

**OHIO ARTS COUNCIL  
FINANCE COMMITTEE MEETING  
April 3, 2014**

The meeting was called to order by board Chair Jeff Rich at 9:30 a.m. in the offices of the Ohio Arts Council in Columbus. Committee members in attendance: Jeff Rich, acting chair; Juan Cespedes; Jane Foulk; and Monica Kridler. Absent: committee Chair Ginger Warner. Staff attending: Julie Henahan, Mary Campbell-Zopf, Missy Ricksecker, Dia Foley, Carla Oesterle and Elizabeth Weinstein. Also in attendance: Donna Collins, executive director of Ohio Citizens for the Arts.

Acting committee Chair Jeff Rich welcomed everyone to the Finance Committee meeting, explaining that he was acting as chair for the meeting because Committee Chair Ginger Warner was not able to attend.

**OBM Study Group Update**

Deputy Director Mary Campbell-Zopf reminded committee members that a major thrust of the agency's 2013 Work Force Plan is professional development of staff so that they are prepared for a smooth leadership transition. She added that of particular concern regarding the transition is that the Office of Budget and Management (OBM) biennial budget proposal and the National Endowment for the Arts (NEA) triennial partnership grant proposal are due this fall within two weeks of each other.

In late January, the executive office began planning in earnest for both the NEA and OBM study groups. With the agency's "grant season" in full swing, the senior managers decided to stagger the work of those two study groups. The NEA study group started its work first, since that proposal will demand the most new writing, which in turn will help in preparing the OBM proposal. The NEA study group's activities span from early March through July 1. The OBM study group will begin its work in mid-May and run through the summer or until the proposal's due date, which will not be announced until the end of June or in early July.

She continued that while many staff members have been involved, to some degree, in developing prior OBM budget proposals, management wanted to draw more staff into the process and expand their knowledge about the budget proposal process from start to finish—from understanding the budget guidance; to researching, drafting, editing each of the proposal's 13 sections; and related budget tables. To jump start this process, shortly after the January 2014 board meeting, OAC Executive Director Julie Henahan reviewed the OBM budget tutorial and facilitated a group discussion with the entire staff. Additionally, staff discussed how the OBM study group would go about its work. After the staff tutorial and initial training of the entire OBM study group, this larger group was divided into smaller working teams with responsibilities for researching and drafting the 13 sections of the narrative proposal and preparing the budget tables (which will be completed by the OAC Fiscal Assistant Carla Oesterle later in the summer).

Ms. Campbell-Zopf stated that she would serve as the study group leader until her retirement, and then Dia Foley, the grants office director, will step in. Ms. Foley has contributed a considerable amount to the OBM proposal past, as well as the agency's fiscal officer Carla

Oesterle. Since most of our money goes out in grants, Ms. Foley is the logical person to oversee this process.

She then directed their attention to the chart in their materials that outlined staff involvement and a rough timeline of the study group's activity. She described the activities of the smaller working groups, sharing that the work will be executed according to individual staff workloads and the relative ease with which various sections can be produced. The first sections will be the stand-alone sections for the Riffe Gallery and Percent for Art programs. After that, work will focus on the grant programs described in Activity A of the proposal. The first part of that section describes the goals and objectives of our plan, and then describes the agency's grant programs. Those programs are also described in the NEA grant proposal, so the text from the pertinent sections of that proposal can be merged into the text of the OBM budget proposal.

She continued that work on the OBM proposal will begin in May, in anticipation of the release of the 2016-2017 Budget Guidance from OBM in late June or early July. Once the new budget guidelines are available, then staff can review any existing draft work to ensure that it aligns with the newly released guidance. Staff will continue their work through the summer for a fall due date, which might be either in September or November. The actual due date will not be known until the new budget guidance is released.

Jeff Rich asked when the agency received the guidelines for the last budget proposal. Ms. Henahan responded that the guidelines had been sent out on June 28 of that year, but had come as late as mid-July in other years. Ms. Campbell-Zopf added that the NEA grant proposal will be mostly completed by the end of May; staff will then be able to focus on the OBM budget proposal, and a significant part of that work will be done by the time the OBM guidelines are received. At that time there will be a quick analysis based on what's new and what the emphasis is on in this iteration of the state budget.

Ms. Foulk asked how much time staff would have to make changes if the OBM guidelines were significantly different. Ms. Henahan responded that the OBM proposal is usually due in mid-September, however in certain years, such as in the election year of 2010, it has been extended to a later date. She noted that there is no way to know if that will happen this year.

Mr. Rich asked if the staff knew the status of the tax revenues currently coming into the state. Ms. Henahan replied that based on the information she has been following, the state is in pretty good shape. Mr. Rich asked if, as in past years, the agency would be asked to submit a budget that is ten percent less than the last budget. Ms. Henahan responded that that detail was not known, but that this had been the practice in past budget cycles. Ms. Campbell-Zopf added that Director Keen had commented that one reason for the 90-percent budget proposal was to present agencies with an exercise that will help them focus on their priorities and make the case for those programs and activities.

#### **FY2014-2015 Budget Update and OAC Quarterly Budget Reports**

Ms. Henahan directed the committee's attention to the budget update with the proposed allocations by program of state funding for FY2015. She stated that there were no proposed changes in the budget because the agency receives flat funding from FY2014-FY2015, but noted that the committee could make a recommendation to the board that the allocations could be changed within the program lines as long as the budget added up to \$9,700,000.

Mr. Rich asked the committee members if they had any suggestions for changes in the allocations. Ms. Kridler responded that if these were the staff's recommendations, she didn't see a need to make any changes.

Ms. Foulk asked if there was anything that the staff would like to see moved around within the budget. Ms. Henahan replied that she would not change anything in the allocations from the state funding, but that staff was waiting to hear what the federal grant would be for the coming year. She added that the NEA would give the agency an unofficial heads up within the next few weeks about what the projected amounts in each NEA category will be for the agency. Once the agency knows what the federal funding will be, staff will make a proposal to redirect some of the money from the state arts plan into some of the other programs, such as the Building Cultural Diversity, Artists with Disabilities Access Program, and Project Support programs. She added that there had been an increase in applications for Project Support funding category, and some money might be well-directed into that program.

Mr. Rich directed the committee's attention to the quarterly budget reports. He expressed his appreciation that staff provides such detailed budget reports so the finance committee can thoroughly understand the agency's expenditures. Ms. Henahan stated that the third quarter report will be ready for the board's June meeting, and the fourth quarter report will be presented at the fall board meeting.

Meeting was adjourned at 9:50 a.m.

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



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Geraldine Warner  
Finance Committee Chair



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Jane Foulk  
OAC Board Secretary

