



**Regular Meeting of the
Cuyahoga Arts & Culture Board of Trustees**
Miller Classroom, Idea Center at PlayhouseSquare
Monday, December 15, 2014, 3:30 p.m.

1. Call to order

- a. Call to order- motion to move into executive session to discuss personnel matters and staff compensation.

**** Executive Session ****

- b. Motion to conclude executive session (4 p.m.)
- c. Motion to approve December minutes

2. Public Comment on Meeting Agenda

3. Executive Director's Report

4. Finance Report

5. Connect with Culture – 2015 Project Support Highlights

6. Board Action

- a. Approval of 2015 operating budget
- b. Administrative matters
 - i. Personnel report
 - ii. Approve change to investment policy
 - iii. Contracts and misc.

7. Public Comment

Next Meeting: February 9, 2015, 4:00 p.m.
Idea Center at PlayhouseSquare, Miller Classroom

8. Adjourn

**Executive Director's Report
Regular Meeting of the Board of Trustees
15 December 2014**

Welcome to our final board meeting of 2014.

Today we will tackle an important piece of administrative work as we ask the board to **approve our operating budget for 2015**. Our budget is the place where our plans come to life, where we connect the “blue-sky” thinking of our June retreat with our mission, vision and values in a concrete way. And though you will notice that this budget provides for reduced investments in all areas of CAC’s work, it still allows us to support the work of the cultural community in meaningful ways. I look forward to our discussion.

In the staff reports that follow, you will see a nice recap of the progress that our team has made throughout the year, as well as a set of team objectives that will guide our work as we move forward. I am proud of the contributions of each team member to the accomplishments that you will read about; I know you join me in thanking them for their service throughout the year.

While today’s meeting will concentrate primarily on the 2015 budget, let me take a moment to bring you up to date on **two other projects of note**:

- We have received a **draft proposal for another two year cycle of the Creative Workforce Fellowship** from the Community Partnership for Arts and Culture. Jake Sinatra and I met with Megan VanVoorhis and Valerie Schumacher of CPAC on 12/8, and we are working together to refine the proposal before bringing it before this board for review and potential approval at the February 2015 board meeting. The initial proposal provides for 40, \$15,000 fellowships, and CPAC has worked hard to address CAC’s goals and objectives for a revised program.
- You will be asked to **approve a contract today with Triad Research Group** for a telephone public opinion survey meant to help guide CAC’s external communications efforts in 2015. We look forward to sharing the results of the survey at our February meeting.

Finally, please note that our **meeting today also includes our annual Records Retention Committee meeting**, which will begin at 5pm or as soon as our regular board meeting adjourns. All board members are welcome, but not required, to attend.

Thank you, as always, for your attention to the important matters before the board today. Best wishes to you and yours for a happy and healthy 2015.

CAC Board Meeting December 15, 2014

Updates from Staff: 2014 Highlights

Each year, Cuyahoga Arts & Culture staff members identify team objectives to guide our work. We have reported on our progress toward these objectives throughout 2014, in the areas of 1) grantmaking and knowledge-building; 2) raising awareness; and 3) building internal capacity.

What follows are highlights from the work of the past year. We are pleased to report progress in each of the three areas.

GRANTMAKING & KNOWLEDGE-BUILDING

Our objectives in this area—beyond the day-to-day work of planning and implementing our two primary grant programs—focused on research and evaluation in support of our grantmaking. Our objectives also outlined a plan to implement a second round of Creative Culture Grants (CCG). While notably reduced revenues made it prudent to postpone the the second iteration of CCG, additional staff highlights include:

Managing the Portfolio and Building Relationships. To better understand our Cultural Partners' work and steward public funds, CAC:

- Managed its largest portfolio (196 organizations) of grant recipients in its two primary grant programs, offering personalized customer service.
- Conducted site visits and attended cultural events, a vital step in understanding our Cultural Partners and informing our work.
- Educated and trained to applicants to our 2015 grant programs to allow for success at all levels of our process. The team held a kickoff meeting and workshop for General Operating Support applicants in late May and three workshops for Project Support applicants in June. In total, over 150 people participated and learned about changes and enhancements to our grantmaking.
- Shared the stories of our Cultural Partners in new and exciting ways, leveraging the strength of the new website.

Leveraging Special Projects. CAC staff worked with LAND studio, Dancing Wheels and The Cleveland Orchestra to promote awareness of and participation in large-scale, transformative projects that were supported by CAC. Staff also built on our previous work with Neighborhood Connections and our volunteer-based Cultural Liaison program to connect and engage residents in CAC-funded programming.

- **Creative Culture Grants – LAND studio's AHA! Cleveland.** The festival, which took place August 7-9, had over 8,000 attendees, and reached over 450,000 people via social media channels. CAC worked closely with LAND studio to promote the project by having both a strong social media and physical presence around AHA!'s public events. More than 15 news stories ran that connected AHA! and CAC, 914 photos were posted online with AHA! twitter hashtags, and CAC facebook ads reached over 50,000 people. In addition, CAC was present during AHA!'s large-scale public events. Operating as a "street team," staff and Cultural Liaisons interacted directly with residents by distributing hundreds of free t-shirts and sharing information about CAC and its connection to the community.
- **Creative Culture Grants – Dancing Wheels' *Daring to be Dumbo*.** This project expanded on the dance company's world premiere performances of a multi-media ballet to create a documentary on the issues of bullying and social justice. On April 5, 7,200 households tuned into WKYC to watch the *Daring to be Dumbo: The Documentary*. Throughout the summer and fall Dancing Wheels presented outreach programs at 27 County libraries. CAC received great

exposure through features in *The Plain Dealer* and *Akron Beacon Journal*, and Karen Gahl-Mills joined Dancing Wheels President Mary Verdi-Fletcher for a March 29 interview on WKYC to promote the documentary and CCG program.

- **Star-Spangled Spectacular Concert on Public Square – The Cleveland Orchestra.** This year CAC took an active role to increase promotion and documentation of this event. We increased visibility for the event through a feature article about the concert which was shared with our constituents through multiple social media and traditional communications channels. We also created time-lapse and behind-the-scenes videos to provide a visual perspective of the concert. The event was well covered by the media, with all four local TV stations reporting on-site at the event, and features from *The Plain Dealer*, ideastream, and many area radio stations.
- **Neighborhood Connections.** CAC's partnership with the Cleveland Foundation's resident-led grantmaking program continued in 2014. The funds were used to co-fund 71 arts and cultural projects in Cleveland and East Cleveland neighborhoods. Support from CAC has allowed Neighborhood Connections to fund additional resident-led projects. Through trainings and workshops, staff also introduced hundreds of residents to CAC's story.
- **Cultural Liaisons.** This summer we launched the second iteration of our Cultural Liaison program, which utilizes a group of trained County residents to attend CAC-funded events and report back on their experiences. The process allows us to connect directly with residents, build a cohort of advocates, provide feedback to our Cultural Partners about user experience, and expand the capacity of our small staff to experience more CAC-funded events. This year, nine Cultural Liaisons attended and reported on 66 CAC-funded events that took place across the county during the summer – a 50% increase over 2013. While we are still finalizing an assessment of the work, we anticipate continuing (and likely expanding) the program in the spring.

Conducting Research and Evaluating Our Work.

- **Built on the baseline evaluation** of our General Operating Support and Project Support programs that we completed at the end of 2013 to better understand how CAC funds are making a difference for organizations and the sector. This work is ongoing.
- **Conducted research** on how local public funders nationwide define and directly support individual artists. The results from this work helped us to understand the landscape of publicly funded individual artist grant programs in other communities.
- **Understanding & Measuring Public Benefit.** CAC worked with Helicon Collaborative (Holly Sidford) and reMaking Culture (Nick Rabkin) to explore the public value of arts and culture and the role that CAC's partners play in creating that value. CAC released a [white paper](#) on this topic in October, and Karen Gahl-Mills facilitated a dialog about it at the Grantmakers in the Arts conference in Houston.
- **Exploring diversity, inclusion and cultural equity.** Although this work stayed in the internal research phase for much of the year, our public value work brought to light some issues of cultural equity that can serve as the basis for future work that requires the engagement of the entire cultural community.
- **Surveyed all of our applicants and panelists**, the results of which will shape future grantmaking cycles.

RAISING AWARENESS

Our objectives in this area focused on planning and implementing communications efforts that leveraged our robust data resources and storytelling abilities.

2014 saw many exciting achievements in the area of raising awareness. First and foremost was the launch of CAC's new website in July. With its launch, staff was able to use the website as a versatile hub for information and to fold in our social media efforts to better interact with our followers. We also started focused advertising campaigns on Twitter and Facebook, a ticket giveaway program called Ticket Tuesdays and invested in tools to help our Cultural Partners educate their constituents about funding from CAC.

Website Launch. Since launching CAC's [new website](#) in July, we've seen exciting results. Compared with November 2013, metrics from November 2014 show:

- Visits to the website increased by 108% for a total of 4,633 visits in November 2014; and
- Total pageviews in November 2014 increased by 160% to 13,045 in November 2014.

Through targeted social media posts and short "e-blast" emails about arts and cultural events, CAC is driving residents and Cultural Partners to the website to learn more about the County's public funder for arts and culture. Increased traffic to the website, specifically our new "Find an Event" and "Job Opportunities" resources, allows residents across the County the opportunity to engage with CAC in a new and meaningful way.

Connecting With Residents Online. Early in 2014, staff contracted with Strategy Design Partners to recommend a strategic social media plan for CAC, which has been implemented throughout the year. As a result of these efforts, CAC has an increased online presence by reaching:

- 3,480 Facebook fans, an increase of 116% since December 2013;
- 3,504 Twitter followers, an increase of 75% since December 2013; and
- More than 5,200 email subscribers, an increase of 15% since December 2013.

A strong social media and e-mail marketing strategy allows Cuyahoga Arts & Culture to inform residents about our Cultural Partner's activities in real-time, engage in community dialogue and spark conversation about the vibrant arts and culture activity in Cuyahoga County.

Empowering Cultural Partners to Raise Awareness About CAC. Throughout 2014, Staff made increase efforts to empower our Cultural Partners to educate their visitors, audiences, staff and board about the value of public funding for arts and culture in our community. CAC developed tools such as posters, banners, CAC Info Cards, yard signs crediting CAC and CAC-branded reusable shopping bags and pens.

With the help of our Cultural Partners, in 2014, more than 30,000 of these items have been distributed. These efforts contribute to the recognition of CAC's logo and brand and connect our work with important arts and cultural activity in every corner of the County. According to a recent survey of the Cultural Partners who utilized these items, 93% said the tools helped them tell their constituents about CAC more effectively.



Speaking Engagements. Staff told the story of CAC’s work at national and local events such as Grantmakers in the Arts, Americans for the Arts, Pecha Kucha Night (Cleveland), Engage! Cleveland, presentations to state and local arts councils, and at many of cultural partner boards.

Serving on Panels. Staff served as grant panelists for the National Endowment for the Arts, the Arts Council of Indianapolis and the Ohio Historic Sites Preservation Advisory Board. Additionally staff served in panel discussions for the Public Relations Society of America Student Day, Carnegie Mellon Arts Management Program Cleveland Visit, Civic Commons panel on NEO’s Regional Economy and University Day panel at Park Synagogue on “The Future of the Arts.”

Media Placements.

Date	Media Outlet	Headline
December 9	Westlake, Bay Village Observer	BAYarts receives Cuyahoga Arts & Culture grant
December 7	The Plain Dealer	Cuyahoga County support for the arts remains strong, but will voters renew it in 2015? (Analysis)
Winter 2014-15 Edition	CAN Journal	Brave New World: The Changing Landscape of Support for Artists
December 3	Cleveland Jewish News	Cuyahoga Arts and Culture Awards
November 25	Crain’s Cleveland Business	Cuyahoga Arts & Culture approves \$27 million in grants to 196 arts and culture organizations
November 25	WCPN 90.3 FM	Cuyahoga County arts & culture groups split \$27 million in cigarette tax revenues
November 25	ClevelandClassical.com	Cuyahoga Arts & Culture announces grants to 196 organizations
November 24	Cleveland.com	Cuyahoga Arts and Culture awards nearly \$27.2 million in cigarette tax money to arts organizations for 2015-16

BUILDING INTERNAL CAPACITY

Our 2014 objectives in this area focused on developing team members through targeted learning opportunities and improving internal systems to ensure that we were best prepared to carry out CAC’s mission. Accomplishments from 2014 include:

- **Set and Measured Goals.** All CAC staff members tracked progress against their personal professional development plans each quarter, concentrating on ways to work smarter, not just harder, resulting in a team that stayed focused on key objectives.
- **Improved Systems.** The updated CAC website includes a customized content management system that requires less time and resources from CAC staff. The new site is more robust, and its functionality allows us to update the website quickly, which frees up valuable time that can be dedicated to serving Cultural Partners and developing additional communications.
- **Maintained a Commitment to Learning.** Many staff members attended national conferences, bringing back new knowledge and sharing it with teammates. Topics included: best practices in grants management, arts marketing and public investment management. Although we did not make as much progress with exploring specific topics such as diversity, equity and inclusion, as we would have liked, our commitment to this work remains strong and will pull through into 2015.

FINANCIAL UPDATE

2014 YTD

Revenue. Tax revenue through November 30 was \$14,536,842 which is \$404,535 or 2.7% under forecast and 4.63% below revenue for the same period in 2013. Interest revenue through November was \$79,286. This figure exceeds our YTD forecast by \$7,111.

As of November 30, CAC inactive monies were currently invested in the following:

- STAR Plus: \$8,577,115 (yield .20%)
- RedTree Investment Group: \$ 13,079,966 (target yield .55%)
- STAR Ohio: \$323 (yield .06%)

Expenditure. Cash expenditures through November were \$15,017,131. This figure is under the budgeted amount of \$15,121,225 due to a combination of timing of payments and reductions in spending for the year. Please note the expenditure figure varies from the financial statements because we recognized, or accrued, the full amount of grant awards for 2014 in January. We will draw down the balance sheet account as we remit payments to our Cultural Partners.

Cuyahoga Arts & Culture Revenue and Expenditures through November 30, 2014				
Accrual Basis	Through 11/30/2014 Actual	Through 11/30/2014 Budget	\$ Over/Under Budget	% of Budget
Ordinary Revenue/Expenditures				
Revenue				
Excise Tax	\$ 14,536,842	\$ 14,941,377	\$ (404,535)	97.3%
Interest	\$ 79,286	\$ 72,175	\$ 7,111	109.9%
Other revenue	\$ 2,100	\$ -	\$ 2,100	
Total Revenue	\$ 14,618,228	\$ 15,013,552	\$ (395,324)	97.4%
Expenditures				
Arts & Cultural Programming				
Salaries, Wages and Benefits	\$ 284,370	\$ 322,711	\$ (38,342)	88.1%
Program	\$ 363,360	\$ 375,303	\$ (11,943)	96.8%
Grants**	\$ 15,970,006	\$ 13,795,376	\$ 2,174,630	115.8%
Total A&C Exenditures	\$ 16,617,735	\$ 14,493,391	\$ 2,124,345	114.7%
General & Administrative				
Salaries, Wages and Benefits	\$ 291,384	\$ 322,869	\$ (31,484)	90.2%
Facilities, Supplies, Equipment	\$ 55,721	\$ 99,916	\$ (44,194)	55.8%
Professional Fees	\$ 151,922	\$ 205,050	\$ (53,128)	74.1%
Depreciation	\$ -	\$ -	\$ -	
Total G&A Expenditures	\$ 499,028	\$ 627,834	\$ (128,807)	79.5%
Total Expenditures	\$ 17,116,763	\$ 15,121,225	\$ 1,995,538	113.2%
Net Ordinary Revenue	\$ (2,498,535)	\$ (107,673)	\$ (2,390,862)	

** Actual grants figure represents accrual for approved grants for 2014. Outstanding obligations to be paid in 2014 are on the balance sheet.

	<u>Actual - Accrual</u>	<u>Budget</u>	<u>Actual - Cash</u>
Total Expenditures	\$ 17,116,762.93	\$ 15,121,225.07	\$ 15,017,131

Cuyahoga Arts & Culture
Balance Sheet
As of November 30, 2014

ASSETS

Current Assets

Checking/Savings

RedTree (U.S.Bank)	13,079,966.37
KeyBank	114,800.54
Star Ohio Excise Tax	323.06
STAR Plus	<u>8,577,117.58</u>
Total Checking/Savings	21,772,207.55

Accounts Receivable

11000 - Accounts Receivable	<u>1,112,409.47</u>
Total Accounts Receivable	<u>1,112,409.47</u>

Total Current Assets 22,884,617.02

Fixed Assets

15000 - Furniture and Equipment	68,902.67
15001 - Software and Webdesign	10,000.00
17000 - Accumulated Depreciation	<u>-57,413.88</u>
Total Fixed Assets	<u>21,488.79</u>

TOTAL ASSETS **22,906,105.81**

LIABILITIES & EQUITY

Liabilities

Current Liabilities

Accounts Payable

20000 - Accounts Payable	<u>5,342.37</u>
Total Accounts Payable	5,342.37

Other Current Liabilities

24000 - Payroll Liabilities	6,702.60
24200 - GOS Grants	1,370,001.00
24300 - Project Support Grants	709,631.00
24400 - Other Grants/Program Contracts	<u>20,000.00</u>
Total Other Current Liabilities	<u>2,106,334.60</u>

Total Current Liabilities **2,111,676.97**

Total Liabilities 2,111,676.97

Equity

32000 - Operating Reserve	23,292,963.60
Net Income	<u>-2,498,534.76</u>
Total Equity	<u>20,794,428.84</u>

TOTAL LIABILITIES & EQUITY **22,906,105.81**

CAC CIGARETTE TAX COLLECTIONS HISTORY AND 2014 ACTUAL REVENUE				
	<u>2013</u>		<u>2014</u>	
Month	Monthly Tax	12-13% Change	Monthly Tax	13-14% Change
JANUARY	\$ 1,418,698.62	14.80%	\$ 1,441,567.19	1.61%
FEBRUARY	\$ 1,195,793.73	10.15%	\$ 901,110.50	-24.64%
MARCH	\$ 1,319,151.89	-7.25%	\$ 1,356,099.96	2.80%
APRIL	\$ 1,519,876.59	-0.20%	\$ 1,456,486.30	-4.17%
MAY	\$ 3,004,713.36	6.87%	\$ 2,568,321.06	-14.52%
JUNE	\$ 1,025,108.65	-22.12%	\$ 1,112,606.44	8.54%
JULY	\$ 437,767.31	22.62%	\$ 383,105.59	-12.49%
AUGUST	\$ 1,135,767.36	-18.03%	\$ 1,369,293.72	20.56%
SEPTEMBER	\$ 1,544,794.00	14.83%	\$ 1,426,900.79	-7.63%
OCTOBER	\$ 1,545,708.64	5.81%	\$ 1,408,941.00	-8.85%
NOVEMBER	\$ 1,095,862.10	-28.47%	\$ 1,112,409.47	1.51%
DECEMBER	\$ 1,476,364.07	12.19%		
TOTALS	\$ 16,719,606.31	-0.43%	\$ 14,536,842.01	-4.63%