

**OHIO ARTS COUNCIL
BOARD MEETING
JUNE 29, 2011**

The meeting was called to order by Board Chair Jeff Rich at 12:25 p.m. in Room West B & C on the 31st floor of The Vern Riffe Center for Government and the Arts, Columbus. Board members in attendance were: Jeff Rich, Louisa Celebrezze; Matt Colopy; Karen Bell; Martha Appel Burton; Sara Jane DeHoff; Barbara Gould; Sharon Howard; Charlotte Kessler; Austin Keyser; Charles McWeeny; Tom Schorgl; Sara Vance Waddell and Senator Gayle Manning. Board members not in attendance were: Barbara Robinson; Minority Leader Armond Budish and Representative Robert Mecklenborg. Ohio Arts Council (OAC) staff members in attendance were: Julie Henahan; Mary Campbell-Zopf; Kaitlin Armocida; Kathy Cain; Susan dePasquale; Ken Emerick; Joanne Eubanks; Dia Foley; Pat Henahan; Dan Katona; Amy McKay; Carla Oesterle and Kathy Signorino. Also present were: Mindy Spain, representative for Minority Leader Armond Budish; Donna Collins, executive director, Ohio Citizens for the Arts (OCA); Bill Blair, legislative counsel, OCA; and Greg Patterson, assistant attorney general.

CHAIRMAN'S REPORT

Board Chair Jeff Rich announced that the Ohio Arts Council had been awarded 62.2 percent more funding from the original executive budget presented by Governor Kasich, an increase of 30.5 percent from the 2010/2011 to 2012/2012 biennium. He added that this increase shows the legislature's recognition of the importance of the arts in Ohio, seeing them as part of the solution to the problems in the state. He noted that 82 percent of all funding received by the OAC will go back to artists and arts organizations, and he encouraged board members to thank their legislators for contributing to the success of the creative class in Ohio.

DIRECTOR'S REPORT

OAC Executive Director Julie Henahan welcomed members to the summer board meeting and Mr. Rich who was presiding over his first board meeting as chair. She recognized that the budget increase had required an enormous amount of hard work, and thanked all those who had contributed to the remarkable effort. This was an unanticipated outcome for all who benefit from the arts in Ohio. She added that the Office of Budget Management was releasing a hold requiring state agencies to hold back 10 percent of their budgets. With this new money, the OAC will increase some grant awards to FY2011 grantees. Not all programs will see increases because not every program was cut by 10 percent. Ms. Henahan is working with Grants Office Director Dia Foley on the recalculation and notification process.

Another major undertaking of the Executive Office is the National Endowment for the Arts (NEA) grant application. Ms. Henahan explained that the application is due on September 30, and that work on it had already begun. She further explained the NEA has changed its grant guidelines to address new agency metrics thus necessitating more work for OAC staff. The NEA is now focusing on four outcomes: creation, engagement, lifelong learning and livability. The strategic plan has positioned the OAC to address

these new metrics; however, an additional challenge is presented in how to frame the next state arts plan under the new federal budget restrictions.

Ms. Henahan also announced that staff member Susan dePasquale would be retiring from the arts council after 27 years. Ms. dePasquale is going to be very deeply missed by both her colleagues and the constituents in the field for whom she has provided excellent support and guidance during her tenure.

BOARD MEMBER REPORTS

Mr. Rich stated that he visited the newly built Musical Instrument Museum (MIM) in Arizona. The museum's curators and historical musical instruments come from all over the world. Mr. Rich expressed how impressed he was with MIM and encouraged the members to visit the museum if they are in Arizona.

Board Member Charles McWeeny reported that a Jim Dine exhibition at Ohio University's Kennedy Museum of Art was opening in Athens, Ohio. The exhibit will feature 11 sculptures and 19 prints by the artist who is a native of Cincinnati and a graduate of Ohio University. Mr. McWeeny announced the show will run from July 8 to November 3, 2011 and encouraged board members and staff to travel to Athens to see it.

Board member Barbara Gould informed the board of the World Choir games coming to Cincinnati from July 4 to July 13, 2012. This will be the event's first time in the United States and boasts the participation of 70 countries, over 200,000 voices and 250,000 spectators. Ms. Gould added that the large event will be an excellent way to help exhibit Ohio to outsiders.

Board member Sara Vance Waddell stated that the Cincinnati Opera would be hosting its Legislative Night on July 27, 2011. She noted that several OAC board members had received invitations and that the event would be an opportunity to see great opera and thank legislators for all they've done and continue to do.

Board member Karen Bell noted that the Royal Shakespeare Company performed Hamlet to several sold out audiences in Columbus while on their way to New York.

Board member Tom Schorgl informed the members that The Community Partnership for Arts and Culture was about to finish an economic impact analysis of the music industry in the greater Cleveland counties. The study focuses on both the not-for-profit and for-profit sectors and will be finished at the end of July 2011. Preliminary results suggest that the economic impact is larger than \$830 million annually.

Board member Sara Jane DeHoff reminded the board that the Toledo mayor had recently traveled to China. Among the group that traveled with him was the president of the Toledo Symphony, as well as one of the symphony's musicians. The trip demonstrates the mayor's solid understanding of the importance of the arts in Toledo.

Board member Sharon Howard called attention to two handouts: a brochure for the educational programs sponsored by the Victoria Theater Association; and a postcard announcing the 2011-2012 season of the Victoria Theater Association. Presently, they are performing "The Lion King," and are hosting a two-week education camp where the cast are serving as workshop facilitators.

APPROVAL OF MINUTES

Mr. Rich reminded the board that in the interest of transparency, board meetings are audio recorded and that the general public may request a copy of the audio file. Additionally, minutes of the board meeting will be posted to the Ohio Arts Council website under the tab "About OAC" after they are approved by the board.

He noted that the council could find copies of the minutes from the March 7, 2011 meetings of the Finance Committee and Policy and Planning Committee; the March 8, 2011 meetings of the Nominating Committee, Education Committee, Legislative and Advocacy Action Committee, Executive Committee and the full board meeting in their meeting books. Also sent to the council was a copy of the minutes from the special Executive Committee meeting, June 15, 2011. Mr. Rich asked if there were any comments or corrections to the minutes, and there were not.

MOTION by Tom Schorgl, seconded by Sharon Howard, to accept the meeting minutes.
Motion carried without dissent.

COMMITTEE REPORTS

Finance Committee

Committee Chair Tom Schorgl explained that the Finance Committee had reviewed changes to the OAC budget for FY2012-2013, specifically the changes to the subsidy line and the increase in the administrative line. He noted that this increase was positive because the threshold cost of operating the OAC had been steadily decreasing and the added funds will provide some leverage during the upcoming biennial year.

Ms. Henahan called attention to the documents that were distributed to the board, and discussed during the Finance Committee meeting. One chart shows the updated subsidy and administrative budgets, and another the ways in which those budgets will be distributed amongst grant programs for the coming year. The funds have been allocated not only to provide additional money to several different program areas, but also to continue to work on partnership grants that will allow the OAC to fulfill the obligations associated with the state arts plan that is funded through the NEA.

Ms. Henahan also reviewed a presentation on operating expenses and income sources that had been previously shared with both the Finance and Executive Committees. She explained the agency's four sources of income:

- General Revenue Funds come from state funds awarded biennially by the legislature.

- Federal funds generally refer to NEA funding, but the agency has been awarded other project grants from federal agencies such as the U.S. State Department and the Department of Education in the past.
- 4B7 refers to administrative fees the OAC receives for the management of its Percent for Arts program.
- Gifts and Donations (e.g., funds allocated from the Ohio Building Authority that support the operational expenses of the Riffe Gallery as well as other private donations or grants).

She also described the OAC's five expense categories:

- Payroll and benefits
- Purchased personal services including contracted personnel
- Supplies and maintenance including rent
- Equipment including software leases
- Costs associated with the administration of the Percent for Arts program

She further explained that the payroll and benefits, purchased personal services, supplies and maintenance and equipment expenses could all be paid from any of the agencies four income sources. Alternately, the Percent for Arts program can only be paid from the 4B7 line.

Calling attention to a graph illustrating state allocated administrative funds since the agency's inception in 1966, Ms. Henahan noted that the OAC received peak funding in 2001 with \$2.9 million. This funding has been steadily decreasing over the past decade, causing the agency to use more of its federal funding for operating expenses. A chart that had been distributed to the board detailed how much federal money had been used for this purpose since 2006. Ms. Henahan explained that the increased use of federal money in 2010 was due to extra costs associated with creating the strategic plan and the State of the Arts Report, as well as a decreased amount of Gifts and Donations. She added that this number was drastically reduced in 2011 and was going to be even lower in 2012, though with the new Senate budget language there will be zero federal dollars used for operating expenses. As a result, Ms. Henahan has been working closely with Fiscal Office Assistant Carla Oesterle to refigure the budget for the agency's expense categories. Though no figures have been finalized yet, the board was provided with projected numbers that would be supplemented with the \$300,000 increase to the administrative line.

One final graph depicted OAC staffing levels. It tracked the reduction in staff from 50 in 1991 to 17 presently. Ms. Henahan noted that this illustrated the steady advancement the OAC has made in consolidating workloads across the agency. The board also looked at a chart comparing the staff levels of states with similar appropriations and populations, while both Florida and Pennsylvania (including two outside program consultants) had numbers comparable to Ohio; North Carolina had a much larger staff.

Ms. Bell inquired as to what activities the agency was no longer doing now that there had been reductions to funding and staff over the past five years. Ms. Henahan explained that

the OAC had coped with these reductions through program cuts and consolidations, and is now discussing lengthening grant cycles for some programs to streamline the process. Ms. Campbell-Zopf added that they had also worked with the Department of Administrative Services (DAS) to ensure that the OAC met all of the standards for efficiencies for state agencies.

Ms. DeHoff asked for clarification on where the Riffe Gallery funding came from and Ms. Henahan explained that the Ohio Building Authority (OBA) has partnered with the OAC to subsidize the expenses of the Riffe Gallery since its inception. Their support is entered into the Gifts and Donations line and is currently set at \$155,000 per year. This funding helps to pay the salary of the gallery director, as well the costs associated with hosting four major gallery exhibitions per year and a like number of lobby exhibitions. She added that on January 1, 2012 OBA will merge with DAS and although the support from OBA for the Riffe Gallery operations is in place for FY2012, the OAC is working to maintain a partnership during and after the merger to ensure funding for FY2013 as well.

Ms. DeHoff wondered if members of the board would be able to play a role in convincing DAS to continue funding gallery operations. Ms. Henahan stated that when she first became aware of the merger she thought it would be possible to fit the Riffe Gallery operating expenses into the OAC budget; however, since federal funding has been directed exclusively toward grants, she admitted that board involvement in this matter could be helpful in the future. She added that the Riffe Gallery is the public face of the OAC and a great venue for showcasing the work of Ohio artists and curators, and collections from Ohio museums and galleries.

Mr. Schorgl informed the board that the Finance Committee had moved to accept the Senate version of the administrative budget. The board agreed with the committee's motion.

Ms. Henahan noted that when the council moves to accept grant ratifications later in the meeting, it should be remembered that the totals were calculated solely from the House budget, since that was the only available budget figure at the time, and that those numbers will need to be adjusted to account for the Senate funding. Ms. DeHoff asked if any of the additional funding will be used for OAC programming and Ms. Henahan explained that some money was going to be used to partner with other organizations in order to provide programming and services to groups around the state and fulfill the terms and conditions of the NEA grant.

Board member Matt Colopy questioned at what point funding cuts and budget restrictions would force the agency to consider alternative options such as partnering with other state departments and commissions. He also asked how Ms. dePasquale's retirement would affect her program constituents. Ms. Henahan stated that it is difficult to evaluate the full impact of Ms. dePasquale's retirement at this time because currently workloads need to be assessed and redistributed. She continued that in the current fiscal environment, it will be necessary to do some internal restructuring and bring any related policy discussions to

the board. These suggestions could include regionalizing some grant-making programs. Ms. Henahan emphasized the need to explore different options in order to distribute the OAC's sizable funds in a fair, equitable and transparent manner.

Deputy Director Mary Campbell-Zopf added that in 2009 the board put into place a number of policies that should reduce the workload of the smaller staff. These policies include looking at longer grant cycles and issuing more two-year grants, which would allow the agency to focus more on policies related to the creative economy's while creating efficiencies for the grant applicants and the OAC staff. Mr. Schorgl directed Mr. Colopy to the strategic plan, which outlines specific objectives and strategies for being more effective with less human resources.

Policy and Planning Committee

Committee **ACTING** Chair Louisa Celebrezze informed the board that the Policy and Planning Committee had been briefed on the 2011-2013 OAC Strategic Plan. Calling attention to the plan's executive summary, she stated that the content had been beautifully concentrated and clearly articulated. She added that the strategic plan is a basic eligibility requirement of the OAC's Partnership Agreement grant with the NEA, and that with its completion the agency will take steps to create internal work plans to guide staff prioritization and progress through its conclusion.

Ms. Henahan continued that the work plan will be comprised of tactics and actions that will take the OAC through the next three years. Mr. Colopy wondered at what point agency staff reductions would begin to affect its ability to carry out the strategic plan. It was explained by Ms. Henahan that when changes in funding or staffing require a change in the OAC's approach, the work plan will identify activities in order of importance so that the items of highest priority will be given the greatest focus.

MOTION By Tom Schorgl, seconded by Sharon Howard, to accept the report of the Policy and Planning Committee. **Motion carries without dissent.**

Executive Committee

Committee Chair Jeff Rich stated that the Executive Committee had reviewed the new budget information, which had already been detailed to the board, and that they had received an agency communications update from Public Information Office Director Amy McKay. He encouraged council members to read the *Arts Part of the Solutions* stories that had been provided to them, and also mentioned the Arts Partnership Program evaluation report written by Craig Dreeszen. The evaluation recognizes the program as a national leader, concluding that it works as intended to positively impact arts learning.

Additionally, Mr. Rich explained the Constituent Satisfaction Report that demonstrated an 80-90 percent satisfaction rate with OAC services and personnel. He noted that these high positive numbers are a great compliment to the work of the reduced staff further illustrated by the Agency Priority Work, which shows the efforts the staff is making to ensure that agency programs and services do not suffer during this difficult financial period. He asserted that the staff had been working extremely hard and he thanked them

for their willingness to carry on as usual despite the changes the agency had been undergoing.

Mr. Rich called attention to the appeal by the Nonstop Institute of Yellow Springs. He explained that according to the *OAC Guidelines*, an organization that disputes a review panel's recommendation on the grounds of procedural error may request a review of that recommendation by the OAC board. Procedural errors include a miscounting of votes, or the failure of a panelist with a conflict of interest to leave the room for the discussion and/or vote. Appeals may not be made based on an applicant's disagreement with a panelist's assessment of the artistic merit of the proposed project or program. He informed the board that their complaints that they were erroneously identified as "applying" for tax-exempt status, and that their DUNS number was not listed on their application, were found to be without substance because they would only affect the organization in the event that they were awarded a grant. As a result, the Executive Committee approved the recommendation to uphold the original panel review result and not recommend the Nonstop Institute of Yellow Springs for funding.

MOTION by Martha Appel Burton, seconded by Sharon Howard, to approve the staff suggestion not to recommend the Nonstop Institute of Yellow Springs for funding. **Motion carries without dissent.**

MOTION by Sharon Howard, seconded by Sara Vance Waddell, to approve the Executive Committee's report. **Motion carries without dissent.**

OHIO CITIZENS FOR THE ARTS REPORT

Mr. Rich welcomed OCA Executive Director Donna Collins, and OCA Legislative Counsel Bill Blair to the meeting. He thanked them and their staff, as well as all present who worked with the General Assembly to ensure success in increasing the allocations made to the subsidy and administrative lines. He noted that despite a climate of funding cuts, the General Assembly recognized that the work of the Ohio Arts Council accounts for a small portion of the budget, but has a huge impact on the state.

Mr. Blair stated that Governor Kasich is ideologically conservative, and he has always disagreed with him and much of the legislature over funding for the arts, stating that many members of the General Assembly do not believe that public funding for the arts is an appropriate function of the government. This idea, combined with the \$8 billion projected deficit for this biennium, created a perfect storm in which the elimination of the Ohio Arts Council might hardly have been noticed except by those present. As a result, OCA felt bold when asking the legislature for \$13.1 million maintenance budget and were extremely happy when when the Ohio House awarded an additional \$3 million to the budget. It was a tremendous victory in an environment of budget cuts that the Ohio Senate not only matched these funds, but also added \$600,000 to the OAC's administrative line.

Addressing the amendment restricting the use of federal funds for administrative expenses, Mr. Blair stated that he believed it arose out of a concern over administrative

costs that had been expressed across state government. He explained that the ramifications of this amendment had been discussed with Ms. Henahan immediately following its approval, and he noted the work of OCA and OAC staff and board members for contacting the leadership of the House and the Senate, helping to garner the additional funding to the administrative budget. He added that advocating for increases in this line is difficult because legislative concern lies in devoting the majority of funding to their constituents. Unlike other state funded institutions, OAC and OCA did not call public attention to their situation, and Mr. Blair cited the longstanding advocacy between those present and their colleagues at OCA for the OAC's ability to survive and prevail during this difficult time.

Finally, Mr. Blair stated that he would be spending his summer thanking legislators for the OAC budget increases, and encouraged members of the board to do the same. He noted that during this time of term limits, it would help increase awareness of the importance of arts funding for the entire state.

Arts Day

Ms. Collins extended appreciation to the OAC staff and board for their hard work and support of Arts Day—sponsoring tables for the luncheon, buying tickets to the event and for their advocacy efforts across the state. She thanked Ms. McKay and Janelle Hallett for their outstanding work associated with the Governor's Awards for the Arts in Ohio, as well as OCA board member Katerina Ruedi Ray for her research report, *Ohio Arts: A Foundation of Innovation, Creativity and Economic Strength*, which has been a great help in articulating data about the economic strength the arts bring to Ohio.

She announced that after reviewing events around the state to ensure the least amount of conflicts, the date for Arts Day 2012 has been scheduled for May 9.

Advocacy

Ms. Collins announced that 2011 had been a great year for advocacy. As of this morning the legislature had received more than 32,000 messages, as well as letters, phone calls and personal visits from OCA members about the value of and need for arts in Ohio. She added that OCA had stepped up communication to provide advocates with information and encouragement, and thanked the OAC staff for preparing the Budget Talking Points that were collectively used throughout the budget process.

Ms. Collins also noted that OCA had taken advantage of a new and improved website this year that includes a host of resources and their blog. In addition to providing information on their Facebook and Twitter accounts, they continue to distribute newsletters, and advocate resources and action alerts to more than 4,000 individuals and organizations.

Legislative Directories

More than 1,500 legislative directories have been distributed this calendar year. Ms. Collins encouraged board members and staff to take copies with them as well as access other information on the E-Advocacy Center at www.OhioCitizensForTheArts.org.

Membership

Ms. Collins invited those present who were not currently members of OCA to become members today. To those who were already members, she asked that they have brochures on hand to distribute to colleagues, patrons and donors so that they can join in the collective effort to support the arts in Ohio through the Ohio Arts Council. She noted that leadership in the area of membership is vital to maintaining a statewide advocacy voice. She added that if a board member's arts organization does not currently have an advocacy committee they should consider starting one, stating that OCA can help keep their board engaged by keeping them informed on advocacy issues.

Appreciation

Lastly, Ms. Collins thanked Mr. Rich for sending letters to OCA members, recognizing their recent advocacy efforts. She also acknowledged her colleague Mr. Blair for being positive, supportive and upbeat while working tirelessly through the budget process. She offered her congratulations to Mr. Blair for being selected as the recipient of the 2011 Americans for the Arts' Alene Valkanas Award. The award was created in 2006 to honor an individual at the state level who has dramatically affected the political landscape through their arts advocacy work.

GRANT RECOMMENDATIONS

Conflict of Interest Report

Mr. Rich stated that a presentation by Assistant Attorney General Greg Patterson would give more detail on the conflict of interest report that board members were required to fill out. He added that the report can be found in the back of their meeting books, and requires members to list any arts organizations with which they are affiliated.

Sustainability (Over \$1.5 million)

Grants Office Director Dia Foley explained to the board that organizations who applied to this section had a full application due on February 1, and that an out-of-state panel reviewed the grants on May 16 and 17. She directed their attention to a list of the 38 organizations who applied, and to a list containing the unadjusted operating budget, the income used for the grants formula and the three-year average income for each of the organizations. The board was also provided with the scores for all of the organizations, as well as a chart comparing their FY2011 and FY2012 grant awards. Ms. Foley added that the proposed FY2012 grant awards were based on the House budget and will have to be modified to account for new figures in the subsidy line once the budget is approved.

MOTION by Charles McWeeny, seconded by Sara Vance Waddell, to approve the Sustainability (over \$1.5 million) grant recommendations without Ballet Metropolitan, Inc., Cincinnati Museum Association, Cleveland Orchestra/Musical Arts Association, Dayton Arts Institute, Greater Columbus Arts Council, Karamu House, Toledo Museum of Art and Toledo Symphony. **Motion carries without dissent.**

MOTION by Martha Appel Burton, seconded by Louisa Celebrezze, to approve the Sustainability (over \$1.5 million) grant recommendations with only Ballet Metropolitan,

Inc., Cincinnati Museum Association, Cleveland Orchestra/Musical Arts Association, Dayton Arts Institute, Greater Columbus Arts Council, Karamu House, Toledo Museum of Art and Toledo Symphony. **Motion carries without dissent. Five abstentions CONFLICTS OF INTEREST (Karen Bell, Sara Jane DeHoff, Sharon Howard, Tom Schorgl, and Sara Vance Waddell).**

Sustainability (under \$1.5 million)

Research and Program Development Director Dan Katona explained that this is a large group that requires 30 panelists and four facilitators divided into four geographical regions of the state. Between the four categories there were a total of 236 applications received, out of which 225 were recommended for funding. He added that the total audience attending the meetings was 213; 54 in person and 159 listening to the online broadcast.

Mr. Katona noted that the grant calculation scores are curved to adjust for regional irregularities in scoring by the four panels, and that the full Grant Calculation Method could be found in the Council Book. As with the Sustainability (over \$1.5 million) category, Council was provided with each organization's last fiscal year income, their panel score and their FY2012 grant amount, which also will have to be adjusted to account for increased grant funding.

MOTION by Martha Appel Burton, seconded by Louisa Celebrezze, to accept the Sustainability (under \$1.5 million) grant recommendations without Arts Commission of Greater Toledo; Community Partnership for Arts and Culture; Culture Works; Friends of Early Music; Ohio University—Athens Center for Film and Video, Kennedy Museum of Art and New Ohio Review; Peggy R. McConnell Worthington Center for the Arts; the Southern Ohio Museum and Cultural Center. **Motion carries without dissent.**

MOTION by Charles McWeeny, seconded by Charlotte Kessler, to accept the Sustainability (under \$1.5 million) grant recommendations with only Arts Commission of Greater Toledo, Community Partnership for Arts and Culture, Culture Works and Friends of Early Music. **Motion carries without dissent. Five abstentions CONFLICTS OF INTEREST (Sara Jane DeHoff, Sara Vance Waddell, Tom Schorgl, Sharon Howard and Louisa Celebrezze).**

MOTION by Sara Jane DeHoff, seconded by Charlotte Kessler, to accept the Sustainability (under \$1.5 million) grant recommendations with only Ohio University—Athens Center for Film and Video, Kennedy Museum of Art and New Ohio Review; Peggy R. McConnell Worthington Center for the Arts; the Southern Ohio Museum and Cultural Center. **Motion carries without dissent. Three abstentions CONFLICTS OF INTEREST (Charles McWeeny, Martha Burton and Austin Keyser).**

Arts Access

Mr. Katona explained that Arts Access had received 43 applications requesting a total of \$115,471. Of those, 37 applications were moved to the scoring round by the panel and 34 were recommending for funding.

MOTION by Tom Schorgl, seconded by Sara Vance Waddell, to accept the Arts Access grant recommendations without Ohio University, *Quarter After Eight*. **Motion carries without dissent.**

MOTION by Sara Jane DeHoff, seconded by Karen Bell, to accept the Arts Access grant recommendations with only Ohio University, *Quarter After Eight*. **Motion carries without dissent. One abstentions CONFLICT OF INTEREST (Charles McWeeny).**

Arts Learning – Artist in Residence

Arts Learning Program Coordinator Joanne Eubanks reminded the board that the program serves four main purposes: student learning, teacher professional development, research and education policy. She noted that 27 applications, including three new applications were received, all of which were recommended for funding totaling \$45,600.

MOTION by Sara Vance Waddell, seconded by Karen Bell, to approve the Arts Learning – Artist in Residence grant recommendations without Lancaster City Schools, New Albany K-1 Elementary and Southern Ohio Museum and Cultural Center. **Motion carries without dissent.**

MOTION by Sara Jane DeHoff, seconded by Sara Vance Waddell, to approve the Arts Learning – Artist in Residence grant recommendations with only Lancaster City Schools, New Albany K-1 Elementary and Southern Ohio Museum and Cultural Center. **Motion carries without dissent. Two abstentions CONFLICTS OF INTEREST (Jeff Rich and Austin Keyser).**

Arts Learning—Arts Partnership Program

Arts Learning Program Coordinator Eubanks reported that this program received 53 applications, out of which 43 were voted into the scoring round and 26 were recommended for funding totaling \$253,010. Out of the three new applications that were received, only one was recommended for funding.

MOTION by Louisa Celebrezze, seconded by Martha Appel Burton, to accept the Arts Learning—Arts Partnership grant recommendations without ArtWorks, and Greater Columbus Arts. **Motion carries without dissent.**

MOTION by Martha Appel Burton, seconded by Louisa Celebrezze, to accept the Arts Learning—Arts Partnership grant recommendations with only ArtWorks, and Greater Columbus Arts Council. **Motion carries without dissent. Two abstentions CONFLICTS OF INTEREST (Karen Bell and Sara Vance Waddell).**

Arts Learning Set-Aside

Ms. Eubanks explained that the Arts Learning set-aside funds are as follows:

- \$10,000 as match for the Poetry Out Loud grant from the NEA
- \$5,000 for Artist Express mini grants
- \$39,520 for ongoing and new special project grants including:

- Pilot residencies in underserved areas
- Program evaluation follow-up
- Communication about best practices in arts education
- Planning sessions for residencies
- Professional development workshops for teachers, administrators and teaching artists.

MOTION by Sara Jane DeHoff, seconded by Karen Bell, to approve the Arts Learning set-aside funds. **Motion carries without dissent.**

Individual Artists: Traditional Arts Apprenticeships

Grant Programs and Services coordinator Kathy Signorino informed the board that the Traditional Arts Apprenticeships program received six applications. This year to reduce costs an in-house review was held. Panelists were: Ms. Signorino, Ken Emerick, Joanne Eubanks and Mary Campbell-Zopf as facilitator. Out the six applications, five were recommended for funding totaling \$18,601. Only one of the two new applications received was recommended for funding.

MOTION by Austin Keyser, seconded by Louisa Celebrezze, to accept the Individual Artists: Traditional Arts Apprenticeships grant recommendations. **Motion carries without dissent.**

Project Support Program

Ms. Foley stated that the Project Support program offers flexible funding through two types of project grants—General Project and Creative Economy Project. Because the panel meeting was in mid-May, the OAC staff needed more time to complete the grant descriptions and panel comments. These grant recommendations will be in the fall Council Book and ratified at the September board meeting.

Multiple Applications Report

The Multiple Applications Report lists each organization, its project title, grant request, panel score and actual recommended funding.

GRANT RATIFICATIONS

Ratification Report

Ms. Campbell-Zopf reviewed that the grants referenced in the ratification report were awarded after the prior board meeting and must now be ratified by the council. They fall into three categories: FY2010 Special Organizations, FY2011 Artists with Disabilities Access, and FY2011 Special Organizations.

MOTION by Martha Appel Burton, seconded by Louisa Celebrezze, to approve the Grant Ratification Reports. **Motion carries without dissent.**

Ohio Heritage Fellowship Award

Individual Artist Grants and Service Program Coordinator Kathy Signorino shared that the Ohio Heritage Fellowship Award is given to an individual or group who has had a significant impact on the folk and traditional arts in the state. Seven applications were received and Ms. Signorino noted that in order to reduce costs, the review panel was convened via conference call. The panel recognized two artists this year: Kanniks Kannikeswaren, an Indian composer and performer, and Edwin George, a Native-American painter and storyteller. The awards will be given at the Cityfolk Festival in Dayton, and a second recognition ceremony will take place during the Ohio Heritage Performance at the Ohio State Fair in July.

MOTION by Tom Schorgl, seconded by Louisa Celebrezze, to accept the Ohio Heritage Fellowship Awards. **Motion carries without dissent.**

ITEMS OF GENERAL INTEREST

Mr. Schorgl noted letters that he had sent to the Senate requesting that they consider the arts when developing the state budget. Mr. Rich called attention to other letters written to the Senate by The Westcott House and the OAC, as well as an article about The Quilt Trail written by *The People's Defender*.

PRESENTATION

Assistant Attorney General Greg Patterson stated that in the materials distributed to the board during the last meeting there was a copy of the Executive Order from Governor Kasich imploring all agencies and commissions to adopt up-to-date ethics rules. He added that Ms. Henahan had been forward-thinking when she contacted the Ohio Ethics Commission requesting to look at the regulatory section of the Ohio Administrative Code in order to bring the conflict of interest rules for council members in line with what is required by Ethics Law.

Mr. Patterson referenced two advisory letters that were sent from the Ohio Ethics Commission to the OAC. These letters noted that the Ohio Ethics Law (R.C. 2921.42 and R.C. 2921.43) states that there cannot be any undue connection between public contracts that are awarded and the public officials who award them. Additionally the letters cite Ohio Administrative Code 3379-9-02, which deals specifically with the Ohio Arts Council, in order to help the OAC meet the ethics standards set by the legislature. Ethics Law does not prevent a grant from being awarded to an organization where a council member is affiliated; however, it prohibits a council member from authorizing or taking action to get a grant or funding to organizations to which they are affiliated. It prevents them from having a financial interest in grants or funds and also occupying a position where they will benefit from the grant of those funds. He clarified that members have a fiduciary duty to remain untouched by council award of funds, specifying that fiduciary responsibility means not only having any undue influence, but also appearing not to have any undue influence. Therefore requiring, for example, board members to leave the room when an organizational grant for which they are affiliated is being voted on by council members.

Mr. Patterson continued that Ohio Administrative Code 3379-9-02 says that an Ohio Arts Council member is prohibited from receiving remuneration from a council grant. Furthermore, the Ethics Law prohibits a public official from receiving a definite or direct financial or fiduciary interest in a public contract. He noted that there were two ways to ensure no possible appearance of connection, one being for the council member to resign his/her position and the other being to implement the requirements of Ohio Revised Code 2629.42 (C)(2). Though the code was originally written for elected officials, Ethics Commission Chief Advisory Attorney Jennifer Hardin has suggested new language for use by the Arts Council that would change the OAC ethics rules to make them align with what is stipulated in the code. This revised language in section (E) states that:

- (E) In order to meet one of the requirements (R.C. 2621.42 (C)(2)), the council member would have to show that:
 1. The grant review panel conducts an independent review of all applications using the same level of scrutiny;
 2. The organization meets the eligibility requirements to receive a grant;
 3. The organization's score is above the cutoff point for funding if one has been established by the council;
 4. The organization receives a funding amount based on an objective formula; and
 5. All other applicants whose scores are above the cutoff point also receive funding based on the same formula.

Additionally, sections (F) and (G) state:

- (F) Council members who are employees of organizations, colleges, or universities that receive financial support from the council shall not receive any definite and direct profit, such as a fee, commission, or compensation, from the proceeds of any council grants awarded to the organizations or institutions by which they are employed.
- (G) A council member is prohibited from participating in an activity financially supported by the council, regardless of whether the council member receives a definite and direct benefit from the council funds or his or her participation, unless the council member meets the four-part exception set forth in R.C. 2921.42(C) and fully explained in commission's advisory opinions.

Mr. Patterson clarified that this language is only suggestive and that the council will have to devise its own terminology that will then be brought before the Joint Committee on Rule Regulation in order to have it officially adopted.

Ms. Henahan thanked Mr. Patterson for his presentation and Mr. Schorgl for suggesting that the agency examine and update its current Conflict of Interest Policy.

MOTION by Tom Schorgl, seconded by Martha Appel Burton, to accept the changes in language presented by Assistant Attorney General Greg Patterson. **Motion carries without dissent.**

EXECUTIVE SESSION

MOTION by Sharon Howard, seconded by Louisa Celebrezze, to enter into executive session to discuss specific changes in staffing levels in pursuant with ORC—121.22, division (G)(1). **Motion carries**

Roll call was taken in order to adjourn into executive session: Jeff Rich, yes; Louisa Celebrezze, yes; Karen Bell, yes; Martha Appel Burton, yes; Matt Colopy, yes; Sara Jane DeHoff, yes; Barbara Gould, yes; Sharon Howard, yes; Charlotte Kessler, yes; Austin Keyser, yes; Charles McWeeny, yes; Tom Schorgl, yes; Sara Vance Waddell, yes. Not in attendance were: Barbara Robinson, Minority Leader Armond Budish, Representative Robert Mecklenborg, Senator Gayle Manning and Senator Eric Kearney.

The board went into executive session; OAC Executive Director Julie Henahan and Deputy Director Mary Campbell-Zopf were the only staff to join the board in session.

The board came out of executive session at 3:15 p.m.

NEW BUSINESS

Mr. Rich stated Charles McWeeny had agreed to be the new OAC board secretary.

MOTION by Louisa Celebrezze, seconded by Sara Vance Waddell, to approve Charles McWeeny for the board secretary position. **Motion carries without dissent.**

Ms. Henahan informed the board that the next council meeting would take place on October 12 and 13, 2011 and Ms. Howard wondered if it would be possible to have a one-day meeting then. Ms. Henahan explained that having a one-day meeting is difficult because it does not always allow enough time for all selected committees to meet. She added that the present meeting had originally been scheduled for two-days in order to include more committee meetings. It was asked if the council could have a longer one-day meeting in October, and if members had to be there in person for the meeting to take place. Ms. Henahan replied that members were required to be present, and that she would look at the upcoming meeting to see if it would be possible to sufficiently cover all business in one day.

Meeting was adjourned at 3:30 p.m.


Jeffrey A. Rich
OAC Board Chair


Geraldine Warner
OAC Board Vice-Chair