

WASHINGTON STATE ARTS COMMISSION – MEETING MINUTES  
MAY 12, 2010 / SEATTLE

COMMISSIONERS PRESENT

Leann Johnson, Chair  
Cindy Hill Finnie, First Vice Chair  
Noël Moxley, Second Vice Chair  
Monte Bridges  
David Brown  
Kent Carlson  
Elizabeth Conner  
John Fraire *by phone*  
Kate Jones  
Senator Jeanne Kohl-Welles  
Jean Mandeberg  
Bill McKay  
Lanie McMullin  
Rosita Romero  
Steve Sneed  
Beth Takekawa  
Brom Wikstrom  
Shauna Woods

STAFF PRESENT

Kris Tucker, Executive Director  
Mark Gerth  
Lisa Jaret  
Lou MacMillan *by phone*  
Leslie Pope  
Alice Taylor  
Mayumi Tsutakawa

GUESTS

Mary Langholz, Executive Director, Washington State  
Arts Alliance/Alliance Foundation  
Una McAlinden, Executive Director, ArtsEd Washington

COMMISSIONERS ABSENT

Robert Glatzer  
Maureen Greeley  
Representative Larry Haler  
Senator Jim Honeyford  
Representative Lynn Kessler

## CALL TO ORDER

Chair Leann Johnson called the meeting to order at 9:20 am and welcomed Commissioners to Seattle. She acknowledged that Commissioner John Fraire was attending the morning portion of this meeting by telephone, and thanked Commissioner Kent Carlson for hosting the meeting and coordinating attendance for the ArtsFund Annual Luncheon. Carlson said K&L Gates was delighted to host the Washington State Arts Commission meeting, and invited Commissioners to view the firm's art collection during breaks. Introductions were made around the room.

## APPROVE AGENDA

A MOTION to approve the agenda was made by Commissioner Shauna Woods. It was seconded by Commissioner David Brown and passed unanimously.

## CHAIR'S REPORT

Johnson said the Interim Committee has met several times for budget and litigation issues between the March and May Commission meetings. Kris Tucker, WSAC Executive Director, will provide Commissioners with an update and communicate key points later in the meeting. Johnson has established a Nominating Committee comprised of Commissioners Woods, Brown, and Kate Jones to conduct the survey of Commissioners in the next few months and report on the survey results. The Committee will also present a slate of officers for Commission approval at the August meeting. Attached to the Chair's Report (*packet p. 1*) is a revised 2010 Commission Meeting Schedule (*packet p. 2*), reflecting a change in meeting locations and duration to reduce costs. The next meeting is one day instead of two, and located in Olympia instead of Goldendale; the state budget situation prompts this change from the traditional two-day summer meeting held in Eastern Washington.

Johnson said attending Cultural Congress was a great opportunity to connect with other arts leaders. She thanked Mary Langholz, Executive Director, and Brown, in his role as Board President, Washington State Arts Alliance (WSAA). At Cultural Congress, Johnson noted the resilience of the arts and its community, especially in light of all that arts organizations and leaders have been confronted with in the state and nation. She felt it was important to be reminded that the arts thrive, survive, and push the boundaries even in hard economic times. Norman Rice, Seattle Foundation, was keynote speaker and shared how the arts agenda is a viable part of the national agenda now and into the future. Langholz said that speakers' notes from the conference will be available on the WSAA website; Brown thanked WSAC for providing funding to at least 25 arts leaders to attend the conference.

## DIRECTOR'S REPORT

Tucker highlighted a few items from her report (*packet pp. 3-4*).

- **Kogan v. WSAC:** WSAC did not appeal Judge Hicks' decision; his ruling requires WSAC reinstate artists that were removed from the artist resource bank in 2008. WSAC staff is contacting the artists and providing instructions to submit digital portfolios on-line; information about this process is available at [www.arts.wa.gov](http://www.arts.wa.gov). WSAC paid Kogan's legal fees of just over \$20,000 as ordered by Judge Hicks.
- **APLI (Wallace Initiative):** A forum on emerging practices in audience engagement is scheduled August 26 in Seattle, featuring Daniel Windham, Director of Art Programs, The Wallace Foundation; and Alan Brown, WolfBrown Consultants, who is an expert in increasing arts participation. Commissioners are invited and encouraged to attend; please contact Tucker if interested. Additional forums will be held: November, changing demographics; February 2011,

using technology to engage in arts participation. Each forum will feature speakers with local and national expertise.

- **Education Leaders Institute:** WSAC's proposal to participate in their national initiative was accepted by the NEA. Tucker expressed gratitude to Commissioner Monte Bridges for his help in preparing the proposal focusing on arts in middle school. The meeting is scheduled for late July in Chicago, and Tucker will share more information with Commissioners at the August meeting.
- **National Arts Advocacy Day:** Tucker is a board member and chair of the Advocacy Committee of Western States Arts Federation (WESTAF); her expenses were paid by WESTAF to attend National Arts Advocacy Day in Washington DC in April. Tucker referred to *packet pp. 11-14* regarding national arts issues.
- **2010 Legislative Update:** Tucker reported that the budget passed with the anticipated cuts to WSAC, and HB 2617 passed to restrict reimbursement for Commissioner subsistence, lodging, or travel expenses (*packet page 5*). Tucker said there is a process to request approve for an exemption, which WSAC may pursue for meetings in FY 2011. More information will be provided to Commissioners as more details are known. WSAC will continue to monitor the King County/4Culture bills.

Commissioner Senator Jeanne Kohl-Welles reflected on the difficult session and expects there will continue to be challenges for WSAC in future legislative sessions. Tucker acknowledged Kohl-Welles for her hard work on behalf of WSAC. Tucker said that Commissioner Representative Lynn Kessler has announced her retirement from the Legislature; her terms as legislator and WSAC commissioner will finish at the end of 2010. Tucker said this is a big loss for WSAC; WSAC Staff and Commissioners will acknowledge her for her work, and determine how best to benefit from her knowledge before she leaves. Kessler has stated she wants to remain involved in the arts in some capacity.

Carlson said during a recent conversation with a state senator, he learned that legislators found it easy to cut WSAC grants because we were giving money away to other organizations, rather than using it directly. Carlson encouraged Commissioners to gather stories about the direct economic impact on arts organizations and artists in their districts, to share with legislators in those districts. Kohl-Welles said there is still some controversy about supporting artists outside of Washington; WSAC and Commissioners will need to be more communicative about this issue.

The packet also includes an informative summary of legislative requests from Arts Advocacy Day (*pp. 11-14*). *The Seattle Times* ran an article authored by Susan Coliton and Patricia A. Wasley, entitled *Educating creative thinkers is good for the economy* (*packet p. 15*), that reinforces the recent findings WSAC published in its Arts Education Research Initiative report *Every Student Every School Every Year*.

**Art Jobs Support Grants:** Tucker said that in November 2009, Commissioners approved a prioritized list of applicants to receive funds, should funds become available. Because Central District Forum accepted a WESTAF ARRA grant, Allied Arts of Whatcom County will now receive an Art Jobs Support grant from WSAC.

**State Auditor's Report:** Tucker said the report showed no findings or recommendations, same as in previous audits. The summary level report was sent to Commissioners (*packet pp. 7-10*). This three-year audit involved analysis of information gathered on a sampling basis, and was very positive about WSAC's accounting procedures.

**Cultural Congress:** Tucker thanked WSAA for its work in organizing the Cultural Congress, and said those in attendance spoke about the impact of the recession. Attendance was lower than in previous years; arts leaders had a harder time finding funds for travel and training. Tucker sat next to two grant writers whose applications had been denied for funding; both grant writers were told that their applications were great, but there was not enough money to distribute. Tucker said organizations are hearing this same message from WSAC and other funders at this time.

**FY 2010 Budget Report – Third Quarter:** Tucker said the third quarter FY 2010 budget (*handout*) is an informational item and does not require Commissioners' approval. Tucker asked Commissioners for questions; there were none.

Carlson asked Commissioners to send stories about the economic impact on the arts to him by email. In response to a question, Tucker said that Art Jobs Support grant stories will be collected in the final reports.

#### APPROVE CONSENT AGENDA

Johnson asked Commissioners to approve Consent Agenda items, which include:

- Minutes – March 18, 2010 WSAC Meeting (*packet pp. 17-22*)
- Arts in Education – Professional Development Support – Ratify FY 2010 Grants (*packet p. 23*)
- Scholarships to Cultural Congress – Ratify FY 2010 Grants (*packet pp. 25-26*)

A MOTION to approve the Consent Agenda was made by Commissioner Noël Moxley and seconded by Commissioner Shauna Woods. Johnson asked for conflicts of interest, comments or corrections from Commissioners or the public. Brown recused himself, stating his conflict of interest as WSAA Board President. No comments or corrections were forthcoming.

The Consent Agenda was approved unanimously with no additions or corrections to the minutes of the March 18, 2010 Commission Meeting.

#### REVISED BUDGET FOR 2009-2011 BIENNIUM

Johnson reported that the Office of Financial Management (OFM) may require adjustments to WSAC's 2009-2011 biennium budget to cover Art in Public Places (AIPP) costs from prior years. Johnson has appointed a task force to work with Tucker to understand the situation. Johnson said there are many unanswered questions.

Tucker said there was an unexpended balance of more than \$500,000 at the end of FY 2006. In addition, OFM recently discovered accounting errors made by WSAC, including incorrectly tracking a payment from the University of Washington. AIPP accounting is very complex, with projects and payments spanning many years. State rules require that corrections are made in the fiscal year in which they are discovered, which means this correction must be made in FY 2010. WSAC plans to offset this accounting error by reducing FY 2010 costs where possible, and billing partner agencies for AIPP-related administrative costs to the maximum extent possible. If the discrepancy identified by OFM is correct, WSAC will need to use General Fund dollars to cover FY 2011 AIPP administrative costs; this will require a reduction of other agency costs in FY 2011.

Brown encouraged exploration of options other than cutting grants across all programs. Kohl-Welles advised developing a means to communicate this situation in terms that are easily understood. Tucker

said the task force established by Johnson will obtain as much clarity as possible so the problems can be understood and resolved, and noted that new practices have been established to prevent future problems. In response to a question, Tucker said the recent three-year audit did not include AIPP billings, which are funded by appropriations that go to other agencies, not appropriations that come to WSAC. Woods noted that government accounting is complex, and the task force needs time to research and understand the situation before they attempt to address technical questions about the process. Commissioner Jean Mandeberg supported the task force option because it is important for Commissioners to understand the process, figure out the options available, and also stand with Tucker and WSAC staff in working with OFM. She said Commissioners are used to being external advocates; in this instance, Commissioners need to stand with the agency and advocate internally. Johnson confirmed Commissioners are being asked to work with WSAC staff to clarify the situation, and as stewards of arts funds, it is the Commission's responsibility to do their due diligence in this situation.

Carlson said the Interim Committee discussed the Commissioners' role as fiduciaries and whether they should be concerned about this error. He noted that the State Auditor's summary (*packet p. 8*) states that the scope of the audit did not include AIPP billings and that the audit found WSAC's "internal controls were adequate to safeguard public assets." Commissioner Elizabeth Conner noted that AIPP relies on a different funding stream than the rest of the agency, and asked if that poses different risks.

Johnson asked Commissioners to send questions or comments to Tucker or her, as they arise. Brown noted that AIPP is funded through the capital budget, and asked if capital budget funds could cover the shortfall. Carlson said the task force will pursue that question, and will explore how AIPP funds have been used.

Johnson said the task force will convene sometime in the next few weeks. The Interim Committee will work on the budget and will report back to the Commission at the August 4 meeting; a conference call meeting of the commission may be convened prior, as needed. Johnson reiterated that the task force has been established to work with OFM to clarify the issue and implications, and to determine the response. Commissioners should refer all questions to Tucker.

Tucker said this issue has delayed development of the FY 2011 budget. The Interim Committee will work with staff to approve an FY 2011 budget; that decision must be ratified by the full Commission at the August meeting. She noted that at the February 2010 and March 2010 meetings, Commissioners had recommitted to the strategic plan, even with reduced resources. Key themes include:

- Commitments to K-12 arts education, communities and statewide reach, and stewardship of the state art collection.
- Legislative budget reduces grant funding by \$400,000 and reduces staffing by a .9 full-time equivalent (FTE).
- New legislation eliminates board travel compensation in FY 2011; an exemption request process has yet to be determined.
- Freeze on using state funds for contracting, hiring, out-of-state travel and equipment purchases in FY 2011.
- Temporary layoffs equaling ten closure days may be required in FY 2011.

Tucker said based on this information and the newly identified shortfall, she anticipates the following:

- 35% reductions to all FY 2011 grants for Arts in Education, Grants to Organizations, and Folk Arts.

- Poet Laureate program may resume, which would require approval from the Governor. Humanities Washington is expected to contribute \$5,000 towards this program.
- Delay/downsize the local arts initiative program, which was planned as a focused effort to develop the arts in local areas. The related staff position that is currently vacant will not be filled.
- Temporary layoffs will be pursued as mentioned earlier.
- Program and administrative expenses will be reduced across the board and, wherever possible, all expenses will be reduced or eliminated.
- Most Commission meetings will be conducted by webinar in FY 2011.

Tucker discussed the difference in the biennium budget between 2007-09 and 2009-11, showing a slide illustrating a comparison between the two biennia. State general funds have been reduced from almost \$5 million to not quite \$3 million for this biennium. Private funds have increased because of the grant from The Wallace Foundation, whose funds do include some administration and staffing support, but cannot be diverted or borrowed from, to offset other agency costs.

Brown asked whether the 35% grants reduction just presented by Tucker was due to the AIPP error previously discussed, or an additional cut. Tucker said the 35% grants reduction is in response to the AIPP error.

Conner asked for clarification of the use of private funding, in light of the fact that the Wallace Foundation funding cannot be diverted from its original purpose. Tucker clarified that private funding is used according to its stated purpose when donated or granted; Conner said this seems like a good time to seek private donations and she believes there is money out there.

Commissioners discussed the impact on total grants given to organizations from the cumulative effect of last year's budget and this year's budget, plus the newly identified shortfall. Commissioner Brom Wikstrom asked if other boards and commissions have taken the same types of cuts as WSAC. Kohl-Welles said the reductions to WSAC were much more severe than most, although she mentioned that some boards and commissions were entirely eliminated.

Mandeberg said she recently served on a WSAC panel staffed by Lisa Jaret, WSAC Arts in Education Program Manager. Panelists were taken aback at the extent of the cuts to grants. Mandeberg said most people may not understand how bad the situation is right now for arts organizations. Kohl-Welles encouraged people to write letters to the editors of their local newspapers, adding that it is important that people who perform important services in this state get their voices heard.

## WSAC AND THE WASHINGTON ADMINISTRATIVE CODE (WAC) – UPDATING OUR RULES

### REPORT OF THE RULE MAKING TASK FORCE

Johnson introduced the WACs Task Force comprised of Commissioners Conner, Moxley, and Fraire, who are working with Tucker, and in consultation with WSAC's Assistant Attorney General (AAG), Kathryn Wyatt, and the Code Reviser's Office. Tucker referred to the timeline for the project (*packet #2 p. W-1*) and drafts of two key components of the new WACs (*packet #2 pp. W-3 and -4*), including the roles of Commissioners, the Executive Director and staff, and a new process for administrative review.

Tucker explained that the Commission could act to approve the entire proposal on August 4, or could vote to revise all or part of the proposal based on public comments received. A second public comment

period would be requested for sections to be approved at a later date. Because the WACs are so interrelated, it is hard to develop these new rules in segments while ensuring that everything is in sync. Woods asked if the draft document will be marked to show changes, and Tucker said the document will have markings to show additions and deletions similar to track changes, and a summary of the changes will be provided before each section. Conner recommended Commissioners consider reading the newly proposed document without the “track changes” because the changes are substantive.

Tucker reviewed the proposed chapter headings with the Commission (*packet #2 p. W-2*) and summarized proposed changes: current agency practices and procedures will be clarified elsewhere, and chapter 30-08 will be dedicated solely to commission meeting procedures. General rules (chapter 30-12) will be revised to clarify program rules and procedures. The awards program section (chapter 30-14) will focus on grants, their function and how they are administered, instead of program-specific information. The Art in Public Places and Poet Laureate programs are the only programs established by statute, and will each have their own chapter. An administrative review procedure will replace the current appeals procedure.

Tucker asked task force members for their comments. Conner said WACs will be organized by function instead of program. There are many changes to the WACs and the resulting document will be clearer to the public, yet allow flexibility where needed. Moxley agreed and thanked staff for their comments and hard work. Fraire supported comments made by the other task force members.

Tucker said Commissioners have three additional opportunities to comment on the WACs proposal: when a draft proposal is sent to Commissioners in early June; during the public comment period; and at the August 4 Commission Meeting.

Tucker asked for Commissioners’ comments on the *Responsibilities* section. Brown noted under the section *Responsibilities* it states the Executive Director presides over administrative review, but requested that role also be clearly stated in the executive director section. Mandenberg asked that the Commission’s responsibility of policy-making, as referenced in the State Auditor’s report (*packet p. 10*), be included in the *Responsibilities* section. Woods asked that a clarification of the budget approval role of Commissioners be included in the WACs.

Brown asked if a process for removing artists from the roster is included in the updated version of the WACs, as it was specifically mentioned during recent litigation that WSAC did not have a written process for this action. Tucker said actions that affect the roster will be specifically stated in the AIPP section. Alice Taylor, WSAC Art in Public Places Program Manager, said there will be a term limit to the roster. Information may be included in the general program and/or specific program description. Tucker said not all the detail needs to be included in the WACs, but specifics on roles, responsibilities, and who performs them should be written in the WACs. Brown said he believes it is important to provide specific details for the processes for adding and removing artists from the roster. Conner said she was not convinced yet that the WACs are the best place for specifics regarding roster changes.

Tucker said the goal is to write the WACs to provide the public with a clear idea of how to get on the roster, who determines who gets on the roster, and how people are removed from the roster. Brown said he wants to ensure the WACs address the judge’s concerns as outlined in his opinion.

Commissioner Rosita Romero said because Commissioners approve panel recommendations, in her

opinion they become part of the decision making process, and she thinks it is important to include Commissioners in the appeal process.

Tucker led Commissioners through a review of the draft administrative procedure that is intended to replace the appeals procedure. She said the draft states if the Commission denies an application for funding or for placement on the roster, the applicant may request review of the decision by showing proof of sufficient reason for a decision to be challenged (*packet#2 p.W-4*). Administrative procedure steps are outlined in the WACs. Tucker asked Commissioners to send her their opinions and comments on the Administrative Review procedure.

Woods suggested that Administrative Review point number 6 (*packet#2 p. W-4*) should include a statement that the three Commissioners chosen for the administrative review process exclude any Commissioner who served on the original panel. Tucker said she will consider whether that is best clarified in the WACs, or whether the Chair is designated to give that issue consideration. Jaret added that Woods' comment may apply to the teaching artist roster and grant applicants in addition to the public artist roster applicants. Woods said she thought this issue should be considered because of the potential for conflicts of interest.

Commissioner Beth Takekawa asked when the WACs were last updated; Tucker said possibly as far back as 1995. A few general technical corrections were made late last year; however, this detailed update is a more complete process than updating the agency's address.

Conner said the task force noticed the WACs are similar to a boiler plate contract that evolves over time, where it is amended with specific responses to specific problems that eventually may no longer apply to the current way of doing business. She said the goal is to write the WACs to apply to all the agencies' programs, yet be non-specific so that they are effective for many years into the future.

Johnson said she appreciated the focus of continuous improvement combined with humility and expertise with which Commissioners and staff approached this project.

Commissioners attended the ArtsFund Annual Luncheon. Johnson reconvened the meeting at 2:02 pm.

#### ART IN PUBLIC PLACES – STATE ART COLLECTION IN WASHINGTON SCHOOLS

Johnson said WSAC began discussing expanding the OSPI pooling fund in 2008. Part of the stewardship pathway includes creating works of art deliberating sited at communities across the state. At the February 2010 Commission meeting, Taylor gave Commissioners an overview of stewardship as it applies to the State Art Collection, including a recommendation to expand the public school pooling fund process. Commissioners also heard from Dr. Paula Akerlund, Superintendent of Willapa Valley School District, in support of the pooling fund process and how it benefited her school district. Today, Taylor and staff present Commissioners with a proposal to expand the pooling fund.

Taylor thanked Commissioners and Carlson for the opportunity to attend the Artsfund Annual Luncheon on behalf of all WSAC staff. Taylor said the current pooling process involves combining small allocations and allowing those schools whose applications are accepted to have public art; the new program will involve all public schools across the state, and will be named *State Art Collection in Washington Schools*, which reflects state ownership of the art and defines the schools as partner in this collaborative effort. Taylor showed a PowerPoint presentation featuring artwork installation at the Willapa School District, featuring the work of David Franklin of Indianola.

The pooling fund program was developed in 2003 to improve the sustainability of the state art collection both financially and in regard to stewardship, within the framework of WSAC's available staffing and budget. Initially, the pooling fund program was used to bring art to schools that received small allocations of funds (under \$20,000); the schools applied for an artwork selection process and WSAC has been able to accommodate most of the applications. To further improve stewardship, a new contract has been developed featuring warranties and requiring structural engineering to ensure more durable artworks. Recently, a conservation review has been added to the art creation stage so artworks.

In 2010, Taylor estimates approximately 50 schools with total of funds of approximately \$750,000 will participate in this new pooling program in the next few years. The capital budget bill allows WSAC to combine funds for larger works of art. Last year, Taylor presented this plan to OSPI and the Washington State School Directors' Association (WSSDA). Their input contributed to a focused application process and program that Taylor feels meets the needs of the state and the school districts. Not all school districts that contribute money will receive artwork; some school districts don't feel they have the resources, focus or maintenance ability to care for the artwork. This program is for school districts that contribute to the funding pool, complete an application showing that they can take on the stewardship commitment involved in receiving artwork, and are accepted during the application process. Carlson asked Taylor to verify that this program will involve pooling for all state school district allocations, not just those schools with smaller allocations. Taylor confirmed this program would involve all state school district allocations for K-12 only; community colleges and universities will not participate in this pooling process and Taylor said AIPP is pursuing master planning specifically for community colleges and universities.

Funding will automatically be released to WSAC for use in this program, and schools will be invited to apply to the process. The application process will ensure participating schools can commit the time and stewardship necessary. Bridges said the education service districts can probably develop a schedule for Taylor to present this program in the fall. WSSDA asked Taylor to attend their fall conference to talk about this new pooling program, and invited Janae to speak about how to incorporate existing state art collection into new remodeling project.

Taylor said if there are good applications that are unsuccessful due to funding limitations, those applicants can select from existing artwork that has been returned to WSAC. The option to install existing artwork (resiting) will only be given to school districts that commit to proper stewardship and care of the artwork. Applications will be reviewed based on criteria including need, commitment to and past history regarding stewardship, and an interest in incorporating this artwork into the school curriculum. The school needs to be open to a variety of artistic media. The five member panel reviewing school applications will consist primarily of those in the education field.

Taylor said the main reasons to pursue this program are:

- An increased commitment to stewardship from school districts receiving art.
- A more realistic budget for durable artworks and an increased ability to reach diverse geographic areas with significant artwork allocations.
- Fewer projects for staff to manage, which will allow staff to focus on conservation and developing educational programs to accompany installation of artwork.
- Achieve a goal of the stewardship pathway of the strategic plan to implement significant, deliberate public art acquisition throughout Washington.

Taylor asked Commissioners for questions. Brown suggested developing an appeals process for any school districts that feel they were overlooked during the selection process. Taylor said that is a good thing to think about while we rewrite our WACs.

Romero asked who makes the final decision on which schools are funded to receive artwork. Taylor said WSAC makes that decision through the panel process. Romero asks who owns the artwork. Taylor affirmed the artwork belongs to the state, and WSAC is the administrator of the program. Both WSAC and the school district sign an agreement in regard to stewardship and ownership. The school district agrees to maintain the artwork and WSAC agrees to conservation. Romero asked for clarification of why artwork is returned to WSAC and what happens to that artwork. Taylor said while emphasis is on long-term artwork placement, sometimes the location for the artwork is remodeled, or the situation changes and artwork is returned to WSAC, where it is kept until there is a resiting opportunity. Romero asked what happens if a community has a specific artist in mind that they want to work with that is not on the roster. Taylor said typically those communities are initially disappointed, but once they see our roster and understand the program, they become excited about viewing other artists' work.

A MOTION to approve the recommendation to pool all state art funds generated through the capital construction of public schools beginning July 1, 2010 through an application process entitled *State Art Collection in Washington Schools* was made by Commissioner Jean Mandeborg and seconded by Commissioner Kent Carlson. There was no further discussion, no opposed, abstentions, or recusals. The motion passed unanimously.

## ARTS IN EDUCATION

### COMMUNITY CONSORTIA AND FIRST STEP GRANTS

Jaret presented panel recommendations for Community Consortia and First Step Grants for FY 2011 (*packet pp. 29-30 and handout pp. 9-10*), which reflect the impact of funding cuts as discussed earlier in the meeting. First, Jaret shared two stories from WSAC consortia grantees that illustrate the positive power of arts learning and the success of WSAC grants and staff efforts.

The first story came from a teacher in the Arts Impact program, which integrates arts learning with other subject matters, focusing on concepts common to both subjects. A seventh grade math teacher, whose students were struggling with lessons on scale, used a kite making exercise to further teach scale concepts. The students had to design a kite on a small scale and then enlarge the drawing to make the kite. Students became so involved in creating the kites that they absorbed the math lessons more readily. Test scores on proportionality rose from 40% of students meeting standard before the kite making exercise to 82% afterward.

Next, Jaret told a story shared by a grants coordinator in the South Kitsap School District during a board meeting. A parent thanked the board for giving her children the opportunity to paint and dance during the Late Start program; the parent said that of all the school districts her children had attended, theirs was the only school that cared about her children's creativity.

Jaret reviewed recommendations for funding levels for Community Consortia and First Step grants. Panelists read all applications and complete preliminary evaluations in advance. At the beginning of the panel, conflicts of interest are discussed and panelists agree to apply criteria equally to all

applications. The First Step grant panel engaged in very thoughtful discussion about the panel process when it was held this year. The Community Consortia recommendations are from last year's panel, since this is the second year of the cycle. The handout shows the original funding amounts recommended for Community Consortia last year, and the column in bold font shows the revised amount for FY 2011, reflecting budget cuts that were discussed earlier in the meeting.

Jaret said First Step grants are smaller, one-year education grants. There were more applications in this category than in past years, and less money is available to fund grant recipients. The panel decided to fund fewer organizations with more money per grant rather than spread the reduced funds thinly among more grant recipients; thus, the panel recommends funding only the top four grantees, as shown in the handout.

Mandeberg was part of this panel and said it is educational to serve on a grant panel; she encouraged other Commissioners to participate in a panel process when asked by WSAC staff. Mandeberg said WSAC staff did a fabulous job conducting the panel.

Moxley asked for an explanation of the funding differences between FY 2010 and FY 2011 First Step grants. Jaret said last year's funding amounts were complicated because not all grantees were aligned to the same two-year funding cycle. Jaret said even though WSAC staff began informing grantees in January about potential funding reductions to prepare them, the reduced funding amounts will have a very real impact on these organizations.

Jaret said the panel recommendation grant award amounts are based on tentative budget information; once the FY 2011 budget is approved, the award recipients will remain the same, but the grant award amount for each recipient may change. A reduced grant budget will mean less money for this grant. Award amounts will be adjusted using the same percentage score used for the amounts presented to Commissioners today. Johnson confirmed the grant award amount may change due to the final FY 2011 budget, but the recipients remain unchanged. She asked for conflicts of interest: Commissioners Jones (Methow Arts Alliance) Brown (Pacific Northwest Ballet), Bridges (Puget Sound Education Service District), Woods (Seattle Repertory Theatre) and Steve Sneed (Central District Forum) recused themselves.

A MOTION to approve the panel recommendations for the First Step and Community Consortium grants was made by Commissioner Noël Moxley and seconded by Commissioner Brom Wikstrom. There were five recusals as listed above and no abstentions; the motion passed unanimously.

#### COOPERATIVE PARTNERSHIPS

Mayumi Tsutakawa, WSAC Grants to Organizations Program Manager, reviewed Cooperative Partnerships grant recommendations (*handout pp. 1-2*) that are contracts for state-wide services; they are not competitive grants. This is the second year of these two-year grants. The guidelines state that the second year of the grant shall remain at the same funding level, unless there are extenuating circumstances in terms of funds available. The grantees have been notified that there may be a cut of 25 to 35 percent.

Johnson called for conflicts of interest: Commissioners Romero (Artist Trust), Brown (Washington State Arts Alliance), and Cindy Finnie (Centrum) recused themselves.

A MOTION to ratify the Cooperative Partnerships grants as recommended for FY 2011 contracts for services by statewide service organizations was made by Commissioner Shauna Woods and seconded by Commissioner Steve Sneed. Funding amounts are tentative, pending approval of a revised WSAC budget for FY 2011. The motion passed unanimously with three recusals.

Conner said she appreciates WSAC staff efforts to maintain good grantee relationships by keeping them informed of potential budget cuts.

## GRANTS TO ORGANIZATIONS

### LARGE ARTS INSTITUTION GRANTS

Tsutakawa reviewed Large Arts Institutions second year or two-year grants (*handout pp. 3-5*). Grantees have been notified that funds for the second year may be cut 25 to 35%. After the funding reduction notices were mailed, and WSAC received many letters that reflect the appreciation grantees hold for WSAC's work, even in these economic times.

This grant round was the first time that organizations were expected to provide state-wide geographic service or demonstrate service in communities not served by local government or private funding for arts, i.e., those principally outside King County, as printed in the guidelines. T Romero asked why there were so few grant applicants outside King County. Tsutakawa said eligibility is based on an annual operating income of at least \$1 million, and there are fewer organizations outside King County that meet this criteria. Kohl-Welles asked that future panel recommendations show an additional column with data on the awards amounts of the previous year for comparison.

Johnson called for conflicts of interest: Commissioners Brown (Pacific Northwest Ballet), Carlson (Pilchuck Glass School, Seattle Art Museum), Romero (Seattle Art Museum), McMullin (SIFF, Village Theatre), and Takekawa (The Wing Luke Asian Museum). Brown commented on WSAC's shift in grants criteria over the last three or four years to ensure a state-wide focus He said as a representative of a large organization, that the funds necessary to fulfill a larger geographic reach are not available in this grant pool, and so the inadvertent effect of this shift to a broad focus is actually going to reduce the ability for the large organizations to meet the criteria for this funding, and thus broaden their geographic reach.

A MOTION to ratify the Large Arts Institutions grants for Fiscal Years 2011, in the amount of \$173,550 contingent upon approval of WSAC's revised FY 2011 budget was made by Commissioner Shauna Woods and seconded by Commissioner Noël Moxley. It passed unanimously with five recusals.

### MIDSIZED ARTS ORGANIZATIONS GRANTS

Tsutakawa said Midsized Arts Organizations grants are in the second year of a two-year contract and have been notified of potential funding cuts of 25% to 35%. She reviewed the recommendation (*handout pp. 6-8*). The midsized organizations have an annual income of between \$200,000 and \$1 million. The four criteria considered for this grant include artistic merit, public benefit, management capability, and geographic representation. The panel focused on achieving a wide representation of geographic service with these recommendations.

Johnson called for conflicts of interest and Commissioners Moxley (Yakima Symphony), Sneed (Central District Forum), Jones (Methow Arts Alliance, Seattle Shakespeare Company, Book-It), Woods (Hedgebrook), and McMullin (ArtsCraft) recused themselves.

A MOTION to ratify the Midsized Arts Organizations grant panel recommendations for Fiscal Year 2011, in the amount of \$172,900, contingent upon approval of the revised FY 2011 budget was made by Commissioner David Brown and seconded by Commissioner Elizabeth Conner. The motion passed unanimously with five recusals and no abstentions.

#### FOLK ARTS – PANEL RECOMMENDATIONS FOR FY 2011 GRANTS

Tsutakawa presented the Folk Arts Fellowship and Apprenticeship grants panel recommendations (*packet #1 p. 31 and handout pp. 11-13*) for Willie Smyth, WSAC Community Services Program Manager. Romero served on the panel. Apprenticeships are grants given to several master artists to support their efforts to preserve a cultural art form by teaching an apprentice an artistic skill. Fellowship grants are lifetime achievement awards given to master artists for contributions to the art form and the community.

Romero thanked Smyth for his work and his commitment to folk arts. Her experience with this panel taught her how important it is for an applicant to clearly understand the concept of apprenticeship, and convey the relationship between the master artist and the apprentice. As a Latino who supports greater representation of Latino art forms, she said it was difficult for her to see that the only two Latino applications in this year's panel process did not meet the vital grant requirement of giving back to the culture.

Johnson thanked Romero for her participation in this panel and asked for conflicts of interest among Commissioners; there were none.

A MOTION to approve the FY 2011 Apprenticeship and Fellowship grant panel recommendations was made by Commissioner Steve Sneed and seconded by Commissioner Noël Moxley. It passed unanimously with no abstentions.

#### ANNOUNCEMENTS

Carlson said the art collection at K&L Gates focuses primarily on artists of the Pacific Northwest. Woods asked how the collection got started. Carlson said when he first joined the firm in the early 1970s, some of the partners were fond of the Northwest School artists including Kenneth Callahan and William Cumming; pieces have been acquired in lieu of fees, purchased directly, and occasionally sold to purchase newer artworks. Johnson thanked Carlson and K&L Gates for hosting the Commission meeting.

Johnson acknowledged two long-time Commissioners Monte Bridges and Bill McKay, whose terms are ending in July. She thanked them for their great contributions and great ideas over the years. Bridges said he is excited about policy conversations the Commission has just begun, he found the relationships within the group incredible, and enjoyed the way the team worked together. Bridges pledged his support where needed for future projects. McKay agreed, saying he learned a great deal from his fellow Commissioners through the relationships around this table, and appreciates the opportunity.

Jaret introduced Una McAlinden, Executive Director, ArtsEd Washington, who thanked Commissioners for their hard work on behalf of the arts in Washington, and said she appreciated the approval of the Cooperative Partnership grant. McAlinden noted the Arts Education Research Initiative (AERI) and related meetings in communities. She distributed invitations to the ArtsEd annual meeting, where Tucker and Jaret will speak. McAlinden said of the four First Step grants funded today; two are Principals' Arts Leadership (PAL) schools, and four of the communities receiving consortia funding have several PAL schools are part of their consortia.

## ROUNDTABLE DISCUSSION

Commissioners shared their impressions, comments, and thoughts about the ArtsFund Annual Luncheon. Points from Michael Kaiser's speech that were noted by Commissioners include:

- Woods – Key points she took away from Kaiser's speech included: Arts organizations can't SAVE their way out of this recession, and push the joy of the arts, and that it is vital to reinvigorate people in the arts. She suggested arts organizations might show a video of his speech at board meetings to rekindle enthusiasm.
- Conner – Don't reduce your family size (*size of the arts organization*) and keep relationships going no matter how hard times become economically.
- Romero – Arts organizations need a sense of interaction with the communities around them.
- Finnie – Centrum's residency programs will be modeled after the principles in Kaiser's book *The Art of the Turnaround: Creating and Maintaining Healthy Arts Organization*.
- Carlson felt the overall presentation was very good. The term "keep on the path" as a vision statement was motivating for him. In his experience, board members fear being dominated by bean counters.
- Commissioners discussed Microsoft's contribution to ArtsFund; some thought the amount given to ArtsFund was low, others stated that Microsoft's overall contribution to the arts is very generous including matching funds to individual artists, organizational support to arts organizations, and contributions to ArtsFund. Microsoft encourages other corporations to donate to the arts during these economic times.
- Carlson – Reductions to the WSAC budget may reduce WSAC's significance and mission. We need to consider where WSAC has the biggest impact on the state and shift our focus to keep our impact significant.
- McMullin – agreed with Carlson; municipal budgets are trying to accomplish things with less and less funding, and pretty soon find they are not making any impact and have, in fact, become more insignificant. She would welcome discussion on how WSAC can be significant and bold now.
- Kohl-Welles – Similar discussions are taking place in many meetings. It is time to reexamine our approach. In good times, people love the arts and appreciate the jobs it supports, because it is important to our soul, but when people are not receiving health care benefits, or have jobs, the perspective shifts. She said it is difficult to get more funding to help the arts during hard times, and it is important to determine how to meet the basic needs of society along with the needs of artistic and cultural richness.
- Takekawa – Kaiser's speech is inspiring, but it is the same speech heard over a year ago. New insights would be welcome.
- Carlson – When WSAC put together its strategic plan, funding was much higher than it is now, and this has had an effect on current decisions.
- Wikstrom – It was encouraging that WSAC was acknowledged by ArtsFund at the luncheon. What touched him most about Kaiser's speech was the statement that arts organizations need to engage

in three to four years advanced planning, and questioned how advanced planning decisions can be made when there is such a degree of uncertainty in this economy.

- Tucker said Commissioners are invited to attend the event sponsored by Congressman Norm Dicks on May 14, 2010; NEA Chairman Rocco Landesman will attend. This week the NEA featured Washington State in a blog discussion of the Jacob Lawrence exhibit, and a blog entry from Tucker about the economy and Fiddle Tunes. Tucker encouraged Commissioners to be proactive in their approach to discussing the great things WSAC is achieving in the state, and not just the hardships we are facing.
- Johnson – We need to find ways for WSAC to stay relevant while responding to very real economic impacts. Commissioners need to be responsive, forward thinking, and positive in facing the challenges ahead, and she hoped WSAC can continue to move toward proactive ways to accomplish its work, redefining its role within Washington State. Johnson asked Commissioners to continue to think about relevance in hard economic times, and define WSAC's role in preparation for continued discussion in August.
- Bridges – To support future strategy conversations at the August meeting, Bridges recommended Commissioners read *Blue Ocean Strategies*, a book about upending traditional strategic thinking and developing “value innovation.”
- Kohl-Welles – At some point this recession will end, and WSAC needs to be prepared and poised to be ahead of the game and ready to proceed when it does.

Johnson adjourned the meeting at 3:42 pm.