

State of California
CALIFORNIA ARTS COUNCIL
PUBLIC MEETING
MINUTES

California



Arts Council

November 10, 2010

South Coast Repertory
655 Town Center Drive
Costa Mesa, CA 92626
In the Nicholas Studio
(714) 708-5500

ATTENDANCE

Council Members:

Aitken, Wylie
Alexander, Michael
Feruzzi Shriver, Malissa (Chair)
Green, Andrew
Jefferson, Charmaine
Lenihan, Terry
Skelton, Karen
Steinhauser, Susan
Turner, William

Members not in Attendance

Hubbard, Adam

Staff:

Muriel Johnson, Director
Marilyn Nielsen, Deputy Director
Josie S. Talamantez, Chief of Programs
Scott Heckes, Chief of Administration
Mary Beth Barber, Communications Director
Patricia Milich, Public Awareness Coordinator

Invited Guests/Host:

David Emmes, South Coast Repertory
Richard Stein, Arts Orange County

Public in Attendance

James Proett, Saddleback Master Chorle
Rose Stone, attorney
Karen Wood, Laguna Playhouse

CALIFORNIA ARTS COUNCIL

Minutes

November 10, 2010 – Costa Mesa

Call to Order

Chair Malissa Feruzzi Shriver called the meeting to order at 10:19 a.m.

Welcome Remarks

David Emmes, Producing Artistic Director for South Coast Repertory, welcomed the Council and thanked Councilmember Wylie Aitken and Arts Orange County Executive Director Richard Stein for suggesting the theater as a host and location for a Council meeting. Emmes discussed how drastically Orange County has grown over the years and become culturally independent of Los Angeles. He also gave some background on the theater company and its current programs, including their new play program that was initiated through a CAC grant years ago that led to the establishment of the ongoing program. Aitken noted that Emmes and Martin Benson started the South Coast Repertory Theater 47 years ago as a team and have received numerous awards for their contribution to the local arts scene as well as the theater's standing nationally.

Roll Call

Mary Beth Barber called the roll. In attendance: Aitken, Alexander, Feruzzi Shriver, Green, Jefferson (arrived 11:50 a.m.), Lenihan, Skelton (arrived 10:40), Steinhauser, Turner. Absent: Hubbard.

Approval of the Minutes from June 10, 2010

Feruzzi Shriver asked if the Council had any amendments to the minutes from this meeting. Council members noted typos and offered suggested corrections to Barber. Alexander moved to approve the minutes as amended. Steinhauser seconded. Motion passed unanimously, with Jefferson and Skelton absent.

Chair's Report

Feruzzi Shriver gave a brief overview of a number of different topics.

- The Women's Conference was a success for the California Arts Council, as the display of artwork from the five different juvenile justice centers on the Minerva theme ("The Minerva Arts Project") was beautifully displayed by Turner and Council staff, and the pre-conference theater fundraiser made hundreds of attendees aware of the importance of the CAC;
- She had recently attended the Orange County biannual exhibit and reception, meeting many in the local Orange County cultural community;
- Weekly Arts License Plate / Million Plates Campaign calls have continued and staff and Council are making progress on the campaign;
- She attended a well-attended arts education forum in Los Angeles sponsored by the California Alliance for Arts Education in late October;
- She met with staff at the Music Center in Los Angeles and discussed the placement of Million Plates advertisements in their performance programs;
- She met with various business owners in southern California about the Arts License Plate, including those who own major auto dealerships;

- She met with staff from Ovation TV about potentially partnering to publicize the Million Plates Campaign and discussed the creation of PSAs and other outreach vehicles through their company;
- She met with potential key advocates for the Million Plates Campaign, including staff from the Herb Albert Foundation;
- She went to a Western States Arts Federation (WESTAF) board meeting in Denver, CO, and discussed various advocacy needs in California;
- She attended the National Assembly of State Arts Agencies (NASAA) assembly in Austin, TX, with various executive staff from the CAC;
- She met with contacts at Wells Fargo about logistics in setting up a pre-paid certificate program for the Arts License Plate;
- She discussed with Governor's staff the possibility of the CAC having an additional Arts Plate designed by California-based architect Frank Gehry to help fund the CAC;
- She met with leadership at the California Arts Advocates on current issues;
- She met with staff from the Arts in the Governor's Race advocacy group about their plans after the election;
- She met with members of Governor-elect Jerry Brown's transition team; and
- She met with the CAC's personnel staff consultant at the California State Library about the CAC's search for a new Executive Director.

Feruzzi Shriver noted that it is currently a critical time for the agency, with many projects and changes on the horizon. The timeline for the Executive Director search is exceptionally fast, she noted. She also reminded the Council of the importance for recently appointed Councilmembers to be approved by the state Senate before the end of the year, and that current Councilmembers whose terms are expiring and wished to be reappointed to the Council needed to send a letter to the offices of Governor Schwarzenegger and Governor-elect Jerry Brown immediately.

She thanked and acknowledged Turner for his hard work on The Minerva Arts Project at The Women's Conference and thanked staff for their dedication and long hours preparing for the conference, setting up the booth, talking to hundreds of attendees, and the other preparation and work necessary for the event.

Turner gave some history of The Minerva Arts Project, noting that it had started three years ago with one center, then expanded to two last year, and finally to five in 2010. This was also the first year boys were included in the project. He noted that The Women's Conference did a tremendous amount of promotion for the California Arts Council with First Lady Maria Shriver's pre-curtain speech about the agency, as well as the projection of The Minerva Arts Project and the Million Plates Campaign images on the overhead screens. People came to the CAC booth informed and interested in the agency and the artwork. Skelton noted that over the 7 years of the conference, the arts has become more prevalent. She encouraged the agency to keep the momentum and utilize the recent successes with the Brown administration – both in its general work as well as with his iteration of the annual Governor's Conference on Women and Families.

Feruzzi Shriver thanked the staff for their work on SB 1076 and its passage so Californians can now donate to the California Arts Council directly through their state tax return form 540. She acknowledged Lenihan for attending a number of arts education meetings and conferences on

behalf of the Council. She thanked Green for working with staff to prepare for this meeting. She acknowledged Aitken for his coordination with South Coast Repertory for the current Council meeting and thanked him for his assistance with and contribution to the post-meeting reception. She thanked Alexander for his research and detailed memos on the Executive Director search, and acknowledged Johnson for her hard work in this regard. And she generally thanked the staff for their work, dedication and availability in answering Councilmember's questions, requests, demands and all miscellaneous business.

Director's Report

Johnson first thanked Aitken, Arts Orange County Executive Director Richard Stein, and the staff at South Coast Repertory Theatre for hosting the council meeting and evening reception. She let the Council know that Rocco Landesman, Chair of the National Endowment for the Arts, will be in Sacramento on November 12 as the keynote speaker for the launch of "For Art's Sake," a Sacramento arts initiative, and that Johnson will attend a luncheon with Landesman after the morning event.

She also recently met with state Senate Pro Tem Darrell Steinberg about the status of the Council and its members, and said she would work with the Governor-elect Brown's transition team concerning the status of the Council and its members. Johnson said that she also discussed with Steinberg the planning for a California Arts Council awards program in Sacramento where local CAC grantees are recognized for their hard work in the community. Steinhauser asked if the presentation could be the same day at the planned CAC meeting at the Crocker Museum, and Johnson pointed out that adding another element to the day could be complicated, as the January meeting will require significant action and discussion, there will be a legislative reception in the evening as the CAC has had in January in previous years, and the complexity of the first meeting after the inaugural of the new Governor and his administration.

Johnson will attend the Americans for the Arts (AFTA) marketing conference in San Jose on November 12 as a panelist discussing grants. Staff was unable to attend because of budget constraints, but some of the conference information is available online. Also, AFTA's annual 2011 conference will take place in San Diego, and is an ideal opportunity for California's local arts agencies to be a part of the national conference. Johnson said she talked to AFTA's Executive Director Robert Lynch about sending one staff member from each of the CAC's State-Local Partners as a part of the SLPP 3-year initiative funding.

Johnson directed the Council's attention to an article on the Arts License Plate written by a family member of Lenihan and acknowledged Lenihan and all the Councilmember's continual efforts to publicize the importance of the Arts Plate to the arts in California. She noted that former NEA Director Dana Gioia was recently appointed as the Judge Widney Professor of poetry at the University of California. And she thanked the staff who worked so hard on The Women's Conference, specifically Mary Beth Barber, Patty Milich and Marilyn Nielsen.

Public Awareness

Creative Vitality Index

Milich said that she worked with the website team to investigate the number of hits the Creative Vitality Index pages received since they were posted, noting that the numbers were not large or

significant. She reminded the Council that the only three years the current CAC's CVI examined are 2006, 2007, 2008, since the Council voted in June to not approve funding for the data for 2009 from WESTAF. If the Council wished to continue working with WESTAF to publish CVI information next year, the cost for just the 2010 data (skipping 2009) would be \$9,000, or \$16,000 for both 2009 and 2010 data.

Milich noted that the CVI information and subsequent reports fit in with the Council's strategic plan efforts. Turner said that it would fit only if the data was demonstrated to be useful, and he had some concerns with the quality of the data and the ability to explain the information to the public. WESTAF only supplies raw numbers, not a full and well-written report, and to do so would require additional funding, staff and/or consultants. Feruzzi Shriver noted that there are other resources for information on California's creative economy – AFTA's data from Dun & Bradstreet, the Otis Report concerning the creative economy in the Los Angeles region, for example – and questioned whether the CVI information duplicated these efforts, in any way and that it is more difficult to explain to the public and authorizers.

Green questioned the methodology of the CVI and whether there was a different set of data to investigate instead, especially information that tied creative vitality to other economic indicators like home prices, income, etc. Milich noted that the WESTAF team seemed to have backed off from this kind of analysis because of the difficulty of showing a direct, causal relationship. Green agreed that demonstrating this kind of connection is difficult, but necessary to further the argument of the importance of the arts and communities.

Alexander noted that the Council could take until June of 2011 to decide whether to spend the \$16,000 on 2009/2010 data, and proposed that the staff and Council take the time to look at other reports and compare their impact to WESTAF's CVI data. He also suggested that Council and staff draft a brief proposal how the CVI data could be compiled into a compelling report, if possible. Steinhauser noted that Oregon's arts agency spent time and money to include narrative stories about the arts in its published CVI report, and said that the CAC would need to dedicate staff and funds to create a compelling California CVI report. Turner reiterated his concern about the strength of the data collected, and Steinhauser suggested that staff continue to compile more information and analysis.

Finance Report

Heckes noted that Governor Schwarzenegger signed the state budget in late September. The most immediate impact is a reduction in personnel services and programs that includes an additional 5% reduction. In most years the CAC has been very conservative in its budgeting and spending in case of an unforeseen expense, and then the funds are distributed near the end of the fiscal year (in late May and June) through programs and other expenses. Last year's "year end" funds amounted to approximately \$89,000 – but because of the required reductions in personnel costs, there will be very little year-end funding in June 2011.

Now that the budget has been signed the 3-days-per-month of closed-office furloughs will end, replaced by one unpaid personal leave day per month per employee. The total cut expected in CAC personnel services is \$160,000. And while the passage in September of the budget is set and staff is looking towards the 2011/12 budget, Heckes warned the Council that there could be

current-year reductions required, especially when Governor-elect Brown releases his budget proposal in January 2011. Heckes noted the extreme difficulty in the budget process this year because of the state's fiscal state – work that normally takes two months was completed by CAC staff in two weeks – but staff's hard work paid off and the Department of Finance approved the CAC's detailed budget proposal.

Councilmembers asked about the specific reductions to staff pay. Heckes explained that staff would have to increase their contribution to CalPERS by 3% (resulting in a 3% pay reduction) and take one day of unpaid personal leave per month (resulting in an approximate 5% pay reduction), and these actions combined would result in an 8% reduction for staff pay. Heckes also noted that the required, floating personal day had to be used before personal holidays, sick leave, annual leave, etc. Heckes also recommended that the unpaid personal leave days not be banked, but rather be used by staff month-to-month.

Arts License Plate/Million Plates Campaign Report

Turner said that negotiations and discussions with various parties to help with the Million Plates Campaign have been going well. He noted a recent meeting with a San Francisco-based advertising agency Engine Company #1, donations from other companies for billboard space from Clear Channel, PSAs and graphic placement in other locations pro bono, and other efforts in a major visibility launch for the campaign. Turner also noted that major progress has been made in detailing a pre-paid certificate or card program with Wells Fargo for the Arts Plate that he believes would significantly ease many ordering issues concerning the plate, at least as far as initial group sales are concerned.

Barber shared some preliminary analysis of the initial cost of such a web-redeemable pre-paid certificate program based on a series of discussions with financial and computer experts, and estimated that the launch of such a program would cost approximately \$50,000. The Council discussed three ways of financing such a program – with CAC funds through an open bid process, through a significant pro-bono proposal and a sole-source proposal to be submitted to the Department of General Services for approval, or through contributions from a group or individual outside the CAC's budget process. Feruzzi Shriver said she would begin to investigate the possibility of an outside source help with the launch of such a program.

Turner noted that while a great number of companies and sources have offered significant services and placement pro bono, there are still miscellaneous costs involved in a major awareness campaign. He proposed that \$75,000 of 2010-11 unallocated program funds be slated toward the Million Plate Campaign in order to raise more funds for the future.

ACTION: Allocation of \$75,000 of unallocated program funding for the Million Plates Campaign

Turner moved that the Council allocate \$75,000 of unallocated program funding for ongoing awareness efforts involving the Million Plates Campaign to increase Arts License Plate sales. Alexander seconded. The motion passed unanimously, with Skelton recusing herself from the discussion and vote.

Programs Report

Jefferson said that she and Alexander as the Programs Subcommittee met to discuss the status of the CAC's programs and provide recommendations. She outlined their basic recommendation: the basic programs should continue for 2010-11. Since there will be a new executive director in 2011, the Council should work with the new executive director to shape the programs for the future. The subcommittee also recommended that \$75,000 of the as-yet unallocated program funds be used for Arts Plate promotion, that the Statewide Networks be funded as they had in the past, and that the remaining program funds be slated for the Creating Public Value program. She noted that given the budget restraints there would be very little chance to increase funding in any of the programs, but that no changes be planned without the involvement of the new director.

Steinhauser pointed out that with the passage of SB 1076, the California Arts Council now has the possibility of raising funds through the state income tax check-off donation program from the Franchise Tax Board. Given the possibility of raising funds through this program, Steinhauser proposed that some funds also be allocated to public awareness of this program. Jefferson stated that the subcommittee recommendation is clear: any additional funding for public awareness, research or other issues should not come from budgeted program funding. As it stands currently with the \$75,000 allocated for the Arts License Plate awareness program, there will be \$497,000 for the Creating Public Value program – less than the approximate \$600,000 from the previous year. Steinhauser said that participating in a Check-Off California publicity effort – a publicity program for all the organizations on the Franchise Tax Board's form – would cost between \$5,000 and \$7,500. Green added that the publicity costs seemed like a small amount given the possibility of the tax-refund contribution program bringing in hundreds of thousands of dollars to the CAC.

Johnson added that there is a need also to slate funding for the executive director search, probably about \$35,000. Jefferson said she was very concerned about the reduction in funding for Creating Public Value and Statewide Networks programs, and that other programs should also be examined for reduction if the funds absolutely must come from the programs budget. She also suggested that the \$5,000 needed for the tax-refund donation program publicity be allocated from the just-approved \$75,000 for Arts License Plate public awareness. Heckes pointed out that there was \$9,000 allocated for the CVI that could be re-directed to the tax-refund donation program publicity instead since the Council voted to not purchase the 2009 CVI data from WESTAF. Alexander suggested that the Council discuss the financial needs of a consulting firm for the executive director search and other financial needs near the end of the meeting after the discussion on programs and other issues is concluded. Other Council members agreed.

Poetry Out Loud

ACTION: Addition of Modoc County to list of possible POL counties in 2010/11.

Turner moved to approve the addition of Modoc County to the list of possible counties participating in Poetry Out Loud and receiving a grant award in 2010/11. Jefferson seconded, and the motion passed unanimously.

California Cultural Data Project

ACTION: Approval of \$50,000 in federal funds to support the California Cultural Data Project.

Skelton moved to approve the allocation of \$50,000 in federal funds to support the California Cultural Data Project, bringing the Council's commitment to the California CDP to \$100,000 over a three year period (2010-11, 2011-12, 2012-12). Lenihan seconded, and the motion passed unanimously.

Programs Assessment

Green directed the Council's attention to a series of memos and reports analyzing the various CAC programs through a panel of measurements and outcomes. He said that this particular analysis took a look at a series of parameters, but the key question all Council members should ponder is how the Council should measure success. For example, when analyzing the dollar amount allocated to a program compared to the number of Californians served, the most cost effective programs are Creating Public Value and Statewide Networks.

Lenihan expressed concern that simply looking at the number of people exposed to the arts through a program does not take into account the quality, depth and impact of the program – a key concern, especially when discussing arts education. Green acknowledged Lenihan's important observation, and posed the question concerning parameters to the Council. Which is more important, impact and depth, or serving the most number of Californians possible? Creating Public Value serves more students than the State Local Partnership Program, but the SLP program may have other benefits not accounted for in this set of parameters.

Johnson acknowledged Lenihan's observation about the impact and depth of an arts and/or arts education experience, but also recognized that public exposure and awareness of the arts is important as well. The analysis drafted for this Council meeting was not to set policy in stone, said Green, but rather provide food for thought. He also noted that many of the CAC's programs explore building capacity, but not necessarily the direct creation and public exposure of the arts. He encouraged the Council to use the information to explore whether the CAC's programs are having the impact and reach desired, especially given the agency's limited financial resources.

Jefferson acknowledged Green and Talamantez' work on the analysis, and expressed a desire to see a similar analysis of the CAC's initiatives as well, specifically Poetry Out Loud, the American Recovery and Reinvestment Act grants, American Masterpieces, and the music performing grants from the Department of Justice lawsuit funds. Jefferson added that information about the labor costs from arts organizations associated with providing different arts programs is important; Alexander said that the impact on staff time is important as well. Lenihan said that future analysis should also include information about the quality of the arts experience, not just the number of people involved. She encouraged more outreach beyond the grantees, especially with credentialed classroom teachers and their experience teaching arts in the classroom. Some research may have already been conducted and can be utilized by the CAC, or the agency may have to conduct or commission the research itself, said Lenihan.

Feruzzi Shriver asked if there was information on the expense in the administration of the programs. Talamantez said that the executive staff has been planning a desk audit for all CAC employees in the near future.

Skelton said she found it interesting that the Council had prioritized having a presence in as many counties as possible when she first joined the Council four years ago. She sees the need for both – significant outreach to as many Californians as possible, and at the same time effort and recognition of the impact and depth of the arts experience, especially for children. Lenihan saw a need for the Council to make a decision whether the agency should focus on one aspect (number of people exposed to the arts versus depth of the arts experience), or should have multiple visions.

Feruzzi Shriver said she had heard from the field that the Artists in Schools grantees need an “exit strategy” for their programs, so that once an AIS grantee completes their program in a classroom or after-school program, there is a way for the instruction to continue through the credentialed teachers and staff. She expressed concerns that schools may come to rely on outside nonprofits to achieve arts education goals rather than make it part of their regular teaching. Turner said that an ideal situation would be that the need for a program like Artists in Schools would become obsolete because sequential visual and performing arts taught by credentialed teachers would return to the schools. Alexander emphasized a need for the agency to publicize the need for the arts and the impact that the CAC grantees are having on their communities, schools and children.

The Council continued to discuss program issues. Jefferson said the agency’s main goal should be to serve artists. Alexander questioned whether infrastructure programs like Statewide Networks and State Local Partners is about serving the arts administrators but not artists or the public. Steinhauer said the agency should attempt to outreach to all or as many Californians as possible, in which case the infrastructure is needed. She also proposed a process to continue the programs evaluation discussion beyond the current meeting, and use some of the criteria and comments from the discussions to interview and evaluate potential executive director candidates.

Programs Field Survey

Talamantez directed the Council’s attention to the field survey results. The CAC program’s staff created the survey with Alexander’s input and review. The main point outlined by respondents are that arts organizations need more organizational support, and there is a desire and need for financial support for individual artists. Many of the questions’ answers were in narrative form and difficult to track and compile in time for the meeting, said Talamantez, and more information will be provided to Council as more analysis is conducted.

Council Committee Reports

Steinhauer reminded the Council that while the strategic plan set a good foundation for the agency over the coming years, the Council is not completely wedded to the document and adjustments can be made, if deemed necessary. Some of the key tasks outlined have moved forward, while others need attention from Councilmembers, said Steinhauer.

- The move to increase funding is moving along with the efforts for the Million Plates Campaign and the tax-refund donation capability, thanks to Senator Curren Price’s bill SB 1076;
- Council members need to meet with elected officials in the coming months, especially the new members of the Legislature. Each member will outreach to at least 4 members, based

on the goals set in the strategic plan. Nielsen can provide speaking points to Council members, as well as contact information for the elected official's offices;

- Quality discussion on programs and program goals is currently underway;
- Steinhauser acknowledged Lenihan for her expertise in arts education and her editorial suggestions to the strategic plan that would open up the arts education goals to include children and youth (up to age 24). Lenihan said she would continue to research and provide the Council with information and reports on trends, etc.

Steinhauser thanked all the Council members and staff for their hard work. Milich said she would make the clarifying edits to the strategic plan outline on the web based on the comments.

Other Business

SB 1076

Steinhauser directed the Council's attention to the memo she and Nielsen drafted about SB 1076, its impact, and the plans to announce the CAC's inclusion on the state income tax forms for voluntary contributions. She thanked Nielsen, Talamantez and Heckes for their work, and said that she wanted to insure that the publicity surrounding the voluntary contributions complimented the Million Plates Campaign and did not interfere with it. Nielsen said that the plans for publicity should be fine, and Barber directed the Council's attention to the public-relations and publicity plan in the memo. Johnson said she would send a letter to Senator Curren Price thanking him for carrying the legislation on behalf of the CAC.

Public Comment

The members of the public in attendance introduced themselves, and chose not to make comments.

Director Search Issues

Johnson and Alexander directed the Council to the information concerning the search for a new executive director, and Johnson noted that the salary is set by the state. Alexander expressed the importance of keeping up with the timeline outlined in the paperwork, and noted that he has been discussing the process with Phyllis Smith from the HR Department at the California State Library, who the CAC contracts with for personnel services. Alexander said that his understanding was that the search process is not much different than the private sector, with the exception of certain paperwork needs as well as the need to offer equal opportunity to everyone interested in the position. Jefferson had concerns that many of the rules concerning civil service employees could hamper the process, including using a search firm and testing all candidates. Heckes said that the Council can use a search firm, but that the firm would need to be hired through a competitive bid process, and Alexander said it was his understanding that a testing process was not needed for the executive director position.

Alexander posed question about the search firm to the Council:

- Does the Council want an outside firm to manage the entire process?
- Should a certain amount of the initial work be done by our personnel services, but have a professional search firm help with the rest?
- What kind of subcommittees of Council members should be established for the process, including the interview process?

Aitken said he believed that there should be a small subcommittee of two Council members involved in the interview process, and the members will keep the others informed, including through publically noticed meetings if necessary. Alexander said he was inclined to recommend that a search firm not be hired for the entire process, but rather the CAC's personnel services would be utilized for the bulk of the paperwork collection and a professional search firm could narrow down the candidates. Heckes reminded the Council that the bid process to hire a firm could take two months or more.

The Council continued to discuss the pros and cons of opening up the process before a professional search firm was hired through a bid process. The Council recommended that Johnson send a preliminary announcement concerning the job position. Council members discussed general requirements for the position and other subjects. Various members took responsibility for different tasks for the process:

- Green and Turner will create the job description and qualifications
- Steinhauser and Feruzzi Shriver will create a "case statement" about the CAC and status of the arts and arts funding in California
- Alexander and Jefferson will determine the overall process for selection
- Aitken and Lenihan, with Heckes assistance, will oversee the process for a search firm
- Feruzzi Shriver will draft a letter to the field for January with Barber's help

ACTION: Nationwide search for a new executive director

Alexander moved that the search for a new executive director include candidates nationwide, not just California. Lenihan seconded, and the motion passed unanimously.

CLOSED SESSION

The Council and Director Johnson met in closed session at 3:18 p.m. to discuss personnel issues.

PUBLIC SESSION

The Council convened in public session at 4:30 and announced that Deputy Director Marilyn Nielsen was chosen to be Interim Director during in 2011 prior to the approval and hiring of an Executive Director.

Adjournment

The Council adjourned at 4:31 p.m. to the patio for a reception honoring Orange County arts participants.