**MINUTES**

**Quarterly Council Meeting**

**June 11, 2019**

**2:30-4:30 p.m.**

**Stuhr Museum**

**3133 US-34**

**Grand Island, NE 688801**

**I. Call to Order, Candy Henning, Chair**

*A copy of the Nebraska Open Meeting Act is available for audience members. Additionally, there is a copy of all reproducible written material that will be discussed available for examination and copying by members of the public pursuant to the provisions of the Nebraska Open Meeting Act.*

Ms. Henning called the meeting to order at 2:46p.m. She invited anyone present to peruse the agenda and other materials furnished under the provisions of the Nebraska Open Meeting Act.

**II. Roll Call, Mike Markey**

Present: Candy Henning, Steve Anderson, Alec Gorynski, Amy Haddad, Joyce Hasselbalch, Ellen Hornady, Darrel Huenergardt, Melissa Marvin, Paula Pflueger, and Sue Roush

Absent: Stephen Bader, Sarah Peetz, Heather Schneider, Walter Seiler, and Reven Wright

Also attending: Anne Alston, Meagan Dion, Chad Dolezal, Mike Markey, Rachel Morgan, Robin Richards, Suzanne Wise of the Arts Council

**III. Approval of Agenda**

Ms. Henning asked council members to review the agenda for any additions or corrections.

MOTION: Ms. Marvin moved to approve the agenda. The motion was seconded by Sue Roush.

VOTE: The agenda for the June 12, 2018 meeting was unanimously approved by roll call vote.

**IV. Introduction of Guests & Oral Communications**

 Ms. Henning asked council members to review the agenda for any additions or corrections.

**V. Approval of June 11, 2019 Agenda Items** -- **Candy Henning**

Ms. Henning asked council members to review the agenda from the June 11th meeting for any additions or corrections.

MOTION: Mrs. Marvin moved to approve the agenda. The motion was seconded by Paula Pflueger.

VOTE: The agenda for the June 11, 2019 meeting was unanimously approved by roll call vote.

Ms. Henning asked council members to review the minutes from the February 4, 2019 meeting for any additions or corrections.

MOTION: Mr. Huenergardt moved to approve the minutes from the February 4, 2019 meeting. The motion was seconded by Paula Pflueger.

VOTE: The minutes from the February 4th meeting were unanimously approved by roll call vote.

**VI. Oaths of Office**

New council member, Wally Seiler, was absent for this meeting so the oath was not given at this meeting.

**VI. Ratification of Nebraska Cultural Endowment Board Member**

Ms. Henning asked council members to vote on the approval of a new Nebraska Cultural Endowment Board Member, Karen Hawkins

MOTION: Mr. Gorynski moved to vote on the approval of a new Nebraska Cultural Endowment Board Member, Karen Hawkins. Sue Roush seconded the motion.

VOTE: The motion was unanimously approved by roll call vote.

**VII. Financial Report**

1. **Review of Financial Statements for FY2018 (July 1, 2018 - May 31, 2019).**

Mrs. Pflueger reported that the Finance Committee met on Tuesday, June 4th, 2019 and reviewed the materials behind Tab 2 in the Council Book. The report comes to the Council with the full approval of the Finance Committee. She asked Mr. Markey to present the financial report for the period July 1, 2018 through May 31, 2019.

NAC internal accounting must reconcile with the State’s accounting, published in the Allotment Status Report. Mr. Markey reported that the totals for all three programs coincide with the Allotment Status Report. Mr. Markey then reviewed the detailed breakdown for each of the programs, found in the Council Packet on pages on pages 2.8 to 2.10. As a point of comparison between the budget and the actual expenditures, Mr. Markey noted that as of the date of the report, May 31, the elapsed portion of the fiscal year is 83%.

The Administration expenditures detail (Programs 326 & 329) shows that the agency has thus far this fiscal year expended $716,691.00 or 74% of the annual budget. Mr. Markey noted that the balances in DAS Services and Dues and Subscriptions were related to switching some of our Human Resources needs to the State’s Shared Services instead of being handled in house. He also mentioned that Professional Development is up do to the training of new staff members.

The Grants & Initiatives detail (Program 327) shows that the agency has thus far this fiscal year expended $1,345,740.00, or 87% of the annual budget. Mr. Markey noted that the remaining fund levels in all grant categories are typical for this time of the year. Most of the set-deadline grants are already paid out.

The Cultural Preservation Endowment Fund (CPEF) detail (Program 329) shows that, to date, administrative expenses amount to $21,836 and there have been no drawdowns. Mr. Markey reported that the balance of the CPEF trust as of March 31, 2019 was $10,124,317.16. During the month of May, a drawdown was made of the earnings, $124,317.16. Mr. Markey also explained that there was a drawdown made last May, during the previous fiscal year, but after the CPEF budget deadline of April 30th. The Arts Council portion of those funds, $100,453, will be available for allotment in fiscal year 2019.

MOTION: Ms. Marvin moved to approve the financial statements for FY2018. The motion was seconded by Amy Haddad.

VOTE: The approval of the financial statements from FY2018 was unanimously approved by roll call vote.

1. **Review of proposed FY2019 Budget from Finance Committee meeting.**

Mr. Markey provided an overview of the proposed budget for FY2019, noting that the budget includes budgeted amounts from NAC DC for informational purposes only. The Council is voting to approve the budgets for Programs 326, 327 and 329.

Mr. Markey reported that the $1,508,852 appropriation from the State General Fund for FY2019 reflects a 3% increase over FY2018. He noted that there would be no General funds carried over to the next fiscal year, as this is the second year of the biennial budget. He also reported that the $780,600 federal grant award from the National Endowment for the Arts (NEA) for FY2019 is $7,000 more than FY2019. Mr. Markey explained any material changes in the proposed budget, but stated that the NAC will be able to continue to function and that the amount of grants given should be maintained through the next fiscal year.

Mr. Markey reminded the Council of the need to adjust amounts in each grant program, based upon actual carry-over of unspent federal dollars for the end of the fiscal year.

MOTION: Mr. Huenergardt moved to approve the budget for FY2019. The motion was seconded by Ms. Hornady.

VOTE: The approval of approve the budget for FY2019 was unanimously approved by roll call vote.

**VIII.**  **Review of Spring Grant Panel Awards**

 **Basic Support Grants (BSG)**

1. Ms. Henning chaired the BSG panel, and she reported that they met on May 16, 2019 to review the applications for Tier 3 basic support grants; the organizations that have an annual income of less than the $200,000. Ms. Henning remarked that all of the panelist for the BSG panel were some of the best panelist she has worked with.
2. Rachel Morgan, Program Specialist reported that the other two tiers of BSG organizations, in their interim years, did not go to panel, but submitted interim reports. These reports monitor the organizational health of the off year BSGs. Ms. Morgan encouraged the board to review the reports and contact her if there are any questions.

 **Set-Deadline Grants**

1. Annual Series and Events (ASE)

Ms. Morgan explained how the panel works and how organizations qualify to be in this category. She included an explanation of the online system used to evaluate both ASE and mini grant proposals.

1. Artists in Communities/Schools (AiS/C)

Anne Alston, Program Specialist explained how the panel works and how organizations and schools qualify to be in this category. Ms. Alston informed the council that she is seeing good improvement in grant writing from applicants and and their scores are reflective of that.

1. Arts Learning Project Grants (ALG)

Alec Gorynski chaired the Arts Learning Project Grants panel, and Dr. Amy Haddad audited this panel. Both council members had positive remarks about the panel and the application proposals.

1. Arts Project Grants (APG)

Due to the large number of applications in this category, review of the applications was broken into two panels that met on May 22 and 23. Darrel Huenergardt chaired both and provided an overview of the panel proceedings. Mr. Huenergardt endorsed the recommendations of APG Panel 2 but solicited discussion of the APG Panel 1 as outlined in his memo. Discussion ensued regarding the scoring and funding recommendations made by APG Panel 1. He asked the Council to exercise its oversight authority and fund all applicants in APG Panel 1 as a remedy. After a discussion of the issues, the Council voted to approve all APG 1 applications.

MOTION: Mr. Huenergardt moved to approve all applications that came before the panel on May 22nd, 2019. The motion was seconded by Paula Pflueger.

VOTE: The approval of all of the grants that came before the panel on May 22nd, 2019 was unanimously approved by roll call vote.

1. Contractual Partnerships

Ms. Wise described the purpose of contractual partnerships, noting that while some of them are not arts organizations per se, their missions are aligned with that of the NAC.

MOTION: Mr. Gorynski moved to approve the grants for Nebraska Folklife Network, Inc. and Humanities Nebraska. The motion was seconded by Paula Pflueger.

VOTE: The motion was unanimously approved by roll call vote.

MOTION: Ms. Marvin moved to approve the grant for Mid-American Arts Alliance (M-AAA). The motion was seconded by Ellen Hornady.

VOTE: The motion was approved by roll call vote.

ABSTAIN: Candy Henning due to conflict of interest

MOTION: Ms. Hornady moved to approve both grants for NAC Development Corp (NAC DC). The motion was seconded by Mr. Anderson.

VOTE: The motion was approved by roll call vote.

ABSTAIN: Alec Gorynski, Candy Henning, Paula Pflueger due to conflict of interest

**X. Reports & Discussion Items**

1. NAC Chair Report

Ms. Henning yielded the floor in the interest of time.

1. Executive Director’s Report

Ms. Wise introduced Chad Dolezal, new Communications Manager at the Arts Council. She then gave a summary of the recent work of Nebraskans for the Arts and the Nebraska Cultural Endowment. Ms Wise reported on the results of the FY18 Top Ten List and presented the Top Ten list for FY2019. She informed the board that the NAC staff is engaged in strategic planning this summer that will take the agency through 2023.

Ms. Wise reported on the success of Statewide Arts Conference, that took place in Omaha on May 31st and June 1st, and she reported a second conference will take place in Scottsbluff on July 25th. Ms. Wise ended her report by thanking board member Candy Henning, Melissa Marvin, Paula Pflueger and Reven Wright who will be reaching the end of their term in September. Each was presented with a thank you gift from the staff. Ms. Wise reminded members that they serve until replaced.

1. Program Reports
2. Anne Alston discussed the Artist in Communities and Schools roster and how the new roster teachers were chosen. She then gave a quick overview of the NAC education programs, including Poetry Out Loud, NE Strong Creative Flood Relief, and the Educational Service Unit #2 that mentors arts education teachers.
3. Rachel Morgan talked about the strategic planning workshops she has been conducting for Tier 2 BSG organizations.
4. Michael Markey reported on the expansion of Arts Accessibility Grants to include project grants as well as event services.
5. Meagan Dion gave an update on several 1% for the Arts projects going on all over the state, and she reported on the winners of the Individual Artist Fellowships. She also gave the Council information on the open call for artist for the Fred Simon Gallery.

**XI. Other Business**

Ms. Henning asked the board to retire into executive session to discuss the following:

1. Executive Director Annual Review
2. Travel Authorization for E.D. and Management Team

Pursuant to the Open Meeting Act, Ms. Henning called for a motion and a vote to hold a closed session.

MOTION: Ms. Marvin moved to take the meeting into executive session. The motion was seconded by Mr. Anderson.

VOTE: The motion approved unanimously by roll call vote. The closed session commenced at 4:40pm

Ms. Henning asked staff and visitors to leave the room. Following discussion, Ms. Henning called for a motion and a vote to end closed session.

MOTION: Mr. Gorynski moved to end the closed session and the motion was seconded by Ms. Hornady.

VOTE: The motion was unanimously approved by roll call vote. The closed session concluded at 4:53.

Staff and members of the public were invited back into the room. Ms. Henning asked for a vote regarding the motions made during closed session.

MOTION: Mr. Anderson made a motion to award the Executive Director and the Deputy Director a salary adjustment as discussed in closed meeting and to give the executive director and management team the authority to plan and to carryout both in-state and out-of-state travel as necessary for fulfilling the goals and objectives of the agency and the job responsibilities as set forth in the executive director’s job description for the coming fiscal year. The motion was seconded by Ms. Hornady.

VOTE: Motion was unanimously approved by roll call vote.

**XII. Adjournment**

Ms. Henning declared the meeting adjourned at 5:06 pm

**Calendar**

**Upcoming Board Meetings**

 **October 15, 2019 Lincoln, TBA**

*The agenda for this quarterly meeting was published prior to the meeting on the state calendar and on the agency website.*

*The next meeting of the Nebraska Arts Council will be October 15, 2019 in Lincoln.  The meeting time and location will be posted on the State of Nebraska Public Meeting Calendar,* [*http://www.nebraska.gov/calendar*](http://www.nebraska.gov/calendar)*by September 15, 2019.*