



## Minutes of the Regular Meeting of the Board of Trustees

Monday, October 25, 2010

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A regular meeting of the Cuyahoga Arts & Culture (CAC) Board of Trustees was called to order at 3:05 p.m. in Armory of the Beck Center for the Arts, 17801 Detroit Avenue, Lakewood OH.

The roll call showed Trustees Matt Charboneau, Chris Coburn, Vickie Johnson, and Steven Minter to be present. It was determined that there was a quorum. Sari Feldman was absent.

Also in attendance were: CAC Staff: Karen Gahl-Mills, executive director, Meg Harris, director of administration; Donnie Gill, grant program coordinator; Stacey Hoffman, grant program coordinator and Jonah Weinberg, CAC consultant for external affairs.

### **1. APPROVAL OF MINUTES**

Motion by Trustee Coburn seconded by Trustee Charboneau, to approve the minutes of the September 13<sup>th</sup> 2010 Regular Meeting of the Board of Trustees. Discussion: None. Vote: All ayes. Motion carried.

### **2. EXECUTIVE DIRECTOR'S REPORT**

Ms. Gahl-Mills welcomed all in attendance. She stated that the main purpose of this meeting was to announce awards of nearly \$14.8 million, a figure that puts Cuyahoga County among the top five local arts funders in the nation. These awards represent a tremendous investment by this County's residents in the work of artists and organizations, and it's something for every resident of this County to be proud of.

Ms. Gahl-Mills referred to the packet of materials handed out and proceeded to highlight several sections.

Ms. Gahl-Mills informed the Board that Achala Wali had resigned from her position as Director of Grant Programs. She thanked Ms. Wali for her service, particularly for her work in bringing the Cultural Data Project to Ohio. Ms. Wali was one of the first employees at CAC and was integrally involved in designing the two main grant programs.

Ms. Gahl-Mills stated that with nine months of the fiscal year completed; CAC continues to track under budget for expenses and slightly over budget for revenues. The packet includes an updated financial report, including the report on cigarette tax revenues to date for 2010.

Ms. Gahl-Mills stated that CAC's 2009 audit had been released by the Auditor of State. She noted that the audit was released with no comments and no management letter, which is the cleanest audit opinion that CAC could receive.

Ms. Gahl-Mills informed the Board of work by the program staff, in collaboration with CPAC, to continue to evaluate and analyze our current programs with an eye toward improvements.

Ms. Gahl-Mills further stated that staff had received the report from consultant Vincent Kitch, who was engaged to audit the GOS program and make recommendations for ways to improve CAC's outcomes. Mr. Kitch's report is one piece of the analysis that will be considered as staff begins to create recommendations for program changes to the GOS program. These recommendations will be discussed in detail in the first part of 2011.

Ms. Gahl-Mills stated that CAC will continue its partnership with the Cleveland Orchestra for a free Public Square concert in 2011. The concert, typically held around the Independence Day holiday, will move to September 11<sup>th</sup> in 2011, which is a Sunday. The 2011 free Public Square concert will function as the centerpiece of the community's commemoration of the 10th anniversary of that solemn occasion.

Ms. Gahl-Mills informed the Board that she continued to work with consultant Maureen Robinson, the facilitator for the board retreat held in June. Ms. Robinson will design a Planning Charrette, which was tentatively set for January 2011. This event is a way to have a targeted but also creative conversation about the long term impact that we think CAC can have on our region. Members of the board will be invited to participate and then report back to the full board on the outcomes of the day.

Ms. Gahl-Mills stated that Burges & Burges has started a Perceptual Analysis for CAC. A series of interviews are being conducted with key constituents to help CAC determine how it is currently viewed by those external to the organization. These interviews, combined with the results of the program analysis and research work, will inform our 2011 report to the community, which will be released in an online form in the first quarter of 2011.

Ms. Gahl-Mills thanked the representatives of the cultural partners in the room for ensuring the consistent use of the CAC logo in their marketing materials. She added that it is vital this continue these efforts as CAC works to raise its visibility in the community. It is important for the public at large to know what CAC's cultural partners know, that public funding of the arts in this County is critically important for the sector's success.

Ms. Gahl-Mills concluded her report and asked if there were any questions from the Board.

Ms. Gahl-Mills asked the Board if they would like to take action CAC's continued support of the Cleveland Orchestra's Public Square concert in 2011.

Mr. Minter stated that CAC had supported the free, public concert for the past four years. He recommended approval of the CAC's support of this event in 2011.

Motion by Trustee Minter, seconded by Trustee Johnson, to approve in principal, subject to a detailed proposal, a free Public Square concert, performed by the Cleveland Orchestra, to be held on September 11, 2011. Discussion: None. Vote: All ayes. Motion carried.

### **3. BECK CENTER**

Ms. Gahl-Mills invited Lucinda Einhouse, Executive Director of the Beck Center for the Arts, to share some information about her organization.

Ms. Einhouse stated that the Beck Center had been in the community for over 75 years. It has grown from a volunteer-based community theatre to the largest theatre on the west side of Cleveland. The Beck Center serves over 30,000 people per year through a variety of music, theatre and dance classes.

Ms. Einhouse continued, stating that the Beck Center had had a \$10 million economic impact on the community. She invited the attendees to stop by and visit the exhibit in the gallery of the main building.

### **4. CPAC REPORT**

Mr. Tom Schorgl, President and CEO of Community Partnership for Arts and Culture, reported on several projects.

Mr. Schorgl first reported on the Creative Workforce Fellowship program, now in its third cycle. He summarized that several workshops that were held leading up to the application deadlines. The adjudication of the 368 applications will take place from November 20th and 23rd.

Mr. Schorgl added that CPAC had contracted out for the production of the 2009 and 2010 Creative Workforce Fellowship catalogue, a multimedia project that will showcase the stories and work of the 40 Fellows to date. An accompanying print catalogue will be released in the spring of 2011.

Mr. Schorgl, continued, stating that CPAC had been contracted by CAC to assess the Project Support (PS) and General Operating Support (GOS) grant programs. With the PS program, CPAC developed four categories to characterize the type the projects, focusing on their intended outcomes. CPAC also finalized a survey protocol to assess the 2011 PS applicants' experiences with the program. The survey had an overall response rate of 55%; a draft report was submitted to CAC.

Mr. Schorgl summarized the plan for analyzing the GOS program. CPAC submitted a data request to the Ohio Cultural Data Project (OCDP). Final approval to conduct the research of information input by GOS grantees had been granted. CPAC completed the license agreement and is now in possession of data to commence research.

Ms. Gahl-Mills stated that we need to tell the story to the broader community.

## **5. REVIEW AND DISCUSSION**

### **Spending Policy**

Mr. Charboneau introduced CAC's draft Spending Policy and walked through the process CAC plans to following in finalizing this policy. He pointed out that the full draft version of the spending policy could be found online at [www.cacgrants.org](http://www.cacgrants.org) and also in a takeaway here today.

Mr. Charboneau stated that Cuyahoga Arts & Culture was founded four years ago. The organization finds itself with a need to codify a spending policy, to make a formal, annually-reviewable document that outlines our priorities for grantmaking.

Mr. Charboneau continued, stating that while the General Operating Support program was the focus of CAC from initiation, other new opportunities are present and worthy of our attention. That does not mean we are deemphasizing our commitment and belief in the GOS program; it will continue to be the primary focus of Cuyahoga Arts & Culture, and continue to represent and support our largest group of constituents.

Mr. Charboneau stressed the importance of having input from our constituents in the process. Ideally, members of the arts and culture sector, funding community and small business community will attend the planned feedback sessions and relate their thoughts, successes, experiences, challenges and concerns related to CAC funding.

Mr. Charboneau reiterated that the General Operating Support program would remain the primary focus area of CAC. The program has become a predictable and substantive funding stream for our grantees, and CAC will endeavor to invest more than 75% of CAC's annual excise tax revenues in the GOS program.

Mr. Charboneau continued, stating that CAC's Project Support program and special initiatives, such as the Creative Workforce Fellowship, are programs that allow CAC to expand its reach, and support high quality work being done outside the area's primary arts and culture institutions. CAC will endeavor to invest 10-15% of its annual excise revenues in the Project and Special Initiative grants programs.

Mr. Charboneau stated that the use of CAC's reserve would be addressed in the spending policy. CAC was forward funded before the system of grant distribution was in place. As a result, CAC carries a reserve of approximately \$22 million, representing tax receipts from February 1 to December 31 2007, plus cash surpluses from FY2008 and 2009.

Mr. Charboneau continued, stating that CAC views that reserve as, effectively, the funding for the 10th year of the funding cycle and, accordingly, will not utilize the reserve as a source of funding for current grant programs.

Mr. Charboneau suggested that in the future CAC will utilize solely the reserve as the source of all administrative expenses.

Mr. Charboneau stated that CAC recognizes that there may be other opportunities to make grants that would benefit the public and we need a construct for funding these emergent, and likely community-based, opportunities.

Mr. Charboneau informed the Board and audience that CAC would host two public forums to gather input on a spending policy for the use and distribution of grant funding. These forums will be held on November 15 at Lakewood Public Library and November 17 at the Shaker Heights Public Library; both will be held from 7:00 – 8:00 pm.

### **2011 CAC Budget Framework**

Ms. Harris stated that the Board had received a memo regarding the setting of CAC's 2011 annual budget which will be appropriated at the December 13<sup>th</sup>, 2010 board meeting. The memo highlighted anticipated areas of change to the budget.

Ms. Harris summarized the anticipated areas of change to the budget:

- Within the category of arts & cultural programming wages and benefit allocations will remain flat. This figure is flat, while including modest wage increases, due to over budgeting in 2009 in the area of staff benefits. In 2011 direct program costs will increase as in 2011 fees paid for the online grant system, the grantee database system and the Ohio Cultural Data Project system will be included in this category. In past years these expenditures were allocated under Facilities, Supplies and Equipment. The grants category Grant funding will decline over 2010 levels. The funding allocations for the GOS, PS and Creative Workforce Fellowship (CWF) programs have already been approved for 2011. Decreased funding has been allocated to the GOS and PS programs. Within the SI category, increased funding has been awarded to CPAC to administer the CWF program. Also included in SI are funds for CAC's continued sponsor-level support of The Cleveland Orchestra's Public Square concert and a small amount of funds for other potential special initiatives in 2011.
- Within the category of General and Administrative, there will be slight increases within the salaries and benefits areas. In 2010 the budget included wages for an administrative or communications position for half of the year. These positions were not filled in 2010 but will be added via the position of Director of External Affairs in January. This will be a fulltime position. The category of Facilities, Supplies, Equipment will decrease in expenditure by approximately 60%. The primary reason for this change is the reclassification of direct grant program expenses such as the purchase of grant software to that of a grant program expense. Professional Fees which include fees for legal services, public relations, advertising and design, operational evaluation, and accounting services will increase by approximately 50%. The primary reason for this increase is the re-categorization of CAC's contract with CPAC. In 2011 this expenditure will shift from the category of a grant to that of a contract for professional services supporting CAC as an organization.

## **6. BOARD ACTIONS**

Motion by Trustee Minter, seconded by Trustee Coburn to approve the revised By-laws of Cuyahoga Arts & Culture. Discussion: None. Vote: All ayes. Motion carried.

Motion by Trustee Minter, seconded by Trustee Coburn to appointment Sari Feldman as chair of the Nominating Committee and Vickie Johnson to serve on the committee. Discussion: None. Vote: All ayes. Motion carried.

Motion by Trustee Coburn, seconded by Trustee Johnson to approve CAC's 2009 audit prepared by the Ohio Auditor of State. Discussion: None. Vote: All ayes. Motion carried.

### **PS11 Score Ratification**

Ms. Hoffman provided a summary of the 2011 Project Support report which had previously been submitted to the Board for review.

Ms. Hoffman stated that an Intent to Apply process was held. Ninety-one submissions were received; 41% were new to CAC. Eighty of the ninety-one submissions were eligible (88%). Applications were received from sixty-seven of the eighty eligible organizations; 31% were new to CAC.

Ms. Hoffman informed the Board that the public panel was held the week of September 20. Two panels were held, Panel A and Panel B, in response to feedback from prior public and panelist surveys. Each panel was comprised of seven arts and culture professionals. Panel A reviewed 34 applications with project requests in the community arts or fairs/festivals category. Panel B reviewed 33 applications with project requests in the visual arts, performing arts, media arts or humanities categories.

Ms. Hoffman presented a set of charts, summarizing data of the organizations recommended for funding. The following information was included in the charts:

- The geographic distribution of the grantees shows 50% of the grantees are located in Cleveland
- New vs. repeat grantees – 25% of the grantees are new to CAC (14/56)
- Geographic distribution of new grantees – A large percentage of the new grantees are from the eastern suburbs; very few are from the western and southern suburbs
- Project Type – Arts Education and Community Festivals comprise 59% of the projects, with Performing Arts comprising 23%. There were also a handful of projects in humanities, visual arts, media and dance.

Ms. Hoffman stated that she was seeking approval of the scores.

Motion by Trustee Coburn, seconded by Trustee Johnson to approve the PS11 Panel Scores. Discussion: None. Vote: All ayes. Motion carried.

### **PS11 Grant Award Approval**

Ms. Harris stated that the PS Guidelines provided the framework for determining the PS grant award amounts. The guidelines establish the Funding Criteria, addressed by the applicant in the application, and used by the panel in the evaluation and scoring the projects. Applications were scored on a scale of 1-100 using the following criteria as guidance:

- Artistic or Cultural Quality of Project (35 points maximum)
- Community Involvement and Public Impact (35 points maximum)
- Quality of Management and Organizational Capacity (30 points maximum)

Ms. Harris continued, stating that the Olympian method, which eliminated the high and low scores, was used to determine the final panel score. In order to arrive at the recommended award amount, the following factors were taken under consideration:

- Up to \$650,000 was allocated to fund projects by 501(c)3 organizations;
- Up to \$150,000 was allocated to fund organizations that are units of government;
- The Grant Application Panel Review score of the application; and
- The aggregate request amount of applications eligible for funding.

Ms. Harris stated that in order to take into account the allocated funds and the scores awarded by the panels, the following formula was used:

Score	% of request	501c3	Unit of Gov't
85-100	100% of grant request	8	3
80-84.9	90% of grant request	14	1
75-79.9	80% of grant request	13	5
70-74.9	grant % equivalent to score	12	0

Ms. Harris explained that due to the ratio of requests for funds for units of government organizations, a second step was used to bring the sum of grant awards within the \$150,000 allocation. The allocation amount (\$150,000) was divided by the score adjusted grant award total (\$214,534) in order to determine a consistent reduction factor which was applied to each grant award:

$150,000/214,534=69.92\%$ . In other words, each Unit of Government grant award was reduced by 30.08%; the reduction was evenly applied.

Ms. Harris summarized that the recommended total grant awards for PS11:

1. To 47 501(c)3 organizations a total of \$607,477
2. To 9 units of government a total of \$150,000

Ms. Harris noted that Board members have reviewed the list of PS11 grantee organizations for conflicts of interest and there were a total of five conflicts noted. The conflicts are:

Steven Minter:

- Baldwin-Wallace College – Mr. Minter’s wife is on the Board of Trustees of Baldwin-Wallace College.

Matthew Charboneau – Mr. Charboneau, a professional musician, has performed in the recent past, for following organizations:

- Berea Arts Fest
- Cuyahoga County Community College- Tri-C Jazz Fest
- Downtown Cleveland Alliance

Vickie Eaton Johnson

- Senior Outreach Services- Prior to her appointment on CAC’s board, Ms. Johnson had served on the board of Senior Outreach Services.

Ms. Harris stated that the Trustees confirmed that there were no additional conflicts with any of the 56 proposed grantees.

Motion by Trustee Coburn, seconded by Trustee Johnson to approve a PS11 grant to:

<u>Organization</u>	<u>Grant</u>
Baldwin Wallace University	\$45,000

Discussion: None. Vote: Charboneau, Coburn and Johnson ayes. Minter abstained. Motion carried.

Motion by Trustee Coburn, seconded by Trustee Minter to approve a PS11 grant to:

<u>Organization</u>	<u>Grant</u>
Berea Arts Fest	\$10,000
Cuyahoga County Community College- Tri-C Jazz Fest	\$34,959
Downtown Cleveland Alliance	\$25,380

Discussion: None. Vote: Coburn, Johnson and Minter, ayes. Charboneau abstained. Motion carried.

Motion by Trustee Minter, seconded by Trustee Charboneau to approve a PS11 grant to:

<u>Organization</u>	<u>Grant</u>
Senior Outreach Services	\$14,150

Discussion: None. Vote: Charboneau, Coburn and Minter ayes. Johnson abstained. Motion carried.

Motion by Trustee Coburn, seconded by Trustee Johnson to approve a PS11 grants to:

<u>Organization</u>	<u>Grant</u>
Art Therapy Studio	\$19,622
Arts Collinwood	\$27,000
Arts In Strongsville	\$5,986

Building Bridges	\$7,791
Case Western Reserve University	\$16,000
Chagrin Foundation for Arts & Culture	\$24,000
City of Bedford- Weekend of the Pooka	\$559
City of Cleveland- Mural My Neighborhood	\$10,488
City of Cleveland Heights- Cain Park Arts Festival	\$24,542
CityMusic Cleveland	\$50,000
Cleveland Contemporary Chinese Culture Association	\$6,707
CMSD- All City Musical	\$34,959
Cleveland Public Library	\$5,701
Cleveland TOPS Swingband	\$17,100
Cleveland Urban Design Collaborative	\$13,145
Cleveland Women's Orchestra	\$7,360
convergence-continuum	\$4,050
Coventry Village Special Improvement District	\$4,901
Creative Filmmakers Association	\$9,360
Duffy Liturgical Dance	\$20,700
Eliza Bryant Village	\$2,991
Ensemble Theatre of Cleveland	\$23,700
Federation of India Community Assoc.	\$7,080
Foluke Cultural Arts Center, Inc.	\$1,302
Historic Gateway Neighborhood Corp.	\$15,300
Historic Warehouse District	\$9,900
Hospice of the Western Reserve, Inc.	\$11,274
Independent Pictures	\$9,612
International Services Center	\$2,520
Jennings Center for Older Adults	\$3,168
Lakewood Public Library	\$2,573
Mandel Jewish Community Center	\$26,781
Mercury Summer Stock	\$6,978
Merrick House	\$9,000
Morgan Art of Papermaking Conservatory and Educational Foundation	\$8,649
Music & Performing Arts @ Trinity Cathedral	\$14,860
North Union Farmers Market	\$6,840
Ohio City Near West Development Corp.	\$7,241
Olmsted Performing Arts	\$12,108
Open Doors, Inc.	\$3,402
Organization of Chinese Americans of Greater Cleveland	\$2,974
Parkworks	\$9,179
Quire Cleveland	\$3,758
Sankofa Fine Art Plus	\$20,350
Singers' Club of Cleveland	\$7,420
Solon Center for the Arts	\$23,073
Strongsville Community Theatre	\$2,000
Suburban Symphony Orchestra	\$3,520
Tremont West Development Corporation	\$16,191
University Circle Inc.	\$40,000
West Shore Chorale	\$4,245

**General Operating Support Grant Awards**

Ms. Gahl-Mills stated that the Board allocated \$14 million to the GOS program at the September Board meeting. In determining the grants, grantees were asked to back out their previous CAC grant. The smallest organization would receive no more than 23.77% of their operating budget. From there the formula was running using the numbers submitted by the grantees.

Ms. Gahl-Mills reiterated that score was not a factor in determining the award amounts and that staff played no role in the process.

Ms. Harris noted that Board members have reviewed the list of GO11-12 grantee organizations for conflicts of interest and there were a total of five conflicts noted. The conflicts are:

Matthew Charboneau – Mr. Charboneau, a professional musician, has performed in the recent past, for following organizations:

- Cleveland Public Theatre
- Great Lakes Science Center
- Museum of Contemporary Art Cleveland
- Playhouse Square Foundation

Vickie Eaton Johnson

- Karamu House – Prior to her appointment on CAC’s board, Ms. Johnson had served on the board of Karamu House.

Motion by Trustee Coburn, seconded by Trustee Minter to approve a GOS11 grant to:

<u>Organization</u>	<u>Grant</u>
Cleveland Public Theatre	\$97,780
Great Lakes Science Center	\$412,999
Museum of Contemporary Art Cleveland	\$118,151
Playhouse Square Foundation	\$1,652,707

Discussion: None. Vote: Coburn, Johnson and Minter, ayes. Charboneau abstained. Motion carried.

Motion by Trustee Minter, seconded by Trustee Coburn to approve a GOS11 grant to:

<u>Organization</u>	<u>Grant</u>
Karamu House	\$150,807

Discussion: None. Vote: Charboneau, Coburn and Minter ayes. Johnson abstained. Motion carried.

Motion by Trustee Coburn, seconded by Trustee Johnson to approve a PS11 grant to:

<u>Organization</u>	<u>Grant</u>
Apollo's Fire	\$97,094

Art House	\$23,522
Artists Archives of the Western Reserve	\$16,656
BAYarts	\$35,930
Beck Center for the Arts	\$193,110
Brecksville Theater On The Square	\$11,614
Broadway School of Music and the Arts	\$21,688
Chagrin Valley Little Theatre	\$34,379
Children's Museum of Cleveland	\$91,376
Cleveland Artists Foundation	\$22,283
Cleveland Botanical Garden	\$397,388
Cleveland Institute of Art	\$780,738
Cleveland Institute of Music	\$697,580
Cleveland International Film Festival	\$126,450
Cleveland Int'l Piano Competition	\$60,556
Cleveland Jazz Orchestra	\$17,309
Cleveland Museum of Art	\$1,604,469
Cleveland Museum of Natural History	\$645,400
The Cleveland Orchestra	\$1,681,098
Cleveland Play House	\$396,900
Cleveland POPS Orchestra	\$94,164
Cleveland Public Art	\$71,947
Cleveland Restoration Society	\$91,012
Contemporary Youth Orchestra	\$27,696
DANCECleveland	\$39,582
Dancing Wheels	\$49,132
Dobama Theatre	\$33,680
Great Lakes Theater Festival	\$257,051
GroundWorks Dancetheater	\$51,326
Heights Arts Collaborative	\$22,090
Heights Youth Theatre	\$19,144
ideastream	\$1,009,064
Ingenuity Festival	\$56,432
Inlet Dance Theatre	\$17,536
Intermuseum Conservation Association	\$115,956
Int'l Women's Air & Space Museum	\$25,243
Joyful Noise Music School	\$6,524
Lake Erie Nature & Science Center	\$99,095
Lakewood Historical Society	\$13,467
The Lit: Cleveland's Literary Center	\$19,045
Maltz Museum of Jewish Heritage	\$142,355
The Music Settlement	\$259,968
Musical Theater Education Programming	\$27,390
Nature Center at Shaker Lakes	\$60,711
Near West Theatre	\$55,628
North Coast Men's Chorus	\$21,339
Opera Circle	\$22,397
Orange Art Center	\$14,692
Progressive Arts Alliance	\$34,608

Rainey Institute	\$54,115
Rock and Roll Hall of Fame	\$1,072,244
Roots of American Music	\$41,148
The Sculpture Center	\$16,532
Shaker Historical Society	\$14,451
Singing Angels	\$34,876
SPACES	\$42,687
Ukrainian Museum-Archives	\$25,212
Valley Art Center	\$34,255
Verb Ballets	\$46,272
Western Reserve Historical Society	\$278,970
Young Audiences of Northeast Ohio	\$174,378
Zygote Press	\$18,607

Discussion: None. Vote: Charboneau, Coburn Johnson and Minter ayes. Motion carried.

**7. PUBLIC COMMENT**

None.

**8. OTHER**

**Next Meeting**

The next meeting of the CAC Board of Trustees is scheduled for Monday, December 13, 2010 at 3:00 p.m. at Idea Center.

Motion by Trustee Johnson, seconded by Trustee Charboneau to adjourn. Discussion: None. Vote: All ayes. Motion carried. Meeting adjourned at 4:15 p.m.

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Steven A. Minter, President, Board of Trustees

Attest:

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Vickie Eaton Johnson, Secretary, Board of Trustees