



Board Meeting Minutes

October 27, 2016

NEFA

Boston, MA

Board Members Present: Alex Aldrich (*via phone*), Taylor Ho Bynum, Byron Champlin, Andrew Cornell, Amy Ellsworth, Geoff Hargadon, Jane James, Doug Keith, Ginnie Lupi (*via phone*), Chip Newell, Julie Richard (*via phone*), Larry Simpson, Ann Smith, Ted Wendell, Marco Werman, Lisa Wong, Carrie Zaslow

Staff Present: Anita Chan, Cathy Edwards, Steven Fenton, Sara Nash, Adrienne Petrillo, Daniela Jacobson Plotkin, Jane Preston, Quita Sullivan, Kim Szeto, Sharon Timmel, Ann Wicks

Guests: Peter DiMuro, Caitlin Harvey, Tom Muldoon

Notetaker: Steven Fenton

CHAIR LARRY SIMPSON CALLED THE MEETING TO ORDER AT 12:02 PM

Call to Order & Welcome

Chair Larry Simpson welcomed the board and thanked everyone for making the trip to Boston. Larry introduced Taylor Ho Bynum, who was attending his first meeting.

Larry shared that one mandate of the Executive Committee is to engage in an annual performance review of the Executive Director, which they did earlier in October. Larry described it as a thorough and good process with positive outcomes.

Executive Director's Report

Executive Director Cathy Edwards shared some brief updates on NEFA's ongoing work. Throughout the fall, Center Stage season three is bringing artists from Tanzania and Algeria to tour the U.S. including communities across New England. Cathy joined the Center Stage team in Washington D.C. at the State Department for the welcome and briefing of one of the program's touring companies.

Cathy presented the board with a set of designed, state-impact one-pagers, intended to demonstrate how NEFA supports the cultural economy in the each of the New England states. She cautioned that they only reflect NEFA's grantmaking in each state and do not capture the benefits of CreativeGround or other NEFA services.

This fall, NEFA launched the Creatives Count survey, which is a first attempt to gather financial, employment, and career needs data from individual artists and creative workers in New England. The open survey had just passed the half-way point and had already received 838 completed responses. Cathy hoped all board members would share the survey widely among their networks to solicit as many responses as possible. The results of the survey and the employment report will be released at the upcoming CCX in New London, CT on June 8 & 9, 2017.

Finance & Audit Committee Report

Board Treasurer Geoff Hargadon offered a preview of the afternoon's presentation by NEFA's auditors. NEFA had a clean audit this year and received high marks in all areas. The auditors recommended having a sustainable operating net asset balance to encompass a working capital, which allows NEFA to hold a small amount of unrestricted dollars to allow for some flexibility. Geoff equated this to moving money from one pocket to another. The Finance & Audit Committee reviewed the recommendation and updated the Endowment and Reserve Policy to reflect the change. The Executive Committee reviewed and approved the change at their meeting in October.

Geoff shared NEFA's investment accounts are up seven percent overall. NEFA has purposefully hired managers with socially responsible mandates, and has a fair amount in bonds. The Investment Committee is pleased with the returns.



Board Meeting Minutes

October 27, 2016

NEFA

Boston, MA

Trustees Committee Report

Jane James reported the Trustees Committee met in September to discuss board membership and the member terms due to expire this summer. During that conversation, they agreed it was vitally important to begin planning for leadership succession. Jane shared that the committee anticipates bringing on three new board members for the Class of 2020. They plan to recruit at least one representative from New Hampshire, in addition to continuing to nominate individuals from diverse cultural and professional backgrounds. Jane asked board members to consider their recruitment priorities and share the names of anyone who might be suitable for the board.

Development & Communications Committee Report

Jane James shared that the Development & Communications Committee also met in September, where they decided it is appropriate to mark NEFA's 40th and the National Dance Project (NDP)'s 20th anniversary. The committee will plan an intimate celebration as part of the summer retreat in the Berkshires. On either June 22 or 23, the board will attend a performance and host a reception celebrating the organization and program at Jacob's Pillow.

Lisa Wong directed the board's attention to the charge for an Advisory Council, an idea that came out of the discussion of celebrating NEFA's anniversary and thinking about ways to cultivate more relationships for NEFA, including with Trustees who retired from the board. The committee proposed a 2-year pilot for an Advisory Council. The council will provide a way to expand NEFA's network of individual donors and can also function as an opportunity to cultivate future board members. Lisa asked the board to share nominations for this group as well.

Annual Appeal

Larry reminded the board that during the fall season, NEFA will be asking for their financial support through the appeal. In FY16, the board achieved 100% participation in the annual fund, which has not always been the case. In addition to maintaining that full participation, he asked if he could push board members to make NEFA their top philanthropic priority for this year in recognition of NEFA's 40th anniversary.

Ann Smith introduced a new campaign strategy for this year's annual appeal. One of the hallmarks of her own organization's successful capital campaign was to friend-raise in addition to fundraising. The Development & Communications Committee would like to increase NEFA's network of individual donors. Ann asked each board member to share the names of three new contacts, to whom NEFA will send an appeal letter with a personal note from the member who recommended them.

Upcoming Initiatives

Strategic Planning Task Force

After the board's discussion about strategic planning at the summer retreat, the Executive Committee authorized and appointed a task force to lead a new strategic planning process. Larry Simpson explained the time is right to take a critical look at the organization, and NEFA's goals and aspirations, through a new lens. Larry shared the task force comprises himself, Randy Rosenbaum, Julie Richard, Betsy Richards, Pam Tatge, Taylor Ho Bynum, Cathy, and NEFA's leadership staff team.

Cathy Edwards reminded the board the existing strategic plan was finished in 2013, which was followed by a significant transition period for the organization. She appreciates the stated values within the plan, but in her review, found the document itself too vague to serve as an actionable blueprint for where to make investments. It was especially clear to Cathy that NEFA would benefit from a process of sharpening its perspective on equity, diversity, and inclusion. NEFA currently has a good, but vague, values statement, but not a sense of how to prioritize manifesting that work. This process will be a central aspect of the new plan. Cathy envisions the plan will include a review of business and financial practices, and offer specific objectives, and recommendations on how best to align resources in the pursuit of those



Board Meeting Minutes

October 27, 2016

NEFA

Boston, MA

objectives. NEFA already has a number of substantive program evaluations completed or in progress, which will inform the plan and allow for a more streamlined process focusing on operation questions.

At first Cathy thought NEFA could perform this work in house, but realized an experienced external consultant would be better equipped to lead an objective process. The task force will meet to determine the scope of the plan and develop and issue an RFP for planning consultants. The selected consultant will join the board at the summer retreat to facilitate discussion around the board's hopes for the organization.

Accessibility Committee

Director of Finance and Administration, Anita Chan, introduced Daniela Jacobson Plotkin, who plays two important roles at NEFA as Program Coordinator for Presenting and Touring and the organization's Accessibility Coordinator. In the latter role, Daniela is charged with: ensuring NEFA is complying with accessibility laws in all of its practices, educating board and staff about accessibility issues, and making sure planning for accessibility is incorporated into NEFA's strategic and operational planning. Daniela also works closely with constituents if they have questions about accessibility laws and compliance and helps connect them to appropriate resources if they are trying to make their programs accessible.

Another dimension of Daniela's work is to complete the Section 504 workbook, which is required of all nonprofits and their grantees. It is an extensive document, covering employment procedures, program access, and architectural access. During this process, Daniela identified a few areas of growth and improvement for NEFA. In doing her review of NEFA's organizational structure, she realized people with disabilities are not represented among NEFA's decision makers. With this in mind, Daniela has worked with Anita and NEFA leadership to launch a new Accessibility Committee, which is considered a best practice in the field. Such committees serve as a sounding board, and are an ongoing resource for organizations and constituents to help evaluate access work and create plans and policies. Daniela shared she is looking for constituents and two NEFA board members to join the committee and asked those who are interested, or know someone who may be, to contact her directly.

Auditing NEFA: A Walkthrough of NEFA's Financials

Finance & Audit Committee Vice Chair Doug Keith explained it is a best practice for the full board to meet with the organization's auditors periodically. He introduced Tom Muldoon and Caitlin Harvey, NEFA's audit partners from Alexander Aronson Finning CPAs, and explained they would walk the board through the audit process and offer tips about what to look for when reading an organization's audited financials.

Tom explained the general purpose of the audit is to issue an opinion that an organization's finances are well presented. The annual audit is considered a best business practice. It helps the board comply with and meet their fiduciary responsibility; and many funders require the audit in their contracts. For regulatory purposes, NEFA, as a Massachusetts public charity with annual revenues of over \$200k, is required by Mass General Law to undergo an annual audit. In addition, NEFA is subject to a second audit, commonly known as the A-133 audit because NEFA expends over \$750k of federal grants annually.

Tom described the three phases of the audit: planning and transaction sampling, compliance testing, and fieldwork. The audit approach is developed and driven by where the auditors assess risk at the organization. They are required to gain an understanding of an organization's internal controls to glean where the it may be exposed to risk or fraud. Next the auditors examined transactions by requesting supporting documentation to make sure the organization's controls are followed and align with fed regulation. In NEFA's audit there was the possibility of up to 824 potential deviations, but none were found. Finally, the auditors dive into the numbers in financial statements and test them via confirmation with independent parties, confirming balances, revenues, and awards. Once complete, they draft financial statements and a management letter, and report findings to the management team, Finance & Audit Committee, and the Board of Directors.



Board Meeting Minutes

October 27, 2016

NEFA

Boston, MA

The auditors also make best practice recommendations. In this year's engagement, Tom tasked his group to review NEFA's IT general controls. The team made a few recommendations to Anita about computer operations and Tom shared there is already a processes in place to address those observations. Tom also cited NEFA's development portfolio, where a large chunk of the organization's funding comes from three key sources. He cautioned if one or two of those went away, it would have a dramatic impact on NEFA. He recommended further diversifying funding. Tom was glad to report that NEFA received a clean unmodified opinion, the highest and best possible report.

Tom did note during the audit, his team reviewed the endowment and reserve policy that was approved by the board. They noted the structure was somewhat inconsistent with what they generally see and the composition of the strategic opportunity risk reserve was modified as a result.

Moving Dance Forward

Deputy Director Jane Preston spoke about the various evaluation projects NEFA has undertaken over the last two years, including a deep look at the National Dance Project as it approaches 20 years. NEFA had a multitude of data and wanted a better sense of where the program sits within the field. NEFA commissioned Metris Arts to perform a review, which resulted in a 91-page report, *Moving Dance Forward*. Jane introduced Sara Nash, NEFA's Program Director, Dance, and Peter DiMuro, Executive Director of the Dance Complex, to offer deeper insight into the major learnings and takeaways in the report.

Sara shared some of the key takeaways from the report. There was overwhelming evidence that NDP's holistic model providing grant dollars to create and present new work is critically important to the field. This intertwined support was considered NDP's most important contribution to the field. NDP's creation support enables artists to take on ambitious and high quality projects, and contributes to their evolution and professional development as artists. Survey responses also revealed deep respect and support for NDP's panel review and advisor system, and professional development offerings like the Regional Dance Development Initiative (RDDI) and production residencies, which help boost artists' confidence and tour readiness.

NDP has a strong history of supporting artists of color. Half of NDP grants went to artists of color and Native American artists. The five companies who hold the most NDP supported engagements, are all prominent dance companies led by artists of color. NDP is a sustained source of funding for some artists - of the 18 companies that have received 5 or more NDP grants, 50% are artists of color. Sara added it is important to acknowledge the focus groups revealed there is much work to be done to address systemic inequities.

These findings were shared with a task force made up of staff and NDP advisors, and in conversations with NDP's major funders, to discuss how to best transform findings into program design to deliver robust resources based on NDP's strengths and needs. Since then, NDP submitted a draft proposal to the Doris Duke Charitable Foundation for renewed funding, which received preliminary approval, and will go to Duke's board in November.

Sara previewed some of the strategies and changes the program will pursue. NDP will channel dollars to fund more production grants that cover creation and touring, while retiring the smaller, more transactional tour-only award which provided money to presenters without first investing in artists. NDP will introduce a dedicated fund for presentation grants for projects with demands over \$35k, which will be given directly to presenters in regions that would particularly benefit from NDP resources. NDP will transform the fall panel meeting into a cohort meeting for first time artist grantees to help them further develop strategies, and exchange knowledge and skills. A Community Engagement Fund will provide support and resources to those artists who receive NDP grants that have a strong commitment to developing a practice of community engagement. The New England Dance Fund will continue to provide smaller, catalytic grants to artists in New England. NDP will work to develop additional versions of the RDDI lab, in the vein of a 4-day workshop or weekend program, to reach more artists, more often. As



Board Meeting Minutes

October 27, 2016

NEFA

Boston, MA

learning continues, Sara expects there will be other changes and shifts to make sure NDP is delivering the resources the field needs.

Sara asked Peter to reflect on what aspects of the report resonated with him as an artist and presenter. Peter appreciated the appetite for achieving deeper, more meaningful community engagement through dance. In his work as both presenter and artist, he focuses on what happens when people come together, and asks himself what he can bring into a community. He is seeing more artists doing this and thinking about how their work can reach and have an impact on a community.

After some questions from the board, Sara thanked them for the opportunity to discuss NDP's next steps and hoped everyone would take time to read the final report.

Closing Remarks & Adjournment

Larry Simpson thanked everyone for their continued commitment to NEFA and for their participation in a rousing meeting.

The meeting was adjourned at 3:38 PM

Next Steps:

- ***Board members will send Trustee and Advisory Council nominations to the appropriate contacts by November 28, 2016***
- ***Staff will share the minutes from the June 2016 retreat for review and present them for approval on March 1, 2017***
- ***Submit the minutes from this meeting for board approval on March 1, 2017***