CAC and CPAC may need both separately and possibly together. President Minter expects that this conversation will continue with other key strategic partners.

Tom Schorgl commented that there seems to be a growing interest within the local business community regarding the value of the arts and cultural organizations in the community. For instance, the Greater Cleveland Partnership has stepped up to advocate for the Greater Cleveland Film Commission regarding film tax credits in Ohio.

3. FINANCES AND OPERATIONS

Meg Harris, CAC Director of Administration, stated that the cigarette tax revenue for August and September totaled \$3,589,676 which was \$325,590 higher than forecast for that period. CAC had not yet received figures for October. Year to date, the cigarette tax revenues are \$14,645,370. Year-to-date tax collections are \$88,171 higher than forecast and approximately -1.8% than 2007. She noted that the 2008? projection had been -6.8%. The current StarOhio interest rate is 2.04%.

Ms. Harris stated that the revenues and expenditures through October were within budgeted figures with the exception of professional fees which are now running approximately \$15,000 over budget, as expected. Overall expenditures year-to-date are lower than had been forecast. Trustee Abraham-Silver asked why expenditures on grants programs were lower than forecast.

Ms. Harris responded that the discrepancy was due to timing of when payments are actually made.

Ms. Harris continued, saying that CAC has still not received its 2007 audit. She added that based on recent conversations she had with the Local Government Services division of the Ohio Auditor of State approximately two weeks ago, her understanding was that the financial compilation was complete and that CAC would be receiving it soon. She explained that the delay is related to CAC being a new entity and thus requiring additional research into the compliance of CAC not only with Ohio Revised Code (ORC) 3381 but other ORC chapters with which CAC must comply. Based on this Ms. Harris expects that the 2008 audit process to be much quicker.

Ms. Harris addressed the outstanding issue regarding whether CAC should re-appropriate the 2008 budget stating that in her opinion CAC did not need to re-appropriate the 2008 budget. She continued that she reached this decision due to two factors: 1) the appropriated categories used internally by CAC are not those reported in the audit and a re-appropriation would have little bearing on how CAC has managed its annual expenditure of funds and 2) while CAC will run over in the appropriated category of Professional Fees by approximately \$50,000, overall CAC will be under in total expenditures. She summarized that overall she believes CAC has managed the annual budget well and that the increase in Professional Fees is/was not material in comparison to the total budget.

4. GRANT PROGRAMS

ED Boyle stated that the Board was in receipt of the Grant Programs Distribution Report and asked if there were any questions or comments. There were no questions or comments from the Board.

ED Boyle noted that the Board was in receipt of her list of recommended Advisory Panelists for the 2009 Project Support (PS09) grant program. The list includes brief biographies, qualifications and where they reside. She stated that she was seeking board approval to select panelists from the list before them.

Motion: To approve the list arts and cultural professionals, all residing outside the state of Ohio, to serve as Advisory Panelists for the 2009 Project Support grant program Panel Review.

It was moved by Trustee Minter and seconded by Trustee Bergholz to approve the list of arts and cultural professionals, to serve as Advisory Panelists for the 2009 Project Support grant program Panel Review.

Vote on Motion was as follows:

Ayes: Abraham-Silver, Bergholz, Minter, Protopapa

Nays: None

ED Boyle then referenced a memorandum provided to the Board regarding the revocation of two Project Support (PS08) grants. She requested a motion to revoke the PS08 grants approved for

West Side Ecumenical Ministry and Shiva's Dances International for non compliance with the eligibility requirements for 2008 Project Support Grant Program.

Trustee Protopapa said that she would like to see the Board create a policy that addresses when an organization may be categorized as "not in good standing" and therefore ineligible to apply for future CAC funding. ED Boyle agreed that this needs to occur but that at this point she is only asking that the Board officially revoke these two grants. Trustee Abraham-Silver inquired as to how the two organizations would be notified and wanted to ensure that CAC's attorney had reviewed any letters sent out to these organizations. ED Boyle replied that letters would be sent and that she has already been working with CAC legal counsel on this matter.

Motion: To revoke the 2008 Project Support grant approved for West Side Ecumenical Ministries in the amount of \$29,200 non compliance with the eligibility requirements for 2008 Project Support Grant Program.

It was moved by Trustee Bergholz and seconded by Trustee Protopapa to revoke the 2008 Project Support grant to West Side Ecumenical Ministries in the amount of \$29,200.

Vote on Motion was as follows:

Ayes: Abraham-Silver, Bergholz, Minter, Protopapa

Nays: None

Motion: To revoke the 2008 Project Support grant approved for Shiva's Dances International in the amount of \$9,050 non compliance with the eligibility requirements for 2008 Project Support Grant Program.

It was moved by Trustee Abraham-Silver and seconded by Trustee Minter to revoke the 2008 Project Support grant to Shiva's Dances International in the amount of \$9,050.

Vote on Motion was as follows:

Ayes: Abraham-Silver, Bergholz, Minter, Protopapa

Nays: None

ED Boyle concluded saying that staff have learned from this experience and will make every effort to put assurances into place to prevent, or limit, the revoking of grants in the future. She agreed with Trustee Protopapa's statement regarding the definitions of Good and Bad Standing as well as defining what the repercussions of what both are.

Support for Individual Artists

Achala Wali, Director of Grant Programs, outlined the process that has transpired regarding CAC's desire to support local artists, given the strictures of CAC's enabling legislation. In early 2008 the CAC Board of Trustees approved the formation of a committee to research and recommend a program to the CAC Board for supporting artists. The committee designated Dave Bergholz as chair and Santana Protopapa as co-chair. CAC staff provided meeting coordination. The Individual Artist Advisory Committee Members consisted of 9 individuals: Dave Bergholz (CAC Trustee & Committee Chair), Santana Protopapa (CAC Trustee, Progressive Arts Alliance), Achala Wali (CAC staff), Kathleen Cerveney (The Cleveland Foundation), Deena Epstein (G.Gund Foundation), David Shimotakahara (Groundworks Dance), Bellamy Printz

(Artist, Zygote Founder), Alenka Banco (Convivium 33 Art Gallery), Megan VanVoorhis (CPAC)

Ms. Wali stated that the committee met three times: February 8, May 2 and September 19, 2008. The committee reviewed research reports previously produced by CPAC on existing funding sources for individual artists in Cuyahoga County. Kathleen Cerveny of The Cleveland Foundation and Deena Epstein of the George Gund Foundation provided an overview of existing local foundation support. The conclusion was that other than the Ohio Arts Council's limited programs, at great risk of being cut back or eliminated, there was little available to artists residing in Cuyahoga County in terms of funding.

The committee discussed the goals and objectives of an artist fellowship program, which it had decided would be most transformative, most effective way to support local artists. It determined that CPAC, in light of its mission, existing programs that support artists, as well as its research conducted with artists, was best positioned to develop a fellowship program for artists in the community. CPAC agreed to develop the guidelines for a fellowship grant program.

At the September 19th meeting CPAC presented an outline and guidelines for the "Creative Workforce Fellowship" (CWF) program to the committee. The committee discussed the guidelines in detail and several minor changes were made.

Ms. Wali concluded by noting that the CAC Board has the final version of the "Creative Workforce Fellowship" (CWF) program guidelines and has had time to review in advance of this meeting. She introduced Tom Schorgl to present the CWF program to the Board and the public.

Mr. Schorgl presented a Power Point outline of the CWF program proposal. (CPAC's proposal for the Individual Artists Creative Workforce Fellowship program is attached).

Trustee Bergholz next spoke as chair of the committee stating that he is excited to see a program for individual artists in our community moving forward. Trustee Protopapa voiced her concern that a two year residency requirement is still too short, in her opinion. Trustee Bergholz addressed Trustee Protopapa's concern saying that he felt that with the third year of residency required during the grant period, he felt the overall time frame was appropriate. Trustee Protopapa stated that she thinks we'd want artists to stay in the community more than three years. Mr. Schorgl assured her that CPAC would be tracking the data in terms of residency and if they find that the majority of fellowships are awarded to artists residing in the county only two years then this requirement will be revisited. He continued adding that part of the goal of the CWF program is to make Cuyahoga County more attractive to artists as a place to live.

Trustee Bergholz asked how the grants are handled in terms of artistic disciplines. Mr. Schorgl said that there would be two rounds of CWF grants in 2009. The first round would be a grant program open to artists in the visual, media, craft and design arts. The second round would be music, theatre, dance, literary and interdisciplinary arts. CPAC's goal is to award grants in both rounds by the end of 2009.

Trustee Protopapa added that CPAC should consider allowing critical reviews of artists for a five year period rather than a three year period as a part of the documentation required with the application. She said that it's been her experience that the press doesn't write frequent reviews

of local artists, especially those that might have already been reviewed in previous years. She thought the three year limit may not benefit some local artists applying to the program. Committee member Kathleen Cerveny asked about residency for people recently graduating from schools in the area, she wondered if students may be able to apply as soon as they finish their degree in a local school. Mr. Schorgl said there are not conditions on the residency but he reiterated that the grant review process would focus on an individual's readiness to receive a grant through this program. Committee member Deena Epstein asked if artists had to sit out in between cycles, Mr. Schorgl responded that as it stands grantees would have to wait a year between cycles to apply again.

ED Boyle said that it was her understanding that it was the committee's intention to recommend to the CAC Board of Trustees that it should support CPAC's CWF program.

Trustee Bergholz confirmed that the committee does recommend to the CAC Board that it support CPAC's CWF grant program.

Ed Boyle stated that she, and CAC legal counsel, Barbara Hawley, have concluded that the way for CAC to support CPAC's CWF program is to provide CPAC with a grant. It is her recommendation that the grant be to support the CWF program for a period of two years, providing CPAC with \$100,000 for each of the two years to administer the program and no more than \$400,000 for the purpose of making 20-\$20,000 grants to artists in each of the two artistic discipline categories outlined in Mr. Schorgl's presentation.

She also stressed that once approved, the CWF program is CPAC's program and that specific comments on the guidelines and application process were to be addressed to CPAC.

Motion: To accept the committee's recommendation to fund the Community Partnership for Arts and Culture's Creative Workforce Fellowship grant program for artists and approve a grant to the Community Partnership for Arts and Culture for a two year period, beginning in January 2009, in the amount \$1,000,000; \$800,000 for grants to 40 artists and \$200,000 for the administration of the program.

It was moved by Trustee Bergholz and seconded by Trustee Minter to approve a grant to Community Partnership for Arts and Culture for a two year period, beginning in January 2009, in the amount \$1,000,000; \$800,000 for grants to 40 artists and \$200,000 for the administration of the program.

Vote on Motion was as follows:

Ayes: Bergholz, Minter, Protopapa

Nays: None

Abstain: Abraham-Silver

Trustee Abraham-Silver abstained from voting because of her direct interest as a member of the board of The Community Partnership for Arts and Culture.

President Minter concluded that he was pleased CAC and CPAC have entered into this partnership to provide support to artists in the community. He asked for assurance that CAC and CPAC would promote awareness of this program in the community.

Trustee Bergholz noted that the CAC Board should probably dissolve the Advisory Committee and ED Boyle concurred and thanked the committee for their good work.

Motion: To dissolve the Individual Artist Advisory Committee

It was moved by Trustee Bergholz and seconded by Trustee Protopapa to dissolve the Individual Artist Advisory Committee.

Vote on Motion was as follows:

Ayes: Abraham-Silver, Bergholz, Minter, Protopapa

Nays: None

Next Meeting

The next meeting of the CAC Trustees is a Special Meeting on December 2, 2008 at 10:00 a.m. to appropriate CAC's budget for 2009. The Board will break to Executive Session to discuss staff performance reviews and annual salary adjustments promptly at 10:00 a.m. and expects to return to public session at 11:00 a.m. in the Second Floor Board Room of ideacenter.

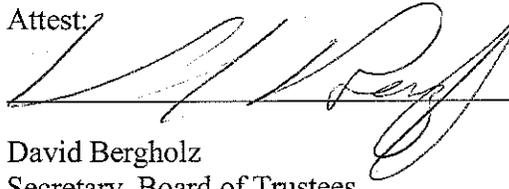
Public Comment

There being no further business, and no public comment, the Regular Meeting of the CAC Board of Trustees was adjourned at 11:17 p.m., November 11, 2008.



Steven Minter
President, Board of Trustees

Attest:



David Bergholz
Secretary, Board of Trustees