



**Regular Meeting of the
Cuyahoga Arts & Culture Board of Trustees**
Miller Classroom, Idea Center at Playhouse Square
Monday, February 8, 2016, 3:30 pm

1. Call to order, approval of minutes

- a. Motion to move into executive session for personnel matters relating to employment, promotion, and compensation of a public employee or official (roll call vote)

**** Executive Session ****

- b. Motion to conclude executive session (4:00 pm)

2. Public Comment on Today's Agenda

3. Executive Director & Finance Reports

4. Connect with Culture – Neighborhood Connections / video

5. Discussion

- a. Preview of 2017 Project Support

6. Board Action

- a. Approval / Neighborhood Connections grant
- b. Administrative matters
 - i. Contracts and misc.
 - ii. Investment and Internal Controls Policy updates
- c. Recognition: Matt Charboneau

7. Public Comment

Next Meeting: Annual Meeting
Monday, April 11, 2016 at 4pm
Zygote Press
1410 E. 30 St.
Cleveland, OH 44114

8. Work Session: planning update

9. Adjourn



About Cuyahoga Arts & Culture

Our Mission

Cuyahoga Arts & Culture's mission is to inspire and strengthen the community by investing in arts and culture. CAC was approved by Cuyahoga County voters in 2006, and since 2007, CAC has invested more than \$125 million dollars in more than 300 arts and cultural organizations in Cuyahoga County.

Our Grantmaking

Cuyahoga Arts & Culture funds arts and cultural organizations in Cuyahoga County through its two primary grant programs: General Operating Support and Project Support. To ensure an impartial and transparent application review process, CAC convenes a panel of arts and cultural professionals from outside the region who discuss, evaluate and score all eligible applications in a public setting.

Our Values

We ground our work in our values and guiding principles:

- Accountability
- Impartiality
- Transparency
- Partnership

Our Board of Trustees

Cuyahoga Arts & Culture is governed by a board of five trustees with broad knowledge and experience in the arts or cultural heritage. The board is appointed by the Cuyahoga County Executive and confirmed by Cuyahoga County Council. All Board of Trustees meetings are open to the public.

Current Trustees:

[Matthew Charboneau](#), professional musician

[Joseph Gibbons](#), Attorney, Schneider, Smeltz, Ranney & LaFond P.L.L.

[Steven Minter](#), Executive-In-Residence, Cleveland State University

[Charna Sherman](#), Attorney, Charna E. Sherman Law Offices Co., LPA

For more information, visit www.cacgrants.org.

Executive Director's Report
Regular Meeting of the Board of Trustees
8 February 2016

Welcome to the first Board meeting of 2016.

This is an important year for our agency, for it is the first year in my six year tenure that the renewal of our tax levy is in the past, not something to manage in our short-term future. That gives us the ability to think strategically about the best ways to use our resources to support arts and culture in the public interest, for the next ten years and beyond. Our organizational planning work, which we will discuss in more detail in the work session at the end of today's meeting, has the power to be transformational for our agency and its work, and the team is excited by the work ahead. We look forward to sharing our progress and hearing your ideas today and throughout the next nine months.

Two other important items on today's agenda:

- ⇒ We will discuss our team's **plans for our 2017 Project Support program**. While we don't anticipate major policy changes for the upcoming cycle, we do want to review one key issue with you, namely ways that we might adjust our panel process that stay true to our values. The discussion will help shape the guidelines that will be before the Board for decisions at the April meeting, and we look forward to hearing your feedback and answering your questions.
- ⇒ We will discuss and recommend **a proposal for funding Neighborhood Connections** for the coming 2 years. As you know, the modest investment that we have made in this program over the last few years has yielded significant returns to the community and to CAC, and we hope to continue this important partnership as we move forward.

Finally, at this meeting we will say goodbye to two key members of our team. First, please join me in thanking Stacey Hoffman for her service to CAC; her last day is Thursday, February 4th, so she won't be at our meeting to accept our thanks in person. Stacey joined CAC in 2009, and since then, she has grown the project support program significantly, built terrific relationships for our agency in the community, and been a thoughtful and diligent colleague and friend to the staff. We wish her and her family all the best as they undertake their new adventures in Cincinnati.

And this meeting also marks the last meeting for trustee Matt Charboneau, who will finish his second term of Board service on March 31st. Matt joined the Board just after I joined the staff, and he has been an important voice for artists and small arts organizations as our agency has grown and matured. We will take a moment to thank Matt more formally at the end of today's agenda.

Thank you, as always, for your attention to the important matters before the Board today.

CAC Board Meeting February 8, 2015 Updates from Staff

Each year, Cuyahoga Arts & Culture staff members identify team objectives to guide our work that are mindful of the staff team [agreements](#) that we have made with one another, and grounded in CAC's [Mission, Vision & Values](#). Once again, our team objectives fall into three areas: 1) grantmaking and knowledge-building; 2) raising awareness; and 3) building internal capacity.

To frame our work for the rest of 2016, **what follows is the list of our team objectives (in blue)**, including specific actions we're already taking or will take in Q1 to reach our goals.

GRANTMAKING & KNOWLEDGE-BUILDING

1. Complete our comprehensive organizational planning process, with a strong emphasis on finding ways for the public to shape our work. We aim to have a plan in place and approved by CAC's Board by the September 2016 Board meeting.

- Building off the environmental scan/landscape assessment work conducted in 2015, we launched the **early stage planning** for the public portion of our organizational and community strategic plan. This includes hosting a day-long meeting on February 1st with our planning team to map out the work ahead. Participants included: Holly Sidford (The Helicon Group); Nick Rabkin (reMaking Culture); Nancy Osgood (The Osgood Group); Pat Cirillo and team (Cypress Research); Michael Rohd and Mark Valdez (Center for Performance and Civic Practice); and David Fitz and team (Strategy Design Partners).
- We are mid-way through recruiting over 20 community members to serve as volunteers for our **strategic planning taskforce**. This group will meet three times between now and August to provide input to the planning process and ensure that it includes diverse perspectives from community members. The taskforce will include leaders of arts and civic organizations, artists and administrators as well as varied representation from community members beyond the arts and culture sector.

2. With the completion of our organizational plan, begin a comprehensive review of all grant programs, ensuring alignment with the goals and objectives outlined in the plan and identifying opportunities for the evolution of our programs. We aim to have ideas ready for Board discussion in Q1 2017.

- Stacey and Jill have begun **early-stage planning for the next cycle of Project Support**; see 2017 Project Support memo (pages 17-18). As always, this work starts with a comprehensive review of what's working and what's not – using feedback from applicants and panelists. We analyze our data and benchmark our work against our peers nationwide. This work will result in a new set of guidelines, for the Board's review/approval, at the April meeting.

3. Offer a robust, nimble and reimagined **Learning Agenda**, including a mix of at least quarterly convening opportunities (listening sessions, forums, webinars, workshops, etc.) for our cultural partners that is responsive to their needs/interests and reinforces CAC's priorities.

- In Q1, the team is developing CAC's **2016 Learning Agenda** for our cultural partners. Led by Nicole and Jake, the Learning Agenda framework balances training opportunities requested by our cultural partners with new opportunities – likely tied to our strategic planning process – that help CAC reinforce its mission and ensure groups succeed in our grant process.

Three examples include:

- In recent weeks, Stacey and Roshi held *three technical assistance workshops* with the 20 first-time Project Support grant recipients to welcome them to CAC and help set them up for a successful year.
- CAC published its first [Cultural Partner Connections newsletter of 2016](#), a monthly resource for our grant recipients that links them to training opportunities, articles and blogs.
- On March 23, CAC and DataArts (formerly known as Cultural Data Project), will host a seminar to help our cultural partners understand the recent changes made to the online data system and test out ways that using this resource can be a storytelling and management tool for organizations. Interested in attending? Contact Nicole, who is leading this work.

4. Building on the strong working relationships that we maintain with our cultural partners, serve as a connector and respond to emerging community needs through the provision of **expanded technical assistance and new grant/investment opportunities**; and through **connecting our cultural partners** to important civic events, such as the reopening of Public Square and the RNC in the summer of 2016.

- Jill and Nicole are working closely with Karamu House leadership, recipients of **technical assistance grant**, to ensure progress against key benchmarks and to develop a menu of wrap-around support outside grant funds. We anticipate sharing more – and inviting Karamu leadership to present on their progress at a Board meeting later this year.
- The team continues to plan for the **RNC**. CAC's events calendar www.cacgrants.org/events will be the official hub for arts and cultural events during the convention. We also anticipate working through our cultural partners to offer pop-up events during the Convention. This emerging work was noted in a recent [Crain's Cleveland article](#). We'll share more with the Board in April.

Other Items of Note

- Jake spoke at the *2016 Creative Workforce Fellowship celebration* held at Near West Theatre in mid-January. The event kicked off the fellowship year for 40 recently-selected fellows, each of whom will hold public events as a requirement of their fellowship. We will include these events on our website in 2016 to ensure residents benefit from this program.

- With the reporting deadline now past (Jan 31), Nicole is evaluating *year-end reports* from all General Operating Support cultural partners, providing personalized feedback and ramping up *site visits*; she'll visit each organization during the cycle.
- The team is in early-stage discussions with The Cleveland Orchestra to plan for the 2016 *Star Spangled Spectacular concert*, to be held July 29 on the newly renovated Public Square. Staff will bring a multi-year grant recommendation for this project to the Board for its review/approval at its April meeting.
- The team, with Jake as project manager, and Nicole as a community volunteer, are preparing for the next *grant deadline for Neighborhood Connections* (Applications for mini grants of \$5,000 and under are due: Feb 12). We invite the Board to share this opportunity with your networks. For more information, see the NC memo in the Board materials (pages 19-20).

RAISING AWARENESS

1. Working with outside experts, and aligned with the outcomes of our organizational planning, finalize, in Q1, a robust **communications strategy** – complete with consistent messaging framework - that helps CAC communicate effectively with both CAC-funded organizations and the broader community. Involve all CAC team members in implementation of the strategy throughout 2016.

- The communications working team (Jill, Jake and Roshi) is **finalizing our communications framework**, in partnership with Strategy Design Partners (see contract extension information listed in the Board materials). This framework is the tool that will focus our communications efforts and reinforce CAC's position as the hub and voice for arts and culture in Cuyahoga County.

The Board will see updates on key communications projects in coming months, including: outreach for the public listening portion of our strategic plan; a new approach to our annual report; and improvements to our website to reach even more residents.

- Staff anticipates bringing forward a recommendation to the Board in April for a short-term contract to assist with **targeted PR support** for Q2-3 that will help CAC develop stronger media relationships. These efforts build off the team's 2015 pilot paid and earned media initiatives – with the aim of highlighting our cultural partners' work and helping residents discover more CAC-funded arts and cultural events happening throughout the County.

2. Connect directly with residents through our **expanded communications tools**, including more robust website features (calendar/events/jobs) (for Q2) and expanded volunteer street teams (for Q3), as well as **targeted outreach** to specific communities where we currently lack connections (ongoing), to ensure that more residents see CAC has the hub for local arts information.

- We're already tested out elements of our emerging communications framework in our daily work. One example is our work for MLK Day (Jan 18):

In January, Roshi led a mini-campaign to celebrate *MLK Day* and connect residents with the free programming many of our cultural partners offer. CAC issued an MLK-specific events newsletter (sent to 9,200 people) and distributed 7,000 events cards featuring free CAC-funded events to visitors at Music Settlement, Cleveland Museum of Natural History, the Rock Hall, Great Lakes Science Center, Maltz Museum, Cleveland Orchestra, Cleveland Botanical Garden, Cleveland Institute of Music and MOCA. We saw an *uptick in visitors to our website* following this campaign, indicating that more residents are beginning to see CAC as their resource for finding arts and culture events.

Other Items of Note

- *Telling the CAC Story.* Staff is always seeking opportunities to tell CAC’s story and highlight the benefit of public funding for arts and culture to members of our community. In 2016, we will increase these efforts; our entire team will play an important role in our successful outreach to more organizations and community groups.

Most recently, staff members presented at: CPAC’s Creative Workforce Fellowship celebration (Jake), Baldwin Wallace University - arts management program (Jake), Americans for the Arts’ webinar (Jill), the Cleveland Arts Education Consortium (Jill). In addition, Karen participated in the AFTA/USUAF winter meeting in Los Angeles and shared the success story of Issue 8 with peers from around the country. Karen was recently elected to a 2-year term on the executive committee of USUAF.

- *Media Placements.* Below is a list of articles referencing Cuyahoga Arts & Culture published since the last Board meeting:

12/8/2015	Ban on Teen Smoking to Affect Sin Tax	ideastream
12/8/2015	Beck Center Youth Theater Lives “Happily Forever After”	Lakewood Observer
12/9/2015	WOMEN ON FIRE, TOP GIRLS and More Set for Mamai Theatre Company's 2016 Season	Broadway World
12/10/2015	Was the Issue 8 landslide a mandate or cause for humility? Cuyahoga Arts Tax Renewal	Cleveland.com
12/10/2015	"Little Women" musical is destined for rousing success: Sun Messages	Cleveland.com
12/11/2015	Forty artists receive \$15K grants funded through Cuyahoga County cigarette tax	Cleveland.com
12/14/2015	Arts attendance in Cleveland is close to New York's on per capita basis (analysis)	Cleveland.com
12/15/2015	ENGLISH AND DANCE FACULTY AWARDED PRESTIGIOUS CREATIVE WORKFORCE FELLOWSHIPS	BW.edu
12/15/2015	Chagrin Valley Little Theatre names The Neff Building in honor of former president Tom Neff	Cleveland.com
12/23/2015	CPAC and CAC Creative Workforce Fellowships Announced	Cleveland Scene
12/23/2015	Art and architecture in a divided Cleveland: Year in Review 2015	Cleveland.com
1/12/2016	Beck Center to Stage Lin-Manuel Miranda's Tony-Winning Musical IN THE HEIGHTS	Broadway World
1/12/2016	Grammy-winning lute player Paul O'Dette to perform in Cleveland	Hudson Hub-Times
1/23/2016	Cultural institutions get ready to entertain	Crain's Cleveland Business

BUILDING INTERNAL CAPACITY

1. Expand staff capacity through the strategic use of interns and volunteer resources, and in Q2, replace a current vacancy with a FTE for an expanded outreach role, enabling CAC to better connect with residents and reach previously untapped constituents.

- CAC will once again retain The Acuity Group LLC to manage the **search for two open roles**: manager – Project Support and a community engagement role. The positions will post the first week in February. When filled (Q2) they will bring the team back to its full staffing level of eight employees.
- To keep pace with our goals, while being down two team members, we will also bring on a **short-term project intern/consultant** to help us move pressing projects in the coming weeks. Lauren Fraley, a local artist and former arts educator at Playhouse Square, interned with CAC in 2012. This winter she will assist Roshi in ensuring all our cultural partners list their events on our website so residents can discover events in their own backyards.

2. Informed by organizational planning and with the assistance of outside experts, hold quarterly team sessions to increase staff understanding of **diversity/equity/inclusion** issues and begin to incorporate learnings into our daily practice (operations, grantmaking and communications).

- Jill continues her work on the **Philanthropy Ohio Diversity Equity & Inclusion taskforce**. The group is building off its 2015 work (integrating DEI principles into the statewide grantmaking association's strategic plan).
- With Tom O'Brien, director of Neighborhood Connections (see memo on pages 19-20 in Board materials), Jill presented an Americans for the Arts Animating Democracy **national webinar** in late January. We highlighted our grantmaking partnership as a way to advance social justice and create healthy, equitable communities.
- By the time the Board meets, Nicole will have attended **SphinxCon 2016** (Feb 5-7 in Detroit), a national gathering of funders and practitioners focused on sparking action focused on diversity in the arts.
- In an effort to build smart DEI principles into our operations, CAC is now using the Greater Cleveland Partnership and Cuyahoga County Office of Procurement & Diversity **databases** to ensure women and minority-owned businesses are considered for all vendor decisions.
- Nicole has just been tapped to be a featured presenter at the Wean Foundation's (Mahoning Valley) Spark Series Talk - **Practicing Equity: Living at the Intersections** grantee training later this year. This builds off trainings she's done for the Foundation in 2015 and will inform CAC's emerging DEI work.

3. Conduct team retreat in Q2, building off past work with Marcy Levy-Shankman and in coordination with our organizational planning, to **reexamine our organizational values** and ensure that our **team remains high functioning**, practices our agreed upon team norms and works in service of CAC's mission.

- Karen and Jake, as point people for our strategic planning process, are determining how to fold in team norm and a review of our **organizational values** into the planning work; we'll bring more updates to the Board at future working sessions.

Other Items of Note

- Please join us in *congratulating Stacey* on her family's relocation to Cincinnati; her last day at CAC was February 4th. Stacey served as CAC's manager – Project Support for seven years. She helped develop our small grants program and was instrumental in ensuring that CAC's grant opportunities reached organizations of all sizes and missions doing work throughout the County. We will miss Stacey and wish her well as she starts a position in the Cincinnati planning department.

FINANCIAL UPDATE

2015

Revenue

Final, unaudited tax revenue for 2015 was \$15,986,647. Revenue for the year was \$1,236,647 above forecast (8.38%). Tax collections were flat with receipts in 2014, which is unusual, especially given the statewide tax increase of 35 cents per pack effective July 1, 2015. Interest revenue was \$121,559 for the year, exceeding forecast by \$41,559.

Expenditure

Final, unaudited expenditures for FY2015 were \$16,263,478. This figure is \$185,022 under budget for the year and is in part related to shifting costs associated with strategic planning to the 2016 budget. As a result of higher than anticipated revenue and lower expenses, the draw from the reserve in 2015 was \$154,506, far less than the budgeted \$1,681,500.

Annual Audit

The Local Government Services division of the Ohio Auditor of State began work on CAC's GAAP conversion for 2015 in early January and will finish the conversion in February. We expect the annual audit to begin in February and to conclude by May 31.

2016

January financials are not yet available.

Audit Committee

The Audit and Finance Advisory Committee met on January 27 to review and discuss CAC's Internal Financial Controls Policy and Procedures and the Committee Charter. The committee also reviewed CAC investments with Red Tree Investment Group and discussed both the portfolio maturity and investment level.

Based on discussions at this meeting, the Board will be asked to approve the following recommendations:

CAC Investment Policy – Update the policy (see pages 27-30) to include all investments permitted under [ORC 135.35](#). To date CAC's policy permitted investments in items [A.1-7](#). This update is recommended to give CAC the flexibility to invest in any/all permitted investment vehicles. This change was spurred by the improved yields available through investments in commercial paper (A.8). CAC's policy does not currently include commercial paper as an investment option and therefore we cannot adjust our portfolio to include it. Broadening the policy simply allows for more investment flexibility in the long term and allows CAC to be responsive to market opportunities. CAC will continue to provide investment guidance to Red Tree Investment Group in order to ensure an investment strategy that meets the business needs of CAC.

Internal Financial Controls Policy and Procedures – Several minor updates, as detailed in the document on pages 22-26, that simplify and further clarify the current policy and procedures.

Additionally, based on discussion at the meeting, CAC will extend the investment maturity of inactive monies managed by Red Tree Investment Group from an average maturity of 2.1 years to approximately 2.75 years and shift an additional \$1.5million of inactive monies to Red Tree. The committee made these recommendations based on several factors including the recent passage of Issue 8, improved investment opportunities, the recent update to the Investment Policy allowing for maturities of up to five years and cash flow projections. Our aim is to increase returns within the range of conservative investment vehicles we are permitted to utilize.

December 31, 2015 (unaudited)				
Accrual Basis	Through 12/31/15	Through 12/31/15	\$	%
	Actual	Budget	Over/Under Budget	of Budget
Ordinary Revenue/Expenditures				
Revenue				
Excise Tax	\$ 15,986,647	\$ 14,750,000	\$ 1,236,647	108.38%
Interest	\$ 121,559	\$ 80,000	\$ 41,559	151.9%
Other revenue	\$ 765	\$ -	\$ 765	
Total Revenue	\$ 16,108,971	\$ 14,830,000	\$ 1,278,971	108.6%
Expenditures				
Arts & Cultural Programming				
Salaries, Wages and Benefits	\$ 364,228	\$ 392,525	\$ (28,297)	92.8%
Program	\$ 193,557	\$ 285,865	\$ (92,308)	67.7%
Grants**	\$ 15,105,944	\$ 15,083,242	\$ 22,702	100.2%
Total A&C Expenditures	\$ 15,663,729	\$ 15,761,632	\$ (97,903)	99.4%
General & Administrative				
Salaries, Wages and Benefits	\$ 342,128	\$ 356,001	\$ (13,873)	96.1%
Facilities, Supplies, Equipment	\$ 90,523	\$ 108,667	\$ (18,144)	83.3%
Professional Fees	\$ 160,531	\$ 215,300	\$ (54,769)	74.6%
Depreciation	\$ 6,567	\$ 6,900	\$ (333)	95.2%
Total G&A Expenditures	\$ 599,749	\$ 686,868	\$ (87,119)	87.3%
Total Expenditures	\$ 16,263,478	\$ 16,448,500	\$ (185,022)	98.9%
Net Ordinary Revenue	\$ (154,507)	\$ (1,618,500)	\$ 1,463,993	

Cuyahoga Arts & Culture Balance Sheet
As of December 31, 2015

	Dec 31, 15
ASSETS	
Current Assets	
Checking/Savings	
KeyBank	104,152.19
RedTree (U.S.Bank)	14,690,195.33
Star Ohio	1,784,929.17
STAR Plus	5,428,707.90
Total Checking/Savings	22,007,984.59
Accounts Receivable	
11000 · Accounts Receivable	1,524,020.14
Total Accounts Receivable	1,524,020.14
Other Current Assets	
12100 · Prepaid Expenses	180,976.00
Total Other Current Assets	180,976.00
Total Current Assets	23,712,980.73
Fixed Assets	
15000 · Furniture and Equipment	68,902.67
15001 · Software and Webdesign	10,000.00
17000 · Accumulated Depreciation	-70,825.02
Total Fixed Assets	8,077.65
TOTAL ASSETS	23,721,058.38
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
20000 · Accounts Payable	2,924.46
Total Accounts Payable	2,924.46
Other Current Liabilities	
24000 · Payroll Liabilities	31,081.14
24200 · GOS Grants	1,220,890.00
24300 · Project Support Grants	395,406.00
24400 · Other Grants/Program Contracts	145,000.00
Total Other Current Liabilities	1,792,377.14
Total Current Liabilities	1,795,301.60
Total Liabilities	1,795,301.60
Equity	
32000 · Operating Reserve	22,080,263.55
Net Income	-154,506.77
Total Equity	21,925,756.78
TOTAL LIABILITIES & EQUITY	23,721,058.38

CAC CIGARETTE TAX COLLECTIONS HISTORY AND 2015 ACTUAL REVENUE

	<u>2014</u>	<u>2015</u>	
Month	Monthly Tax	Monthly Tax	14-15% Change
JANUARY	\$ 1,441,567.19	\$ 1,289,666.03	-10.54%
FEBRUARY	\$ 901,110.50	\$ 1,086,964.52	20.62%
MARCH	\$ 1,356,099.96	\$ 1,150,077.84	-15.19%
APRIL	\$ 1,456,486.30	\$ 1,276,369.38	-12.37%
MAY	\$ 2,568,321.06	\$ 2,434,691.04	-5.20%
JUNE	\$ 1,112,606.44	\$ 1,268,582.63	14.02%
JULY	\$ 383,105.59	\$ 721,951.07	88.45%
AUGUST	\$ 1,369,293.72	\$ 1,025,712.65	-25.09%
SEPTEMBER	\$ 1,426,900.79	\$ 1,450,989.43	1.69%
OCTOBER	\$ 1,408,941.00	\$ 1,389,226.45	-1.40%
NOVEMBER	\$ 1,112,409.47	\$ 1,368,395.91	23.01%
DECEMBER	\$ 1,447,873.74	\$ 1,524,020.14	5.26%
TOTALS	\$ 15,984,715.75	\$ 15,986,647.08	0.01%



MEMORANDUM

Date: February 2, 2016
To: CAC Board of Trustees
From: Jill Paulsen, Deputy Director
Re: Early-stage planning for 2017 Project Support grant program

Executive Summary: At its February meeting, staff and the Board will discuss the policies and strategy underlying Cuyahoga Arts & Culture's next cycle of grant guidelines (2017 Project Support). There will be no action taken at the February meeting. Board feedback will inform staff work, leading to the presentation and potential approval of the policies that shape the 2017 Project Support guidelines at the April meeting.

Background

The last time CAC issued Project Support guidelines (in spring 2015, for 2016 grants), we faced declining revenue and an ever-growing applicant pool. Both these factors necessitated that we make revisions to the program, including: 1) reducing the amount we allocated to Project Support by 7.38% over the previous cycle; and 2) lowering the largest possible grant amount from \$50,000 down to \$35,000. We are pleased to remind the Board that despite these changes, participation was stronger than ever: 152 organizations received grants, the most in CAC's history.

Because we are in the midst of a strategic planning process, we will hold off on making any major changes to the program until the completion of this important work. As we plan for 2017, the ninth offering of the Project Support grant program, we will still reflect on the purpose of the program and the context in which we're now operating.

What is the purpose of the Project Support program? The Project Support program is designed "to promote public access and encourage the breadth of arts and cultural programming in our community."

Project Support is our annual opportunity to support the full ecosystem of arts and culture activities. Unlike our operating support program, Project Support is open to all nonprofits – no matter their mission – as long as they commit to offering public arts/culture programming. This is where we fund projects that take place in community centers, homeless shelters and healthcare facilities, as well as in more traditional venues (theaters, galleries, etc.).

This diversity (in discipline/sector, as well as audiences and geographies served) helps CAC build new allies who support and benefit from public funding for arts and culture. We have heard from many external stakeholders that Project Support's ability to "broaden the tent" and reach previously unengaged residents played an important role in the passage of the levy last fall.

What will remain the same for 2017? Acknowledging that Project Support has helped CAC achieve its mission, our work for 2017 is about keeping this essence, while continually improving. As noted above, we are not proposing a major overhaul to the program for 2017. The following elements will remain the same:

- The three **funding criteria**, that all of our grant programs are based on, will remain intact. The primary focus will continue to be on public benefit, with artistic and cultural vibrancy and organizational capacity, as well.
- **Eligibility requirements** will remain the same, allowing for a broad range of organizations to apply for the program.
- Due to fairly stabilized revenue last year, CAC anticipates keeping the program **allocation** (roughly \$1.65million) and maximum **grant amounts** (\$35,000 for PSI and \$5K for PSII) consistent over last cycle.

What changes are we considering for 2017? Project Support has historically been where we beta-test new approaches to our grantmaking. We propose using this year to explore the questions: *what is the purpose of panel and can we pilot new ways of adjudicating applications that stay true to CAC's values?* By doing this process improvement work now, we can be ready for more substantive changes in future grant cycle.

Since CAC's inception, panels have been conducted in generally the same manner: a slate of eight to 10 panelists review all applications and adjudicate them in an in-person, open-to-the-public process. Recent growth in our small grants program has meant substantial workloads for panelists; last cycle every PSII panelist evaluated 94 applications – a task that took hundreds of hours. Simultaneously, fewer applicants are attending panel in-person (last cycle, only 35 people came to Idea Center to watch the process). While neither observation alone should dictate change, both open the door for re-envisioning panel.

Additionally, we recognize the panel process itself has some limitations. A well-written application can mask a weak project. Staff play no role in the review, meaning local knowledge is sometimes lost. Some organizations have been successful in the panel process every year, begging the question is a full review of all applications necessary?

In the coming weeks, staff will explore how we might restructure the panel process to be more efficient and effective. One potential solution may be using technology/online review – as we did in our Creative Culture Grants program in 2012. We will continue to solicit feedback from past panelists, applicants and our grantmaking peers nationally, as well as examine our own data before making a final recommendation to the Board.

Next Steps

At our February meeting, we look forward to a discussion with the Board where we consider:

- How can a revised evaluation/panel process can stay true to CAC's values of impartiality and transparency?
- What risks or opportunities might CAC face by testing a new evaluation approach?

Board feedback will inform staff work, leading to the presentation and potential approval of the policies that shape the Project Support guidelines at the April meeting.



Memorandum

Date: February 1, 2016
To: CAC Board of Trustees
From: Jacob C. Sinatra, Manager – Special Projects & Communications
Re: Recommendation: Continue Neighborhood Connections partnership to support arts and cultural projects in Cleveland and East Cleveland in 2016 and 2017.

Board Action Requested: At the February 8 meeting, we look to the board to approve a two-year grant in the amount of \$75,000 per year to Suite 1300 Services, Inc. (on behalf of Neighborhood Connections, a program of the Cleveland Foundation) to continue to support grassroots arts and culture activities in Cleveland and East Cleveland in 2016-17.

Background: CAC's Partnership with Neighborhood Connections

Neighborhood Connections is a program of the Cleveland Foundation, housed in the Foundation's 501c3 incubator, Suite 1300 Services, Inc. The program awards grants ranging from \$500 to \$5,000, two times a year, to about 200 grassroots projects in Cleveland and East Cleveland. Applicants need not be 501c3 organizations; unincorporated block clubs and resident groups are encouraged to apply.

Since establishing a partnership with Neighborhood Connections in 2013, CAC has invested \$235,000 in 178 arts and culture projects, co-funding nearly 40% of projects from May 2013 to present. In 2015, CAC funds represented 12% of total funding disbursed through Neighborhood Connections and nearly 50% of co-funded projects were first-time grant recipients.

About the Grant

Suite 1300 Services, Inc., on behalf of Neighborhood Connections, is seeking a 2-year grant of \$75,000 each year to continue to support resident-led arts and culture projects in Cleveland and East Cleveland neighborhoods in 2016 and 2017. The program includes:

Small Grants for Arts and Culture Projects. CAC funds (\$60,000 each year) would support nearly 75 grassroots arts and cultural activities designed by and for residents of Cleveland and East Cleveland neighborhoods. Past projects include: neighborhood murals, arts programs for youth, community gardens, outdoor concerts and more. With CAC's investment, Neighborhood Connections will be able to fund a minimum of twelve additional groups annually. Funds would only support projects that do not currently receive CAC funding. Grants are determined by a committee of city residents.

Community Network Building and Administration. In addition to grants, a portion of CAC funds (\$15,000 each year) would support informal trainings, community organizing and network building activities for neighborhood residents and grantees. This component ensures that residents

are prepared to manage their co-funded projects and build connections to be successful. A portion of funds would also support program administration and staffing expenses.

Focus on Storytelling

Building off a strong grantmaking foundation, CAC and Neighborhood Connections worked diligently in 2015 to demonstrate the impact of investments in resident-led projects by capturing and sharing five co-funded projects through photo and video. Each project was shared via social media and served as strong examples of how residents are leveraging public support for grassroots arts and culture in Cleveland neighborhoods. Pending approval, we look forward to continuing this focus on storytelling in 2016-17.



Left: St. Clair Superior resident, Ronald, discusses the Cleveland Print Room's "Words-n-Snaps" guerilla art installation with Mary, director of student life at St. Martin de Porres High School. Right: Students (with director DJ Doc) perform and sell t-shirts as part of their participation in Glenville Summer Fresh Camp, a youth leadership institute designed to cultivate youth voice and neighborhood health through hip-hop and fresh food education.

Recommendation

Staff recommends that the Board approve a two-year grant of \$75,000 per year (total \$150,000) to Suite 1300 Services, Inc. to support grassroots arts and culture projects in Cleveland and East Cleveland neighborhoods in 2016-17. This partnership merits continued support because:

1. It is aligned with CAC's vision to "help create vibrant and energetic neighborhoods infused with culture," and reinforces early findings of CAC's 2015 community research, where local funders view CAC as a leader in supporting neighborhood-based investment and revitalization.
2. By funding Suite 1300 Services, Inc. (a 501c3 and the incubator of Neighborhood Connections), Cuyahoga Arts & Culture conforms to the regulations in the Ohio Revised Code, while allowing public funds to benefit grassroots programs.
3. This partnership continues to introduce CAC to a new constituency of residents not affiliated with our current grant programs. This helps raise awareness of CAC and cultivates a pipeline of potential grantees for CAC's other grant programs.

Pending Board approval, CAC staff will continue to work closely with Neighborhood Connections to support grassroots arts and culture activity in Cleveland and East Cleveland in 2016-17.