

Cuyahoga Arts and Culture

Minutes of Regular Meeting of Board of Trustees

Tuesday, February 12, 2008, 10:00 am

A regular meeting of the Cuyahoga Arts and Culture (CAC) Board of Trustees was called to order at 10:00 a.m. in the Second Floor Conference Room of the ideacenter at 1375 Euclid Avenue, Cleveland, Ohio. The five members of the CAC Board of Trustees were in attendance: Linda Abraham-Silver, David Bergholz, Chris Coburn, and Steven Minter. Trustee Protopapa arrived at 11:00 a.m.

1. Approval of minutes from January 8, 2008 Regular Meeting

Trustee Bergholz said that he had reviewed the minutes from the January 8, 2008 Regular Meeting and that they were in order and motioned approval. Trustee Abraham-Silver seconded the motion. On a roll call vote, Trustees Abraham-Silver, Bergholz, Coburn and Minter each voted yes. Trustee Protopapa was not present.

2. Finances and Operations

Executive Director (ED) Catherine Boyle introduced Meg Harris, CAC's Director of Administration and referred Trustees to the Cigarette Revenue Report. Ms. Harris stated that the report reflects actual revenues through January 2008 and that the revenues received are approximately \$300,000 less than anticipated for the month based on January 2007 revenues. Ms. Harris also stressed that while this figure is lower than anticipated, that the effect of the passage of the tax in November 2006 and the subsequent stockpiling of cigarettes at the wholesale level still made it difficult to forecast excise tax revenues. She stated that she expects as 2008 progresses CAC estimated revenue figures which were calculated at a 10% declining rate over 2007 figures will be more accurate.

Ms. Harris then referred to the Revenue and Expenditures Report and stated that the figures were through January 2008. She continued that while several expense areas appeared to be running under budget, this was primarily due to timing and that once invoices for services rendered were received, the actual expenses would more closely align with the budgeted expenses. She also noted that five grantees had not returned contracts as of the end of January thus the first payment of the 2007 grant cycle had not been made to these organizations by the end of January. As of the board meeting, there was only one outstanding agreement as all but this grant payment had been made by CAC. Additionally, Ms. Harris cautioned that the interest rate in the Star Ohio account was continuing to decline and was at 4.25% at the end of January and that this would most likely affect CAC's projected annual interest revenue.

Ms. Harris stated that in regards to the FY07 audit, she would be meeting with Auditor of State on February 20th in order to pursue the services of the Auditor of State in preparing FY07 statements for review. Trustee Coburn stated that he would like to see this process documented with formal written correspondence in order to assure that CAC is working effectively with the Auditor of State through this process. Ms. Harris responded that once the February 20th meeting

took place, she expected that CAC would enter a formal agreement with the Auditor of State that would be documented with a letter of commitment between CAC and the Auditor of State.

3. Grant Program Updates

A. General Operating Support Grants

ED Boyle began by noting that since the last meeting, one of the 68 General Operating Support (GOS) grantees had elected not to take the GOS grant. Music and Performing Arts at Trinity Cathedral had concerns about its compliance with the grant agreement requirement to maintain at least one part time (20 hours/week) employee over the course of the 3-year grant. ED Boyle explained that she discussed the issue with the Director and the organization has elected to forgo the GOS grant of \$17,571 annually and apply for CAC's Project Support grant instead and have already started an application. She also expressed concern that Arts Collinwood had yet to submit the financial information that CAC had requested and therefore had not even received its Grant Agreement. She explained that she had spoken to the Executive Director of Arts Collinwood and had given her a deadline of February 22 to submit the information requested or they would lose the grant. Arts Collinwood was approved for an annual GOS grant of \$10,690. ED Boyle asked that the board agree to a policy that any GOS funds that have been allocated that may not be used remain in the GOS fund and not be appropriated elsewhere.

Trustee Bergholz moved and Trustee Coburn seconded the motion. On a roll call vote, Trustees Abraham-Silver, Bergholz, Coburn and Minter each voted yes. Trustee Protopapa was not present.

ED Boyle said that Trustees Minter and Bergholz had the opportunity to attend a presentation by the Cultural Data Project (CDP) administered by Pew Charitable Trusts the week before. She explained that this was a method of data collection being used by funders in several states and one that CAC would like to adopt. There is currently a task force in place in Ohio discussing using this format for collecting grantee and applicant data in our state. Achala Wali, CAC's director of Grant Programs, is a co-chair of the task force and presented an abbreviated version of the presentation to the Trustees and those in attendance.

When the presentation was complete Trustee Minter asked Kathleen Cerveney from The Cleveland Foundation to comment on that foundation's commitment to this project. Ms. Cerveney said that she first had the opportunity to see this presentation two years ago and was very impressed with the ability of this method to put the arts and cultural nonprofit community at the forefront of collecting consistent reliable data from applicants and grantees. It can also be an impressive data collection tool for funders and advocates as well as a capacity building tool for the organizations.

Tom Schorgl, President of Community Partnership for Arts and Culture (CPAC) noted that he also saw the presentation more than a year ago and decided it would be a great resource to be using here in Ohio. It is an extraordinary source of information, based on quantitative data. It does not address qualitative data, which is equally as important, but there are other ways to do that and he has discussed that with CAC staff and Trustees. Schorgl noted that he and the CPAC staff have assembled for CAC a complete set of indicators for measuring the impact of CAC's funding and that many of the indicators are included in the CDP format.

Schorgl went on to say that as a member of the Ohio Arts Council (OAC), he can state that OAC is experiencing 10-16% cuts in its budget and may not be able to be a financial partner in this statewide task force, but that OAC would very much like to participate in this project and perhaps could be influential in terms of setting a precedent for other funders and organizations to adopt this method of data collection.

Megan van Voorhis, Vice President, CPAC, noted that this project has generated a tremendous amount of excitement in the funding community in Ohio and has been influential in bringing together funders for a common cause.

Trustee Minter asked what is it that CAC would like from the Trustees in terms of this project. ED Boyle answered that CAC staff has already been working with CDP staff to develop a method of collecting data from grantees that will transfer to the CDP system if, and when, it is adopted in the state.

Trustee Coburn noted that it seemed this was an expensive proposition in terms of the annual cost to the funders. Ms. Van Voorhis explained that other funders need to buy in both at the state and national level; the more participant funders there are, the less the cost to each. ED Boyle asked that the CAC Trustees agree that CAC should advocate to other funders that the CDP system be implemented in Ohio and that CAC will commit to adopting and using this system of collecting quantitative data from grantees.

Trustee Minter motioned that the CAC Trustees should endorse the project without committing to a specific amount at this point, that CAC would adopt these measures early and that the CAC Trustees hoped that OAC would provide similar support as well. CAC should take a lead in promoting this project to Funders within the state of Ohio in order to continue moving this program forward.

Trustee Coburn seconded the motion. On a roll call vote, Trustees Abraham-Silver, Bergholz, Coburn and Minter each voted yes. Trustee Protopapa was not present.

ED Boyle added in anticipation of a statewide effort, that CAC would use the CDP format as a basis for collecting annual data from the GOS grantees now, as part of a two part report. One part would be this qualitative data that will be based on the grantees annual Financial Audit or Review and the information requested would be tied to that Audit or Review. The second part would be quantitative data that would be collected at the end of the calendar year for grant agreement renewal. She noted that a working group including Trustees Bergholz, Coburn and Minter, along with CAC and CPAC staff had met last week to discuss this.

Trustee Coburn said that he had encouraged the group to think creatively about what quantitative data CAC would want to collect and not necessarily to acquiesce to a model that someone else created. He felt CAC needed to create some additional questions to make the metrics unique to CAC and Cuyahoga County.

Trustee Minter agreed that it is the agenda of this group to look at what CAC needs to put into place to report on the economic impact of the public funds. What data should CAC collect and how will it gather the data? He said that CAC will continue to work with CPAC on these issues.

B. Individual Artist Support Program

Trustee Bergholz asked that the group skip to the Agenda item “Individual Artist Support Program”. He reported that the Advisory Committee met the week before with eight of its ten members. The discussion was wide-ranging. Topics included review of the five funding models proposed by CPAC and presented to the CAC Board in December, 2007. The group has a goal to meet at least four times over the next few months and make a recommendation to the CAC board in the fall.

Ed Boyle added that CAC has added a section to its website for Individual Artists and there is a link to a survey for feedback.

C. Project Support

ED Boyle began by stating that the application deadline is two weeks away, at this point there are 81 applications started and over \$2 million in grant requests. There are a wide range of organizations applying with a somewhat limited range of project disciplines.

She noted that the Trustees had been provided with a recommended list of panelists. She asked that they be appointed for a period of one year. She pointed out that CAC hopes to have a panel of 11 members and one non-voting facilitator. Ms. Wali has been working to put together a diverse group of panelists but until the applications are in and sorted out by discipline, CAC will not be able to determine which panelists will be the best fit.

ED Boyle also outlined the proposed honorarium amount of \$250 a day plus travel and accommodations during the panel review. She asked for board approval of both the honorarium and the list of panelists.

Trustee Coburn suggested that the panel be composed of individuals from outside Ohio to avoid the appearance of any conflicts of interest. His sense is that this process is under intense scrutiny and that CAC should make every effort to recruit panelists with the least amount of real or perceived conflict of interest.

ED Boyle responded that staff would screen for conflicts and that the list was not set in stone as much depends on the range of applications submitted on the deadline. This is a working list for the time being and staff is continuing to build the list.

Trustee Abraham-Silver questioned how the list of panelists was assembled. ED Boyle responded that they were recommendations from CPAC, OAC and recommendations from other local artists and arts organizations.

Trustees agreed to await additional panel recommendations before appointing the panelists. Trustee Bergholz moved to approve the compensation for the panelists. Trustee Abraham-Silver seconded the motion. On a roll call vote, Trustees Abraham-Silver, Bergholz, Coburn, Minter and Protopapa each voted yes.

ED Boyle brought up the issue of updating the Project Support guidelines based on issues that have come to light during staff reviews of draft applications and questions from applicants. She explained that Trustees had before them a marked version of the guidelines with the proposed updates.

Trustee Minter asked for comment on this from his fellow trustees. He noted that CAC is trying to be clear about its mission and purpose but there may be a need to have flexibility in regard to dispersing funding both geographically and by discipline.

Trustee Abraham-Silver questioned what the geographic diversity looks like so far in terms of the expected applications. ED Boyle answered that the majority of funding requests are for projects that take place in the city of Cleveland.

Trustee Bergholz noted that he feels the issue is with the language and that the lack of diversity in terms of geographic location is a marketing issue that CAC is responsible to remedy in the future. He stated that he is uncomfortable making changes in the middle of the process. He questioned how many of the issues that ED Boyle raised in the proposed guideline updates could be contained in the charge to the Panel/Panelists.

ED Boyle explained that she feels the panelists are charged with scoring the applications that CAC provides to them. The panelists should assume that those applications they are given to score have met some set of criteria in terms of eligibility and whether the proposed projects meet CAC's goals and objectives for the grant program. It should not be the panelists' responsibility to determine whether the proposed projects meet CAC's guideline criteria. Rather it was their responsibility to score based on the three criteria outlined in the guidelines.

Tom Schorgl stated his belief that it is important to separate staff from panel. He believes that staff does not want to be seen as people to convince and lobby for a grant. He feels that the CAC Board should be the gatekeepers not CAC staff.

Trustee Bergholz reiterated that he feels staff needs to clearly outline the charge to the panel/panelists and that if the panel does its work then these issues will resolve themselves.

Trustee Coburn noted that he felt it is the job of the CAC board to determine where the "cut line" is and that the board should not manipulate what the panel recommends. The panel makes the ranking and the management of the funds is the board's job.

Mr. Schorgl said he is sure the panel will determine the best projects.

Trustee Minter expressed his frustration that the board has a responsibility as this was billed as a county-wide program that would benefit everyone through three grant programs. The CAC Board needs to be able to say it is taking a broad view and be confident that it has recognized and addressed potential gaps. If the guidelines are vague then board risks the perception that the community might feel CAC does not have appropriate guidelines.

Trustee Bergholz noted that CAC did due diligence in holding workshops around the county and doing outreach as best as possible to eligible organizations in the surrounding suburbs.

ED Boyle argued that her request to clarify certain issues in the Project Support guidelines is not necessarily changing the rules mid-stream. Staff desires to be able to clarify to potential applicants what CAC means by, for instance, “project must be open and available to the public”. Is a public school, by nature of its being a public institution, eligible to apply for grant funds for, an assembly program that takes place in the school? Currently the guidelines are not clear on this and staff is interpreting the guidelines to mean that this would not be an eligible project. In this phase of reviewing drafts of applications, applicants are looking for feedback on issues such as this. This is not about lobbying, but about staff being able to provide guidance with a clear understanding of what the overall goals are of the grant program.

Trustee Bergholz concluded by stating that he was uncomfortable making any changes at this point in time and he noted that the buck stops with the board not the staff.

Trustee Minter concluded that clearly there was no consensus among the trustees on this issue and that the conversation had been exhausted.

4. Other Business

ED Boyle provided the Trustees with two consulting contracts for approval. Trustee Minter explained that the first contract is with M+R Strategic Services for public relations and communications services in the amount of \$42,000 for the twelve months of 2008. The second contract is with Mary Schwendeman, a Human Resources consultant, who will be assisting ED Boyle in setting up CAC’s HR systems and policies as well as a system for employee performance evaluation. That contract is in the amount of \$4,600.

Trustee Coburn moved approval of both contracts. Trustee Bergholz seconded the motion. On a roll call vote, Trustees Abraham-Silver, Bergholz, Coburn, Minter and Protopapa each voted yes. ED Boyle explained that she was in communication with the County Commissioners about the fact that CAC’s first board member term was due to expire at the end of March and to understand what the process is to have Trustee Minter reappointed for a three-year term to the CAC Board by the Commissioners. She has learned that the procedures have changed and that the appropriate person was to get back to her soon as to the procedure for having a trustee reappointed.

She explained that both she and Trustee Minter had received a letter from the League of Women Voters (LWV) noting that it has audited the County Commissioners’ board appointment procedures and has made recommendations for changes. The LWV had outlined the protocols for all public boards and suggested that all public boards and commissions review their policies to see that they are in compliance with Ohio law. ED Boyle was proud to point out that CAC is in compliance with all of the points outlined in the LWV letter.

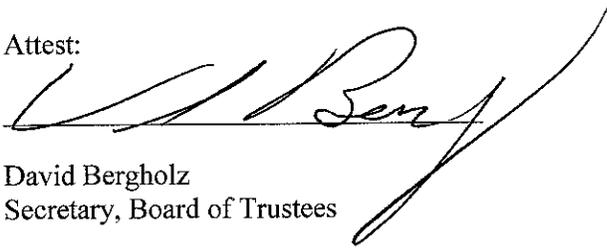
Trustee Minter asked if there was any other public comment.

There being no further business, the Regular Meeting of the CAC Board of Trustees was adjourned at 11:52 a.m., February 12, 2008.

A handwritten signature in cursive script, reading "Steven Minter", is written above a solid horizontal line.

Steven Minter
President, Board of Trustees

Attest:

A handwritten signature in cursive script, reading "David Bergholz", is written above a solid horizontal line.

David Bergholz
Secretary, Board of Trustees