

McKINNEY ARTS COMMISSION

OCTOBER 20, 2011

The McKinney Arts Commission of the City of McKinney, Texas met in regular session in the Council Chambers of the Municipal Building on October 20, 2011 at 9:00 a.m.

Commissioners Present: Matthew Bado, Sherry Tucker-David, Linda Spina, Beth McGuire, Tameika Miller, Janet Farr, and Hamilton Doak

Staff Present: City Liaison Aretha Harvey, Arts Commission Secretary Mona Robinson, and City Secretary Sandy Hart.

Chair Linda Spina called the meeting to order at 9:13 a.m. after determining a quorum present.

11-492 Oaths of Office. City Secretary Hart administered the oaths of office to Linda Spina, Tameika Miller, Matthew Bado, Sherry Tucker-David, and Beth McGuire.

11-493 Consider/Discuss/Act on Election of Chair and Vice Chair. Commissioners unanimously approved the motion by Commissioner Farr, seconded by Commissioner Doak, to elect Linda Spina as Chair. Commissioners unanimously approved the motion by Commissioner Bado, seconded by Commissioner Farr, to elect Hamilton Doak as Vice Chair.

Commissioners unanimously approved the motion by Vice Chair Doak, seconded by Commissioner Tameika Miller, to approve the following consent items:

11-494 Minutes of the McKinney Arts Commission Work Session of August 26, 2011

11-495 Minutes of the McKinney Arts Commission Regular Meeting of August 26, 2011

11-496 Minutes of the McKinney Arts Commission Work Session of August 27, 2011

11-497 Minutes of the McKinney Arts Commission Special Meeting of August 27, 2011

- 11-498** Chair Spina called for Consideration/Discussion/Action on Acceptance of 2010-11 Final Project Summary Reports. Commissioners unanimously approved the motion by Commissioner Farr, seconded by Commissioner Miller, to table the North Texas Chapter of the American Theatre Organ Society Final Report pending their presentation to the McKinney Arts Commission at the next meeting and to approve the remaining Final Reports for Chamberlain Performing Arts, McKinney Community Band, McKinney Community Concerts, McKinney Repertory Theatre, and McKinney Youth Theatre.
- 11-499** Chair Spina called for Consideration/Discussion/Action on Meeting Times and Dates. City Liaison Harvey discussed when additional meetings could be held in the Council Chambers. The Commission decided that work sessions and special meetings will be held on the 2nd Wednesday of the month at 4:00 p.m. when necessary.
- 11-500** Chair Spina called for Discussion on Timeline and FY2012-13 Application Process. City Liaison Harvey explained various modifications were being proposed to the Timeline and the grant application process. The first item discussed was removal of the narrative section in the Grant Application. Commissioner Tucker-David suggested the application could have a limit on the word count. City Liaison Harvey explained a new proposed requirement is that each applicant group would have a one-on-one meeting with staff, Chair, or Vice Chair for an initial review of their grant application. At that time completion of the form within the area provided in the application would be addressed. City Liaison Harvey explained the second proposed modification was separate balance sheets and financial reports would no longer be required since that financial information will be disclosed in the application. Vice Chair Doak stated he would prefer this proposal be stricken as he believes the information contained in balance sheets and financial reports is crucial to a proper review of

organizations' grant application. City Liaison Harvey stated the next proposed change was the addition of the requirement that volunteer and in-kind services would only be considered in an organization's financials if they were presented in the organization's IRS form 990. This form would now be required to be submitted with the group's grant application. City Liaison Harvey explained there could be exemption for groups that are not required to file an IRS form 990. City Liaison Harvey discussed in further detail the proposed requirement for applicants to have a one-on-one review meeting of their completed application with Arts Commission staff, Chair, or Vice-Chair prior to final submittal of their grant application. A checklist to be utilized at the review meetings will be available for the Arts Commissioners to review and approve. It was discussed that all Arts Commissioners could participate in the one-on-one meetings. Arts Commissioners did not voice any concerns or issues with this new requirement to the grant application process. City Liaison Harvey further explained applications must meet all checklist requirements before being accepted, and incomplete applications will not be accepted. City Liaison Harvey explained to the Arts Commissioners why the proposed modifications are necessary, and staff is working on a process wherein Commissioners are given true and accurate information. City Liaison Harvey discussed the next proposed modification of one grant application per 501(c)(3) as well as the history as to why this modification was necessary, and she explained that if an organization desired to umbrella under a 501(c)(3), they must be a part of the original application. The actual 501(c)(3) will be responsible for proper use of funding and grant compliance. Chair Spina stated her concern with the merging of groups' information within one application. City Liaison Harvey answered Arts Commissioners' questions and concerns including the clarification that the 501(c)(3) organization and the organization falling under the umbrella of that organization would have to share the grant, and the cap of a grant

would be applied to both groups. Commissioner Tucker-David (as one who was involved with putting the Arts Commission together) explained to the other Commissioners the intent of the previous Arts Commissioners in allowing "umbrella" applications was to include new and upcoming groups that were not currently 501(c)(3). It was not the intent to continue to fund organizations over and over that do not obtain their 501(c)(3) status. Vice Chair Doak would like to see the Arts Commission eliminate umbrella organizations. City Liaison Harvey explained that an additional option would be to allow non-501(c)(3) organizations to apply for a grant one year only while the group was in the process of obtaining their 501(c)(3) status. Chair Spina stated she did not feel that up and coming groups that have filed their 501(c)(3) application should be excluded from the process just because they are a new group. Arts Commissioners further discussed umbrella organizations. City Liaison Harvey summarized by stating up and coming organizations would only be able to apply for an Arts Commission grant as a non-501(c)(3) organization if they had their 501(c)(3) application in process with the IRS, and this process would have to be finalized within eighteen (18) months of receiving a grant. It was clarified that the Arts Commission would only grant money to a 501(c)(3) which may have another group which is not yet a 501(c)(3) filing under them as part of their overall grant application. The next proposed modification is that organizations must be a 501(c)(3) for at least one year as of the date of the current final deadline. City Liaison Harvey explained this modification was proposed to close a loophole in the current guidelines, and this change would meet the intent of this requirement. The next proposed modification to the grant application process was to require the groups to submit a recent IRS letter of designation as a 501(c)(3), and recent was defined as within the past two (2) years. This is to make sure groups are in good standing with the IRS in regards to their 501(c)(3) status. City

Liaison Harvey explained to the Arts Commissioners that meeting this requirement may be easily accomplished by applicant groups. Commissioner Farr re-opened the discussion on umbrella organizations currently receiving funding from the Arts Commission and the requirement that they be a 501(c)(3) for at least one year. Vice Chair Doak suggested language be added to clarify that this requirement applies to groups which have never applied to the Arts Commission for a grant. City Liaison Harvey discussed proposed changes to the Final Report process stating that the requirement for Final Reports to be submitted within thirty (30) days of a group's final event will be strictly enforced. If a group does not submit their Final Report as required, it will not be accepted. City Liaison Harvey explained the proposed modification wherein grant recipient groups will be required to come before the Arts Commission at the first meeting date possible after submission of their Final Report to City staff. This will require a greater degree of accountability from the groups. City Liaison Harvey explained proposed modifications to the Arts Commission Grant Application Guidelines which included lowering of the cap on the grant awarded to not exceed \$20,000 due to decreasing budgeted grant funds. Submission of the final grant application must be made in one electronic file via email. Another modification proposed is the elimination of a separate McKinney Arts Calendar, and any events funded in part by Arts Commission grants will be submitted to the McKinney Convention & Visitors Bureau (MCVB) to be included on the MCVB calendar. City Liaison Harvey discussed the proposal to disburse grant funds using a 60%/40% ratio; however, the Arts Commissioners wanted to leave the ratio at 70%/30% but to suspend any group from applying for an Arts Commission grant for one year if their final expenses fall below fifty percent of the awarded grant. City Liaison Harvey explained the proposed Timeline modifications. Chair Spina opened a discussion on

groups that did not receive the full funding they requested as she was concerned as to how the reduced funding would affect that group's project plans. Commissioners discussed this issue, and City Liaison Harvey suggested those groups should be required to submit a modified project plan, within ten (10) days of receipt of their grant award letter in late September, if their scheduled events/plans would have to be modified based on the reduced funding. Commissioners decided not to request the modified event plan this fiscal year, but this requirement should be implemented in FY2012-13 grant cycle. City Liaison Harvey opened the discussion on the proposed changes to the grant cycle Timeline, and Commissioners agreed that one day for grant application presentations would be sufficient. City Liaison Harvey asked Commissioners for their questions and comments on the proposed changes, and Commissioners had none. City Liaison Harvey will make the changes requested by the Arts Commissioners to the proposed modifications. Once the modifications have been finalized, City Liaison Harvey suggested that informational meetings be held in January, 2012 to give the groups time to make adjustments required by the modifications to the Application, Guidelines, and Timeline. City Liaison Harvey would like to require that current applicants attend one of two informational meetings to be held.

11-501 Chair Spina called for Discussion on the Public Arts Policy and State of the Arts. Commissioners unanimously approved the motion by Vice Chair Doak, seconded by Commissioner Bado, to table this item. The Commissioners agreed by consent to delay a "State of the Arts" presentation to Council and not include it on the agenda of the November 15th work session.

11-502 Chair Spina called for Discussion on the Arts & Economic Prosperity IV Study. Commissioners unanimously approved the motion by Commissioner David, seconded by Commissioner Miller, to table this

item until a future meeting.

Commissioners decided to hold a Special Meeting on Wednesday,
November 2, 2011 at 4 p.m.

Commissioners unanimously approved the motion by Commissioner Tameika Miller, seconded by Commissioner Matthew Bado, to adjourn. Chair Spina adjourned the meeting at 11:22 a.m.

LINDA SPINA
Chair