

Commission on the Arts and Humanities
Special Meeting Minutes
Thursday, March 26, 2020 | 3:30pm
Via Teleconference



Commissioners in Attendance

Kay Kendall (Chairperson), Stacie Lee Banks, Cora Masters Barry, Edmund Fleet, Rhona Friedman, Alma H. Gates, Natalie Hopkinson, Kymber Menkiti, MaryAnn Miller, Chinedu Osuchukwu, Jr., Josef Palermo, Maria Hall Rooney, Cicie Sattarnilasskorn, José Alberto Uclés, Gretchen B. Wharton, Derek Younger

Commissioners Absent

Quanice Floyd

Staff Present

CAH: Heran Sereke-Brhan (Acting Executive Director), Carl Wilson (Interim Deputy Director),
David Markey (Interim Senior Grants Officer), Brian Allende (Resource Allocation Analyst),
Jeffrey Scott (Chief of External Affairs)
OCFO: Leroy Clay (Associate Chief Financial Officer)

A special meeting of the Commission on the Arts and Humanities (CAH) was held on March 26, 2020 at 3:30 pm via teleconference; Kay Kendall, Chairperson, presiding.

Call to Order

Chair Kendall called the meeting to order at 3:30 pm and stated that this was a special meeting for the purpose of reviewing agency financial information with a representative from the Office of the Chief Financial Officer (OCFO) in order for the commissioners to determine a possible course of action regarding disbursement of emergency funds from CAH's budget to artists and small arts organizations affected by the ongoing COVID-19 pandemic. Chair Kendall called the roll and determined that a quorum, being one-half of the active members of the Commission, was present with 16 members in attendance and 1 member absent. Chair Kendall asked Acting Director Sereke-Brhan, Associate Chief Financial Officer Clay, and Resource Allocation Analyst Allende to present on the agency's financial information.

Presentation: Impact of COVID-19 on CAH Budget

Acting Director Sereke-Brhan went over the timeline of recent weeks, and how the COVID-19 public health emergency has been a rapidly changing situation. She noted that although the grants committee had agreed to a proposal for emergency relief funding, which was to have been presented to the full Commission for consideration, in the two days between the grants committee's meeting and the regular meeting of the Commission, the OCFO recommended to all District agencies to pause on any new financial obligations, including procurements and grant awards because of concerns regarding declining sales tax revenues. Acting Director Sereke-Brhan stated that this information and recommendation from the OCFO was presented on a conference call to the grants committee, a quorum of which was present on the call, and that no objection was made to the recommendation to retain the relief funding proposal in the committee, and not present it for consideration to the full Commission at the upcoming regular meeting on March 19, 2020.

Associate Chief Financial Officer Clay then explained how the agency's budget for the fiscal year is based on estimated sales tax revenues, that are adjusted for actual revenues as the year progresses. He stated that generally, there are no significant negative adjustments to the estimates unless there is a rare event that impacts revenues, and that the COVID-19 public health emergency and subsequent closures of non-essential businesses are that rare event. Associate Chief Financial Officer Clay also stated that because of the District's anti-deficiency laws, no agency can spend or obligate funds that it doesn't have, which prompted the advice to hold on any new grant awards until the OCFO was able to revise the sales tax revenue estimates.

Discussion: Emergency Relief Funding

Commissioner Palermo asked when that reassessment would be done. Associate Chief Financial Officer Clay stated that it would be completed on or around April 24, 2020.

Commissioner Palermo asked the amount of obligations the agency currently has. Resource Allocation Analyst Allende stated that obligations were currently at \$23,097,408, which includes what has already been paid out plus payments that are due to be issued.

Commissioner Palermo stated that he was confused as to the overall state of the agency's budget, and that agency leadership was operating within a silo.

Commissioner Miller made a point of order, stating that Commissioner Palermo was out of order with his remarks about the leadership, as that was not the subject of the meeting. The point of order was not taken by the Chair.

Commissioner Palermo stated that several staff members had left the agency, and special events were not being produced, and asked if those savings would make up for any shortfalls. Resource Allocation Analyst Allende stated that at this juncture they would not, and that it would not be prudent to make any new expenditures until the revised revenue estimates came in from then OCFO.

Commissioner Palermo asked how much it cost to run the agency. Resource Allocation Analyst Allende stated the cost is approximately \$4 million, which would cover staffing and mission critical contracts.

Commissioner Sattarnilasskorn stated that in the past the agency operated with much lower costs because the funding was lower. Acting Director Sereke-Brhan stated that in 2012 the agency's budget was \$3,217,55 and they issued 153 grant awards, and in 2018 they made 692 grant awards with a budget of over \$23 million, so the agency's workload has grown significantly along with the funding.

Commissioner Miller questioned why this meeting was called, stating they should not be arguing about money that they do not have the ability to spend.

Commissioner Friedman stated that after the new revenues estimate was done on April 24, if it looked like there would be overages, that could possibly be used for relief funds.

Commissioner Hopkinson stated that this was an independent agency and asked what sort of leeway they had in defining themselves. Acting Director Sereke-Brhan stated that while independent, CAH was still a District government agency and had to operate according to certain government policies and procedures.

Chair Kendall stated that the next regular meeting of the Commission was scheduled for April 23, and that with the new estimates coming on April 24, it might be best to reschedule that meeting to a later date.

Chair Kendall moved to reschedule the April regular meeting from April 23 to April 30, 2020 by roll call vote:

Ayes: Lee Banks, Barry, Fleet, Friedman, Gates, Hopkinson, Menkiti, Miller, Osuchukwu, Jr., Palermo, Rooney, Sattarnilasskorn, Uclés, Wharton, Younger, Kendall (Chair)

Noes: None

The motion carried: unanimous

Commissioner Palermo moved that the Commission adopt a policy that establishes how available funds can be used for relief funds. The motion was not seconded, and did not come before the meeting.

Chair Kendall suggested that the policy be reviewed for legal compliance first and could be introduced at a subsequent meeting.

Adjournment

There being no further business to come before the meeting, Chair Kendall adjourned the meeting at 5:31 pm.

Approval

Minutes approved this 30th day of April, 2020.