

**OHIO ARTS COUNCIL  
EXECUTIVE COMMITTEE MEETING  
APRIL 8, 2013**

The meeting was called to order by Committee Chair Jeff Rich at 10:45 a.m. at the Ohio Arts Council office on the 33<sup>rd</sup> floor of the Rhodes State Office Tower in Columbus. The Executive Committee members in attendance were: Ginger Warner, Sara Vance Waddell, Karen Bell, Louisa Celebrezze, Sara Jane DeHoff and Sharon Howard. Also present was Legislative Aide Damien Hardy for Senator Eric Kearney; and Legislative Aide Goran Babic for Senator Gayle Manning. OAC staff members in attendance were: Julie Henahan, Mary Campbell-Zopf, Karine Aswad, Ken Emerick, Dia Foley, Chiquita Mullins Lee and Jim Szekacs.

**OAC Quarterly Budget Reports**

Executive Director Julie Henahan directed the member's attention to the quarterly budget reports. The reports were discussed in detail during the Finance Committee meeting and no questions were raised.

**FY2014-2015 Budget Update**

Ms. Henahan reviewed the FY2014-2015 budget spreadsheet that was distributed to the board. She informed the members that she spoke with Bill Blair, legislative counsel, Ohio Citizens for the Arts (OCA), who said that the substitute House bill will come out tomorrow and that he is confident that it would include an increase for the OAC. Information from the substitute bill will be shared with the board once it is received by the OAC staff.

Committee Chair Jeff Rich reviewed that the Governor recommended an additional \$2 million in the agency's subsidy line through his Executive Budget for a total of \$19,198,408. OCA is advocating for additional funds to increase our budget to approximately \$22 million. He added that he and Ms. Henahan have met with several members of the legislature and they have all been positive meetings. Committee member Karen Bell inquired about the change that has brought more positive outcomes for the agency this budget season compared to the last budget season. Are people understanding the value of culturally rich cities now? Mr. Rich responded that the OAC contributes so much to the citizens of Ohio for very little money. Businesses and individuals do not want to move to culturally poor cities. He added that Ohio's economy has also been improving. Through the efforts of the OAC and OCA members, we have worked to educate our legislature and Governor about the importance of the arts and the great impact the OAC and the arts have for a modest investment of state funds.

Committee member Ginger Warner acknowledged the work of many individuals who have been involved in calling the Governor's Office and legislators. She thanked Ms. Henahan, Mr. Rich and OCA for their efforts and for meeting with the legislative members. Personal contacts do make a difference. Ms. Warner also thanked Governor John Kasich for his support during last year's biennial budget and for taking the lead with an increase in this year's budget.

**Rock & Roll Hall of Fame Audit Update**

Ms. Henahan reported that at the January 2013 board meeting the council had an extensive discussion as whether or not the Rock and Roll Hall of Fame (RRHF) would be applying to the Sustainability (over \$1.5 million) program. There was concern that if the RRHF's operating income budget was over \$25 million it would impact the amount of funding allocated to the

current “big four” organizations—Playhouse Square, the Cleveland Museum of Art, the Musical Arts Association (Cleveland Orchestra) and the Cincinnati Symphony.

The board requested that staff obtain a copy of RRHF’s audit to determine whether or not their operating income is \$25 million or more. After the January meeting, staff reviewed RRHF’s most recently completed audit (year ended December 31, 2011). Ms. Henahan examined the audit carefully and found that RRHF’s annual operating income is well below \$25 million. Based on the information in the audit, RRHF’s total unrestricted operating income is \$16,052,431. After deducting ineligible items (in-kind donations and services of \$311,474 and OAC grant funds of \$2,234), their operating income eligible for the grant formula calculation is \$15,738,723. It is still possible that additional ineligible items will be identified thus reducing the operating income figure once cross-referencing is complete.

Mr. Rich thanked Ms. Henahan for her update and providing the members with the detailed information they requested.

Ms. Henahan added that there was a question about the percentage of funding allocated to the “big four” organizations in the Sustainability (over \$1.5 million) program. Since FY2000 that averaged 36 percent. The highest it’s been is 39 percent and lowest is 34 percent. Committee member Sara Jane DeHoff responded that it is difficult for her to understand why four organizations receive the majority of the agency’s subsidy budget, especially when two are from Cleveland and receive the cigarette-tax money. Many arts organizations are reducing staffing levels and are not being rewarded for being fiscally responsible, while other organizations carry deficits and still receive the majority of the agency’s funding. Committee member Sara Vance Waddell agreed stating that some organizations get so much and others don’t get enough. Some get money from private donors and still receive more OAC funding than other organizations around the state. Ms. DeHoff stated that we are all supporters of the arts and as a board we should represent the entire state. Ms. Warner stated that all of the arts organizations are trimming and struggling. If the top arts institutions in our state are not strong then the rest of the organizations won’t be strong either. That was the philosophy behind the current funding for the “big four” organizations in the Sustainability (over \$1.5 million) program. Ms. Henahan agreed that that philosophy was a part of the decision to give extra support to the top four organizations but also because those organizations’ budgets were so much larger than others in the program. Ms. Henahan added that the OAC has not held a policy discussion about the Sustainability program for several years. During the January 2013 board meeting, the OAC board briefly discussed the program’s income eligibility level and whether it is still appropriate. This item can be added to any future board meeting agenda.

Mr. Rich stated that this is a significant issue and one that should be discussed during the agency’s January board meetings. He added that there are several other issues that can be discussed during those meetings. As Ms. DeHoff indicated, it would be good to review how the individual funding mechanisms adopted in Cuyahoga County and other donations made to organizations around the state have significantly enhanced the ability of those institutions in their areas.

Ms. Warner stated that it is her understanding that the cigarette tax is going to be reopened. Mr. Rich confirmed that, yes, the cigarette tax language was drafted for 10 years and limited to Cuyahoga County. Ms. DeHoff informed the members that she has spoken with Senator Randy Gardner about the feasibility of a new legislative change to allow other counties to participate in

the cigarette tax. Ms. Warner stated that there has been some discussion about this in the legislature as many of the members see a need for other counties to receive this type of fiscal assistance.

### **Public Retirement System Update**

Ms. Henahan informed the members that this winter, OAC management received notification by the Ohio Public Employee Retirement System (OPERS) that there is a new change that has been made to the Ohio Revised Code that is potentially going to impact the OAC as well as every other state agency in the future. The change will create a window for individuals who acted as independent contractors for any state agency in the past to claim membership in OPERS. The concern is that in some cases these contractors were mistakenly classified as contractors when they were entitled to membership in OPERS. This window of opportunity runs through January 2014 to submit a request to OPERS for acceptance into their system for the period of time they were contracted employees. The OAC has had many independent contractors in the past and it is our responsibility to notify those individuals about this opportunity. Once these individuals submit their applications to OPERS, the pension plan board and staff will review and make a determination if the individuals are eligible. Ms. Henahan added that it is her understanding that OPERS is being inundated with requests.

Ms. DeHoff stated that she doesn't understand why OPERS, when they are short of funds, would expand this. Ms. Campbell-Zopf responded that this was a legislative act and that each agency will be responsible for paying those costs.

Ms. Henahan added that there is an appeals process if an individual is denied. Many existing and former OAC staff members started their careers as contractors with the agency. The bar is high for OPERS to approve eligibility. Ms. Henahan expressed concern that if they determine that someone should have been an OPERS member at the time when they were under contract, the OAC or any state agency that is affected will be required to pay into OPERS the share that is owed to that employee. Ms. Henahan added that this could impact the agency significantly and she is not sure if there are plans in the legislature to accommodate those expenses for all agencies.

Ms. Warner inquired how those expenses might affect the agency's subsidy funds. Ms. Campbell-Zopf responded that any expenses will need to come out of our administrative line. Ms. Henahan added that it is her hope that there is some movement in the legislature to help agencies support the unexpected costs.

### **Poetry Out Loud Report**

Chiquita Mullins Lee, Arts Learning program coordinator informed the committee that the *Poetry Out Loud (POL)* National Recitation Contest is in full swing in high schools across the United States. Fifty-six schools registered to participate and 39 schools competed in the state finals. The *POL* teacher training workshop took place Thursday, October 18, and the Student Workshop for School Champions took place Saturday, February 22, 2013, at the State Library of Ohio. OAC board member Sharon Howard emceed the event. Taribo Osuobeni, a senior at Westerville Central High School in Westerville, won the competition *POL* national finals in Washington, D.C., from April 28-30, 2013. The first runner-up Amelia Brownstein, a senior from Columbus Bexley High School and second runner-up, Stewart Silver, a junior from Upper Arlington High School.

Ms. DeHoff informed the members that Caroline Kennedy is releasing a book of poetry soon that will bring a lot of attention and awareness to the importance of that art form. Ms. Warner interjected that this is very important program and inquired if there are other ways that we can promote this event. The OAC held a reception for Ohio's first state and national champion, Jackson Hille of Columbus Alternative, at the Ohio Statehouse where he had the opportunity to recite a poem for some of the legislative members. It would be amazing if our legislative members could hear this year's winner perform one of his poems on the House or Senate floor. Ms. Warner suggested we propose this to Senate President Keith Faber and Speaker of the House Bill Batchelder. Senator Gayle Manning's legislative aide, Goran Babic, stated that he will propose this to Senator Kevin Bacon and the House of Representatives to get him in front of both chambers. Mr. Osuobeni currently resides in Senator Bacon's district. Ms. Warner responded that this will make the legislators so proud of the young people in our state.

Committee member Sharon Howard stated that Mr. Osuobeni came to the United States with his family from Nigeria and they were all there to support him during the event and in tears when he won. She added that she was impressed that two of the six finalists for the state finals were men.

Mr. Rich suggested that the staff invite Mr. Osuobeni to the June board meeting for a performance as we do with each champion every year.

Ms. Warner expressed that the National Endowment for the Arts is working to make *POL* as important and significant as the National Spelling Bee. The national *POL* champion receives a \$20,000 scholarship.

Ms. Mullins Lee informed the committee that she, *POL* Program Coordinator Pat Shannon, and poet and *POL* judge Rose Smith are providing four, one-hour, coaching sessions to prepare Mr. Osuobeni for the nationals.

#### **Agency Communications Report**

Elizabeth Weinstein, Public Information Office (PIO) director, reported that there has been great interest and publicity for this year's *POL* state championship. She then highlighted the following OAC communication activities that have occurred since the last OAC board meeting in September:

- ***2013 Governor's Awards for the Arts in Ohio***

The 2013 awards luncheon will take place on Wednesday, May 15, at the Columbus Athenaeum. Planning for this event is a yearlong process. Winner tribute videos were filmed from January through March and PIO is currently writing scripts for the videos and gathering additional images and footage from various sources to flesh out the final videos.

On January 15, 2013, event program ad sales opened. As of March 19, 2013, 28 total ads had been reserved. Last year, the OAC sold 29 ads. On January 15, 2013, registration opened for the luncheon. It is scheduled to close on Monday, April 15 but that deadline might be extended. As of March 14, 2013, 388 individuals had registered for the event.

Eight media sponsors have signed on for the 2013 event.

- ***Strategic Communications***

- Legislative Communication: Ms. Weinstein reported that she distributes district-specific arts industry statistics to the legislature and, after every board meeting, sends

grant award announcements to members of the House and Senate informing them of grants made in their districts.

- **Online Communications**

- Press Releases/Newsletters: All of the agency's press releases, *ArtsOhio* e-newsletters.
- Social Media: The OAC continues to ramp up its social media efforts. Our Facebook page has become quite popular. The current (March 13) 4,857 fans represent a nearly 22 percent increase in the number of fans since February 2012. In February 2013, Joshua McKee, a senior at Capital University, came on board as OAC Social Media Intern under the supervision of Ms. Weinstein. He is working to increase the OAC's social media presence even more and live-tweeted from the *Poetry Out Loud* State Finals at Ohio Dominican University on March 16. She added that PIO will have a new social media intern, a junior from the University of Missouri working with us this summer.

Ms. Warner asked how the OAC obtains its interns. Ms. Weinstein responded that the OAC puts a call for interns on various websites. Ms. Warner stated that it is a shame that the OAC is bringing on an intern from the University of Missouri as opposed to someone from an Ohio university. This is a great opportunity for students and we have many fine arts schools in our state and suggested pulling interns from the state of Ohio. She added that we need to be careful as some legislators who have been members of the OAC boards have questioned the work that we do out of state.

Ms. Bell inquired if the new intern is from Ohio. Ms. Weinstein responded, yes, her family is from Columbus and she is in Missouri for school.

Ms. Howard asked the staff for a list of the ads that have been purchased for the 2013 Governor's Awards for the Arts. Ms. Warner inquired about the cost for an ad in the program. Ms. Weinstein reported that the prices vary depending on the ad size. Ms. Warner recommended that we design a congratulatory ad to promote the *POL* winner.

### **Agency Priority Work**

Committee members reviewed the listing of agency priority work from April through June 2013 that was included in the Council Book. Ms. Henahan highlighted a few major projects in each department.

Ms. Warner congratulated Ms. Henahan and Ken Emerick, director of Individual Artist Grants and Services, for their work on the Holocaust Memorial Artist Selection Committee. The process has been controversial at times and the OAC has a proven process for their Percent for Art program they were able to adapt it the Holocaust Memorial process. Their work and the work of the agency has moved the selection process along with no delays. Ms. Henahan informed the members that the three semi-finalists are: Ann Hamilton, Jaume Plensa and Daniel Libeskind.

Ms. DeHoff inquired if the OAC plans on hosting its next board meeting in Toledo, a recommendation she made during a previous meeting. Ms. Henahan stated that if the board would like to have an out-of-town meeting, staff will need to know to begin preparing for that. Mr. Rich expressed that he enjoys the off-site meetings. Ms. Warner suggested we go to a venue we haven't been to, maybe Dayton. She also suggested that we do the same thing we do for an

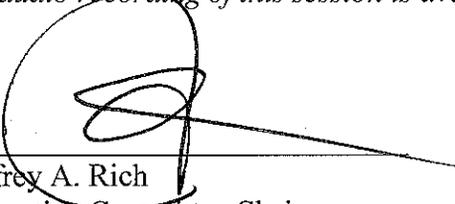
out-of-state meeting here in Columbus and meet at a different location in Columbus, i.e., Columbus Museum of Art.

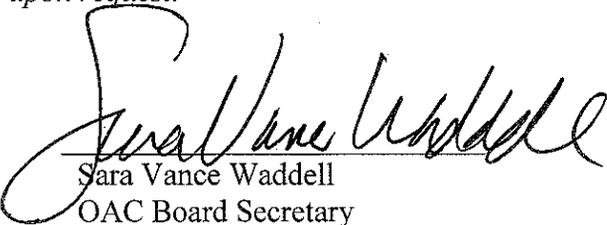
Ms. Warner inquired if Dr. Craig Dreezen of Dreezen and Associates who works with the OAC on several evaluation projects is a contractor who can attempt to get pension. Ms. Campbell-Zopf stated that he is not paid through the OAC. Ms. Henahan added that due to this new law, there is a new form that contractors have to sign that states that they are not eligible to seek OPERS membership. She added that these periodic contracts we do with people who specialize in a certain area are different from the situations that are going before OPERS. Those individuals were contracted to do work that might have been considered actual agency work. For example someone who is hired to do the work of an administrative assistant position and is treated like an employee can request membership to OPERS. The question for OPERS is, was this individual treated like a full-time employee with all the rights and responsibilities of a full-time employee or where they truly an independent contractor.

Mr. Rich stated that he would like the Executive Committee to develop an agency Workforce Plan at their June meeting. There are several employees who are retirement eligible and we need to map out a succession plan. He added that he has worked with several agencies on succession planning and will be forwarding this information to the OAC staff to put together a plan to recommend to the Executive Committee for approval in June. It is important to think about these issues, identify process and potential candidates and start thinking about the future. Most companies have succession plans. Ms. Campbell-Zopf reported that some of this information is already in the agency's current Workforce Plan, as required by the Department of Administrative Services.

The meeting adjourned at 11:55 a.m.

*An audio recording of this session is available upon request.*

  
Jeffrey A. Rich  
Executive Committee Chair

  
Sara Vance Waddell  
OAC Board Secretary