

**OHIO ARTS COUNCIL
EXECUTIVE COMMITTEE MEETING
JUNE 19, 2013**

The meeting was called to order by Committee Chair Jeff Rich at 10:00 a.m. in the Tiger Gallery at the Dayton Art Institute in Dayton. The Executive Committee members in attendance were: Sara Vance Waddell, Karen Bell, Sara Jane DeHoff and Sharon Howard. Absent members: Louisa Celebrezze and Ginger Warner. Also present was OAC board member Monica Kridler; and Donna Collins, executive director, Ohio Citizens for the Arts. OAC staff members in attendance were: Julie Henahan, Mary Campbell-Zopf, Karine Aswad, Dia Foley, Dan Katona, Chiquita Mullins Lee and Elizabeth Weinstein.

OAC Quarterly Budget Reports & FY2014-2015 Budget Update

Committee Chair Jeff Rich directed the member's attention to the OAC quarterly budget report and FY2014/2015 budget spreadsheet. All documents were discussed in great detail during the Finance Committee meeting. Mr. Rich asked for questions and there was no further discussion.

Poetry Out Loud Report

Chiquita Mullins Lee, Arts Learning program coordinator, informed the committee that after the state finals were completed, the OAC provided four one-hour coaching sessions with the state champion Taribo Osuobeni, a senior from Westerville Central High School. Osuobeni worked with *Poetry Out Loud (POL)* judge and Ohio performance poet, Rose Smith, with assistance from Ohio *POL* coordinator Patricia Shannon and Ms. Lee. During coaching, Osuobeni worked hard to further polish his recitations while receiving consistent feedback and encouragement.

Ms. Lee stated that the *POL* National Finals were held April 28-30, 2013, in Washington, D.C. Osuobeni recited three poems at the national poetry recitation competition sponsored by the National Endowment for the Arts and the Poetry Foundation. The program is funded locally by the OAC, with support from the Ohioana Library Association and the Thurber House. Osuobeni placed fourth among a group of 18 semifinalists – an honor that won him \$1,000 and his school library \$500 for poetry books. Osuobeni, however, did not advance to the finals. Deputy Director Mary Campbell-Zopf added that if the rules had not changed a couple years ago, Osuobeni would have advanced to the finals. Ms. Lee informed the members that in the past, the top four students from each region advanced to the finals but in an effort to save time, the rules changed and now only the top three from each region advance.

Ms. Lee reported that Langston Ward, a senior at Mead High School in Spokane, Washington, won the title of 2013 *Poetry Out Loud* National Champion.

Ms. Campbell-Zopf shared that Ms. Lee and Ms. Shannon have worked with Nancy Pistone, fine arts consultant at the Ohio Department of Education (ODE), to prepare a four-panel, color promotion piece that is displayed in the ODE State Board of Education conference room. This is a great move to ensure that *POL* is further promoted to our state's education community.

Mr. Rich asked how many students participated in this year's event, statewide. Ms. Lee responded that more than 12,000 students participated; 45 schools registered and 39 competed in the program. Ms. Lee added that more than 45 schools received the NEA teacher toolkits. The toolkits are typically mailed to the teachers in September of each year.

Ms. DeHoff asked that a list of participating schools be sent to the OAC board members so they can promote the event to other schools in their regions.

Mr. Rich introduced OAC's newest board member, Robert Hankins who gave a brief summary of his background and experience.

Agency Communications Report

Elizabeth Weinstein, Public Information Office (PIO) director, highlighted the following OAC communication activities that have occurred since the last OAC board meeting in April:

2013 Governor's Awards for the Arts in Ohio

The 2013 awards luncheon took place on May 15. More than 800 guests attended the sold-out luncheon, which honored eight award winners. She thanked the board members who attended and helped to match last year's program ad sales. This year, the OAC partnered with eight media sponsors to receive more than \$120,000 in in-kind advertising space via print, Web, radio and television spots. Additionally, Ohio Government Telecommunications (the Ohio Channel) filmed interviews with the award winners gratis.

Online Communications

- **Social Media:** The agency's Facebook and Twitter pages are updated with at least one new post every business day. Our Facebook page has become quite popular. The current 4,926 fans represent an increase 790 fans since May 2012. There will be a marketing push once we reach 5,000 fans. Committee member Sara Vance Waddell asked that the staff send that information to the board members, specifically the ones on Facebook, to help with that effort.
- **ArtsinOhio.com:** Following the redesign of ArtsinOhio.com, which launched in March 2012, Ms. Weinstein has worked with each of the ArtsinOhio.com partners (Positively Cleveland, Experience Columbus, Cincinnati USA Regional Tourism Network) to keep the site up-to-date and send out monthly event e-newsletters. In February, Toledo came on board as an additional ArtsinOhio.com partner and their information was added to the website. Ms. Weinstein added that the Canton Stark County CBV is interested in partnering with us also.

Media Relations

- **Press Releases:** On average, the OAC distributes three to four press releases per month to more than 300 reporters and editors at daily and weekly newspapers, magazines, and television and radio stations across Ohio.
- **Media Coverage:** Obtaining media coverage for the OAC is an ongoing focus of the agency's executive leadership and PIO. The *Cleveland Plain Dealer* recently featured OAC Board Chair Jeff Rich's letter to the editor.

Publications

- **Travel Supplement:** PIO is working with the ArtsinOhio.com partners and *Ohio Magazine* to produce the annual fall travel supplement distributed to more than 100,000 *Ohio Magazine* readers. PIO and the AIO.com partners gather content for the supplement during the summer months and edit the section once it is compiled.
- **Festival Directory:** Work on the 2014 Ohio Arts Festivals & Competitions Directory will begin soon.

Staff Changes

Ms. Weinstein informed the members that on May 17, 2013, Kaitlin Armocida resigned as PIO intern/contractor after more than 2.5 years of service to the OAC. Ms. Armocida is returning to school to complete a degree in anthropology at The Ohio State University. Malika Bryant, who has worked at the OAC as a PIO intern for just over a year, took over Ms. Armocida's duties on May 21, 2013. Bryant graduated from Ohio Wesleyan University in 2011 with a journalism degree. We look forward to having her take on more PIO responsibilities at the OAC.

Mr. Rich stated that the agency's efforts to communicate the value of the arts have been successful. The budget increase that we have received from the Governor and the House of Representatives is a reflection of that success. He added that he is pleased to have Ms. Weinstein working at the OAC. This was her first year planning the Governor's Awards for the Arts and Arts Day Luncheon, which is a major endeavor for our small staff and the Ohio Citizens for the Arts, and we put on a great show again this year. He encouraged the committee members to contact the OAC staff if they see or hear of the wonderful things an OAC grantee is doing in their communities so we can promote it.

Online Grant System Research

Dan Katona, research and program development director, reported that over the past six months, the OAC staff has made steady progress in refining their preliminary research for the agency's move to a new online grants system. Staff activities have included: 1) analysis of security and risk assessment information, 2) review of state procurement requirements, 3) development of scenario scripts for a live demonstration, and 4) formulation of legal and contract questions for the Attorney General's (AG) Office.

Rationale for New Online System

Support for the agency's OnLine Grant Application (OLGA) system, launched in 2005, is being discontinued by the regional arts organization that manages it, the Western States Arts Federation (WESTAF). The *Smart Simple* system, which operates in a cloud environment, would be a substantial upgrade on the OLGA system, resulting in a vastly improved applicant and reviewer experience, more robust reporting and tracking capabilities, improved security and audit tracking, and more streamlined budgeting and financial processes.

1) Security and Risk Assessment

Mr. Katona reported that working with experts at the Department of Administrative Services' Office of Information Technology (OIT) including David Brown, state chief information security officer and Eric Glenn, information management system acquisition analyst supervisor and Curtis Brooks, IT procurement services supervisor, the agency reviewed its preliminary research and discussed security and procurement requirements. State law requires that all new online systems comply with state security policies and standards. The first step in this security assessment process is for a state security architect to conduct an interview with the vendor under consideration to ensure that their system fulfills all security measures defined in Ohio law. While the *Smart Simple* system met or exceeded the state's security standards thus allowing for the procurement process to move forward, Mr. Brown did identify, through his assessment report, the pros and cons of cloud computing.

Mr. Katona added that cloud computing is gaining in popularity because of its lower costs and greater accessibility from remote sites. Private clouds have the highest level of security and thus a higher price tag than public or community clouds. The agency's online system will exist in a

community cloud as Mr. Brown believed that this would be a somewhat lower risk for us since our grants management system does not store any sensitive and/or confidential information. He also felt that there were strong security measures in place that would protect users' information, such as strong password protocols, detailed audit tracking when data is accessed, etc. but he did advise us that *Smart Simple* must be vigilant in keeping the environment well-patched to prevent security problems.

Mr. Brown further emphasized the importance of ensuring that the *Smart Simple* system meets Governor Kasich's Executive Order 2011-12K (Governing the Expenditure of Public Funds for Offshore Services) which is addressed under legal and contract questions for the Attorney General's Office.

2) Procurement Requirements

Given the relatively low cost of the new system and the amount of research conducted by the OAC staff, OIT Digital Government Administrator Mark Smith and Acquisition Analyst Supervisor Eric Glenn, felt there was no need to enact a Request for Proposal or a Request for Quote process for this purchase. OIT staff advised the agency to simply invoke the agency's direct spending authority at the time a vendor was selected.

3) Scenario-based Live Demo

Additionally, Mr. Glenn advised that we should conduct scenario-based live demos for our staff, and he provided a number of examples for us to consider as we drafted our live-demo script. OAC staff members worked together to develop function-based scenarios that would allow everyone to see how the system worked and to make an assessment from their point of view on its efficiency and overall effectiveness. The *Smart Simple* representatives did an excellent job responding to staff questions and they thanked us for taking the time to think through our needs, which ultimately will help them as they design the new grants-management system.

4) Legal and Contract Questions for the Attorney General's Office (AG)

Mr. Katona added that as the research phase draws to an end, the OAC staff formulated a number of legal questions for the AG's office related to the selection and purchase of the online system, including compliance with Executive Order 2011-12K, jurisdiction over data stored in the "cloud" and ownership rights of data stored in the cloud.

Discussion of the Governor's Executive Order began during our early discussions with OIT. At that time, we verified that *Smart Simple* had a business entity incorporated in the U.S. with which we could transact business, had a U.S.-based office, and offered domestic data storage.

Next Steps

As we work out the contract details, OAC staff is preparing to submit process-flow documentation to *Smart Simple* describing the current grant-making sequence, programs and other requirements, which will be used to develop a formal statement of work (SOW). Using the SOW, we will further refine the contract and submit it for final review to the AG's Office.

Once we have their approval and the contract is signed, it is our intention to begin building the new system, which needs to be completed by the end of 2013.

Committee member Sara Vance Waddell inquired why the OAC didn't transition to WESTAF's new GO System while other state arts agencies did and whether it was because of complaints

heard from those agencies. Mr. Katona responded that the OAC did consider transitioning to the new GO System but held back in order to learn from the experience of other organizations. The feedback we have received has been mixed. Some of the concerns that were expressed about the first online grant system were also expressed about the new GO System. There were concerns about customer service responsiveness, the ease of changing things within the applications, etc. Ms. Waddell asked if the staff found it odd that WESTAF didn't address these issues to be more competitive with the organizations such as *Smart Simple*. Mr. Katona stated that it might be hard for WESTAF, a nonprofit arts organization, to compete with major tech firms whose major business is online applications. When WESTAF built the grants online system we currently use, they built it from the ground up and it was unique but that is not the case anymore. Ms. Henahan added that recent conversations with colleagues from across the country who are using the GO System have indicated that it's still a problematic system.

Mr. Katona informed the members that we will be importing data from the GO System into the *Smart Simple* application we will be using. Ms. Henahan added that there will be overlap between both systems to assure that all the data migration is successful before we terminate our agreement with WESTAF.

Board member Robert Hankins inquired whether the OAC will be the only state agency using *Smart Simple*. Mr. Katona responded that yes, the OAC will be the only state arts agency using that system. He added that *Smart Simple* is growing and there might be other arts agencies interested in using their system once we are on board. Board member Sara Jane DeHoff added that the OAC has a reputation of being a leader in its field and this is another example.

Mr. Rich asked staff to present a tutorial of the new system to the OAC board once the new system is ready, possibly at the January 2014 board meeting. He thanked the staff for their work on this project as the board felt like getting a new, user-friendly, system is a priority.

Agency Priority Work

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

Wexner Center for the Arts Request

Ms. Henahan reported that after a request from the Wexner Center for the Arts she and Mary Campbell-Zopf met with Sherri Geldin, Wexner Center executive director, and Jack Jackson, Wexner Center deputy director, in late May. The Wexner Center is requesting that the OAC board reconsider their request to move their organization into the Sustainability (over \$1.5 million) grant category. Their argument is that "their stature, accomplishments as a leading arts organization regionally, nationally and internationally merit such a change." Ms. Henahan informed the members that there are two policies in the current *OAC Guidelines* that preclude the Wexner Center from receiving Sustainability (over \$1.5) grant funds: 1) Page 19 of *OAC Guidelines*, Funding Restriction -- "The OAC cannot fund the following activities, organizations and expenditures: Applications for operating support from arts organizations that are receiving support from the legislature through a line item in the state's operating budget during the same fiscal year in which legislative support is available"; and 2) Page 24 of *OAC Guidelines*, Funding Restrictions for Sustainability (over \$1.5 million) -- "Regardless of budget size, the following types of organizations are not eligible for the Sustainability (over \$1.5 million) -- Organizations whose primary mission is the awarding of academic credit, such as colleges, universities and

other degree-granting institutions (including departments, divisions, centers and other sub entities of institutions of higher education.)"

Ms. Henahan reviewed that the Wexner Center approached the OAC about this issue in 2007 and again in 2008 and after thoughtful deliberation, the OAC board voted not to change the OAC policies. At the time, the board was concerned about the agency's declining budget and the impact an addition to the funding pool would have on the other organizations that receive funding in this program. Ms. Henahan added that, in 2007, the Wexner Center also requested that the Greater Columbus Arts Council (GCAC) reconsider their operating support policy, which also prohibited the Wexner Center from receiving operating support from them. The GCAC board did vote to change their policy and has been awarding operating support grants to the Wexner Center since.

Ms. Henahan provided the members with a cover letter from Ms. Geldin as well as several Wexner Center financial documents, and letters of support from GCAC and the Wexner's legislators.

Ms. DeHoff stated that GCAC providing the Wexner Center with operating support and the OAC doing the same are not comparable. The Wexner Center brings business to Columbus. She inquired whether an agency or organization that receives over \$4 million through the Ohio legislature should be allowed to come in for funding through the OAC, in essence double dipping. She stated that Ohio taxpayer money already supports the Wexner Center and they should not be able to receive funding from the OAC unless they drop other state funding. None of the other organizations receiving OAC funding also receive direct funding from the legislature.

Ms. Henahan stated that this is the heart of the issue. This question arose immediately: what is the source of all of the other publicly funded grants that go to departments within other universities around the state? There is a concern about whether this would open the door to a flood of different performing/visual arts organizations at a university coming into Sustainability (over \$1.5 million) program. Ms. Henahan stated that the staff conducted research and revealed that the performing art series at Clark State Community College had a budget of nearly \$1.3 million and was the program with the closest figure to the minimum eligibility level. The question is should an organization be able to receive Sustainability (over \$1.5 million) funding from the OAC if they already receive state funding from the legislature.

Committee member Karen Bell stated that philosophically the OAC already does that. We already are giving the Wexner Center and other organizations funding through other grant programs even though they receive state funding from the legislature. Ms. DeHoff stated that it is her belief that those organizations receive project support grants from the OAC and not Sustainability as they are already receiving sustainability (or operating funds) from the legislature. Ms. Bell stated that if we are talking about philosophy and they already receive Sustainability (under \$1.5 million) then we need to be careful. Ms. DeHoff expressed that state university departments should never have been permitted to come into the Sustainability (under \$1.5 million) and should have only been able to apply for Project Support.

Committee member Sharon Howard expressed concern that the state is already funding the Wexner Center. Also, she stated that she is taken aback by the part of their reasoning for entry into the Sustainability (over \$1.5 million) programs, which states that "their stature,

accomplishments as a leading arts organization regionally, nationally and internationally merit such a change," which sounds elitist. Ms. DeHoff agreed.

Mr. Rich restated that the two issues that would need to be addressed if the Wexner were to be permitted into the Sustainability (over \$1.5 million) category are: 1) Change *OAC Guidelines*, funding restriction which stated that "the OAC cannot fund the following activities, organizations and expenditures: Applications for operating support from arts organizations that are receiving support from the legislature through a line item in the state's operating budget during the same fiscal year in which legislative support is available"; and 2) the funding restrictions for Sustainability (over \$1.5 million), which states that "Regardless of budget size, the following types of organizations are not eligible for the Sustainability (over \$1.5 million) -- Organizations whose primary mission is the awarding of academic credit, such as colleges, universities and other degree-granting institutions (including departments, divisions, centers and other sub entities of institutions of higher education.)" Mr. Rich asked Ms. Henahan to provide the board the best argument for and against approving the Wexner Center's request.

Ms. Henahan stated that the best reason for the change is having institutions that have strong standing in their community who are supporting the OAC every year, in terms of their relationships with their legislators. She added that the downside is that changing the policy, specifically the general funding restriction about the line item funding, has ramifications for the other programs that we conduct. Those other issues need to be carefully thought out. Given the date that this request was sent to the OAC, staff has not had a chance to carefully look into the sources of funding that support the other programs. Ms. Henahan informed the members that OAC Vice-Chair Ginger Warner asked Ms. Henahan, via email, to look at the income for the other state entities that are getting funding on this list and see what portion of their operating budgets is state money. Ms. Henahan stated that it would be difficult for the Wexner Center to trace all of the funds that they receive from the university's general fund and where they came from. GCAC subtracts all of the Wexner Center's funds that are received from the university before they calculate the amount in their formula. The calculation is based solely on their revenue, corporate/foundation support and their earned income from investments and endowment.

Ms. Bell stated that the Wexner Center is an unusual situation as they have their own board, which is different than most other arts institutions that are affiliated with universities and colleges.

Ms. Henahan stated that this is an opportunity for the OAC staff to further research some of these issues to see how such a change could affect other OAC programs.

Board member Monica Kridler inquired if there is a parallel comparison between the National Endowment for the Arts (NEA) funding the OAC and the OAC receiving state funds and that of the Wexner Center asking for OAC funding while also receiving state funds from the legislature. Ms. Henahan responded that the source of funding for both of the OAC's state and federal funding is tax dollars. However, when the NEA was created, it was mandated that each state have a state arts agency to distribute the NEA funds coming into that state.

Ms. Waddell requested that the OAC staff research this issue further to enable the OAC board to make an educated vote at a future board meeting.

Approved: September 17, 2013

Board member Robert Hankins stated that ArtsinStark awards a million dollars in operating grants and their logic aligns with the OAC's. University art departments are wonderful institutions but we wouldn't compare them with non-university art organizations and we wouldn't close the door on them either.

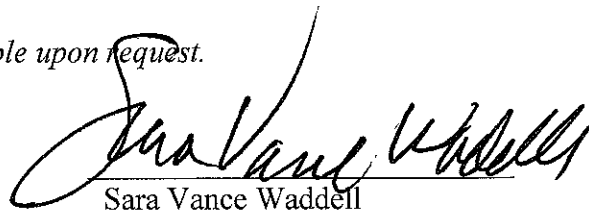
Mr. Rich asked Ms. Henahan to report back to Ms. Geldin and inform her that the board has directed the OAC staff to further research this issue and will vote on this at a future board meeting.

Meeting adjourned at 11:15 a.m.

An audio recording of this session is available upon request.



Jeffrey A. Rich
Executive Committee Chair



Sara Vance Waddell
OAC Board Secretary