

Governing Board Meeting

June 12, 2021, 10:00 am - 1:00 pm CST

Zoom

Attendance:

Board members: Linda Nutt, JoEL LoGiudice, Reneau Dubberley, Pat Moody, Sally Bebawy, Roberta Bell, Pat Chaffee, Synthia Clark, Audrey Deal-McEver, Cynthia Gadsen, Shaun Giles, Candace Gooch-Ward, Jessica Hagar, Kelly Hider, Wansoo Kim, Vincent Lillegard, Wisty Pender, Maggie Fansher

Staff members: Kim Waag

Absent: Cara Young, Christi Teasley, Paige Ward

Linda calls the meeting to order at 10:01am.

Approval of February 2021 Minutes

Reneau moves to approve the minutes from the February 14, 2021 Governing Board Meeting. Pat seconds. All in favor.

President's Report

Linda congratulates all committees and chapters on their productivity since the last board meeting. Lots of exciting things are happening, and she encourages board members to read both the committee and chapter reports if they haven't already done so.

Over the past months, the Executive Committee focused on Kim's six month evaluation. Feedback from both staff and executive committee members is unanimous and overwhelmingly positive in regard to Kim's performance since assuming the role of executive director. After compiling and reviewing feedback, the executive committee discussed next steps with Kim, and have asked her to summarize an action plan, which she will submit in the coming weeks. This plan will be distributed to the full board for review.

Executive Director's Report

Kim thanks the board for their support over the last tumultuous year-and-a-half. She also recognizes board members who volunteered at the fair, particularly tent captains, as this was a new volunteer position filled entirely by board members. Thank you Linda and Pat for your long-time, indispensable service!

June is a major grant close-out month for Tennessee Craft. Through this substantial task, Kim has had the opportunity to assess the year from a fiscal and programmatic perspective. Impact and audience numbers are impressive, and we should be proud of our resiliency as an organization. Staff has been assessing programing efforts for the next fiscal year, and thinking strategically about how to 'relaunch' now that pandemic restrictions are lifting.

Kelly mentions that she was impressed with the amount of grant work Kim does.

The fall fair dates are October 8-10, 2021. Linda encourages everyone to volunteer, in various roles, at the fair. Pat congratulates our three staff members for their competency and teamwork at the spring fair, especially given weather complications.

Strategic Plan Adoption

Kim presents the FY2022-FY2024 Strategic Plan for board approval. Since the February board meeting, staff worked with board members and the chapters to draft a new strategic plan, and the work focused on expanding measurable key outcomes for objectives tied to existing and new organizational goals. If approved, the plan would take effect in July 2021. Kim mentions that this document is crucial from an internal perspective, and helps prioritize staff actions and outside opportunities. She notes that feedback received from various board members is that the plan is robust. Kim suggests that the board reassess this document yearly, and that staff will work to present metrics when appropriate. Linda says that the plan is ambitious, but aspirational. Kim encourages committees to look across the entire plan rather than focus on a single objective.

Wisty moves to accept the FY2022-FY2024 Strategic Plan as written. JoEl seconds. All in favor.

Treasurer Report

Reneau presents the financials, beginning with the statement of financial position as of April 30, 2021. Operating funds have increased from the past months, and cash flow is in excellent shape. For liabilities, the two PPP loans remain the largest liability for the organization, but around half will be realized at the end of the fiscal year. Net income currently shows a negative twenty-six thousand dollars, but once the first PPP loan is forgiven, net income will become positive.

Reneau then reviews the statement of activities as of April 2021. Booth fees reported YTD are fifty-three thousand dollars, which is the first fair income in a year. Application fees transferred from previous cancelled fairs equates to an already reported amount of four thousand dollars.

The statement of activities, budget vs. actual reveals the organization receiving half of the income budgeted due to cancelling the fall fair in the current fiscal year. Expenses decrease accordingly, but there are still static expenses that do not fluctuate with programming (rent, salary, etc.). Current net income shows a negative twenty-eight thousand dollars, but again, once the first PPP loan is forgiven, net income will become positive.

Reneau comments that Tennessee Craft received a second round of PPP funding. Kim applied for forgiveness for the first round of funding with the SBA, and is waiting for the invitation to apply for forgiveness of the second round of funding. Total funding is seventy-two thousand dollars, through two loans. Leadership and the finance committee anticipates all SBA funds will be forgiven.

Kim has also applied for targeted EIDL, which is an automatically forgiven loan. She has included six thousand dollars in the budget for the EIDL. Small businesses and nonprofits with a business address in low-income communities can apply.

Through the PPP loans, artists rolling over booth fees, and grant organizations increasing grant amounts, Tennessee Craft has been able to remain fiscally sustainable during the pandemic.

Audry motions to accept the treasurers' report based on April financials. Kelly seconds. All in favor.

FY2022 Budget

Reneau presents the next fiscal year's budget, which is overall conservative compared to the past two years. We will not have detailed grant award information until July. Grant funds provide over a third of income for the organization. Projected booth fees are similar to FY2018-2019.

E-Commerce is the most difficult to project given no prior experience. The goal is to have ten months income from the program given a late summer/early fall launch date.

Expenses include increases in e-commerce program, advertising and promotion for both the e-commerce site and fairs. Artistic fees and awards category increase is due to kid's tent coordinator contractor fees being reorganized to this category from the contract labor category. Consulting fees are projected to increase to cover contracts for knowledgeable marketing assistance for e-commerce communications.

The budget reflects the idea that e-commerce program is a startup, and does not expect the program to be fiscally sustainable in this first year of launching. Forecasted expenses are slightly above fourteen thousand dollars, and income forty-five hundred dollars.

Linda comments that the executive committee discussed a couple factors that will influence the budget. First, in past fiscal years, staff have forgone health insurance, but have asked for assistance in the coming fiscal year. The budgeted amount is projected based on historic numbers. Second, a two percent bonus is included in the salaries budget for bonuses, and will be given to staff at the discretion of the executive director. The executive committee would like to budget for an opportunity to monetarily compensate the staff for their hard work.

Wansoo moves to accept the FY2022 budget as written. Shaun seconds.

Linda adds that this budget is fluid given grant awards and other outside circumstances. If changes need to be made, the budget will come back to the board for review and approval.

All in favor.

Linda comments that this is the most thorough budget she's seen during her time at the organization. She encourages board members to read through the excel document carefully for comments highlighting the reasoning behind numerical values. She thanks both Kim and Reneau for their work on the FY2022 budget.

Current & Future Development Activities

Linda first mentions that the group is still looking for a committee chair. She welcomes input from board members on prospects.

Bonnie facilitates the development committee's work, and serves as development director. The committee is grateful for Bonnie's assistance, and Linda encourages board members to continue assisting Bonnie's efforts by serving in the following ways; continue to make donor thank you calls (please see the shared document on

board portal); referrals for board positions by the end of the month; referrals for corporate sponsorships by the end of the month.

Audry asks how the development director makes the 'ask,' can the referrer remain anonymous? Kim mentions speaking to Bonnie to further answer this question, but thinks the 'ask' could be anonymous or with the introduction of the board member. Linda mentions that she will look at the referral form to make sure this information is included.

Linda then speaks on a variety of development committee activities.

Jennifer Chalos was hired a year-and-a-half ago to develop a detailed fundraising plan for the organization. One of the components of the plan is raising one percent of the annual budget through a fundraising event, roughly five thousand dollars net income.

The annual giving campaign will debut in late September. The organization uses the total of this giving category when speaking to donors and grant organizations. Linda thanks board members for giving to the organization financially, either through monthly donations and one time gifts. She encourages the board to give during the AGC (late September - February) in order to boost this donation category. Last year the organization sent out a AGC letter, but this year the committee would like to send a more robust annual report (audited financials, testimonials, etc.) that could be used in more communications.

The Best of Tennessee Craft exhibition at the Tennessee State Museum will open October 29, 2021. The committee has talked about using this event to thank donors, members and sponsors through a preview event with the jurors at the state museum. Once the exhibition is open, the jury will announce the winners of the \$1500 Best of Show, 1st Place, 2nd Place, 3rd Place and Merit awards. In order to raise money to host the event, Bonnie will focus on funds in two different directions: corporate sponsorships and a collectors circle. Foundations may also contribute.

The committee has also approved the development of another fundraising event, one idea was a craft dinner, but recognizes the need to resurrect the events committee in order to accomplish this. Linda encourages board members to brainstorm and share ideas about small fundraising events.

- Pat Moody has seen great success with a live auction.
- Wansoo suggests a raffle, with artists donating work for donors to purchase tickets to win. ● Maggie elaborates on the idea of a craft dinner, utilizing relationships and resources to give a face to our craft community.
- Linda welcomes ideas, and encourages members to think expansively about what supports the organization.
- Wisty mentions that the organization has experienced success during Tennessee Craft Week with hosts spearheading exclusive events.
- Wisty also mentions a 'speed-dating' format with different artists/experts speaking on various topics.
- Sally seconds the raffle idea, and thinks it would fit in well with the fair. American Artisan sells the annual fair poster to raise money. And perhaps the sell of t-shirts at the fair featuring the poster art.
- Linda is committed to participating across the state, and thanks everyone for their ideas. The

development committee has discussed the need to resurrect the events committee in order to execute these ideas.

100% of board members have made a donation to the organization in this current fiscal year. Well done!

Bonnie is starting to develop a planned giving option. This is a new initiative for the organization, and Bonnie has an advisor to guide this opportunity. Bonnie, Kim, Linda and Reneau will be looking for others to collaborate on this project.

Diversity, Equity, and Inclusion Statement Update

Linda thanks Kim and staff, and JoEL for thoughtful, updated DEI statement and communication timeline.

JoEL begins by thanking all the Community Engagement Committee members for their hard work over the last five months. The committee has broken into teams to work on various strategic goals; for example, Wansoo and Audrey have been working with Kim on a programming resources document for staff to utilize board resources and talents. These teams will be calling on board members for insight, resources, and general feedback.

The DEI statement presented for board approval has been drafted, reviewed, and improved with feedback from various sources, including the Community Engagement Committee, Executive Committee and experts from the general public. This brief statement will live on the front page of the Tennessee Craft website, and a more robust dialog around DEI initiatives will have its own dedicated page to discuss BLM, history of craft in our state, our current action plan, etc.

JoEL opens the floor to comments on the statement. Maggie thanks the committee for all their work, and thinks this statement is a wonderful beginning to the committee's difficult work.

JoEL presents the communication timeline for this statement and other committee initiatives for the board's edification. This timeline showcases the committee's priority to clearly communicate and execute our DEI initiatives across all our platforms and programs.

The board discusses the following components:

- 'Respectfully remember or recognize'? Both?
 - The group discusses the definition of both words, acknowledging that some people engage in memory in different ways.
- Should the names of the tribes be bold?
- Equity over equality?
 - 'Equality doesn't always help'
 - Equity is the preferred word by the committee

Changes to the DEI statement proposed by the board:

- 'respectfully recognize and remember'
- Remove bolding of tribe names
- List tribes in alphabetical order

Roberta moves to approve the statement for publication with the proposed changes, and Reneau

seconds. All in favor.

JoEl moves to accept the communication plan dated 5.4.21, and Roberta seconds. All in favor.

Consent Agenda: Chapter and Committee Reports & Presentations

Pat Moody moves to accept reports as written, and Roberta seconds. All in favor.

New Business

2022 Meeting schedule

2022 meeting schedule preferences will be available for vote via email. Linda encourages everyone to participate.

2022 Retreat Locations

Linda welcomes retreat location suggestions for February 2022. Please submit a proposal to Linda via email, and include the following:

- resources available for meeting
- hotel accommodations + cost
- dining resources
- entertainment possibilities
- weather concerns - or other challenges?

Synthia welcomes the idea of rotating the retreat to various locations across the state, and JoEL agrees. Linda sees this as an opportunity to engage with different communities.

Wisty asks if there is a budget for the retreat? Short answer is no. She suggests state parks as an option.

There is concern from multiple board members about traveling through unpredictable weather for a February retreat across the state.

Linda comments that the retreat has been historically held in February to welcome new board members, but as a new board member, Kelly doesn't see a June retreat as an issue orienting to the organization.

Should we require mandatory participation at the retreat, especially given the amount of time it takes to drive the length of the state? In person participation is required for the retreat, but virtual participation is allowed for the other three board meetings.

Reneau offers that Lebanon is centered in the state.

Audrey comments that requiring in-person participation at the retreat might not be the most equitable, is a considerable expense to out-of-town board members, and might limit future participation on our board. Others agree.

Roberta agrees with Audrey's concerns, and mentions that in-person participation should be encouraged, but a virtual participation option should be offered. Cynthia agrees, and mentions that we need to be considerate of all stages of professional and personal lives.

Wisty agrees with offering a virtual option, but thinks the chapter needs to cover expenses for chapter representatives to attend in person should they desire. Wisty also comments that Murfseeboro is officially the center of the state. Linda mentions that it is the responsibility of the chapter representatives to approach the chapters for funding. Wisty mentions the timing of the last retreat in Gatlinburg was favorable to many board members' schedules.

Linda suggests that the group have a further discussion on this topic at a later time. The beginning of this discussion was about locations for the 2022 retreat, but has morphed into a discussion of virtual or in-person participation.

Pat asks for a compromise, she likes meeting everyone in person and thinks in-person events strengthen the community of the organization. Reneau agrees.

Kim says we have the technical capacity to allow for virtual participation, but a hybrid meeting will require additional technical equipment.

Shaun reminds the group about Audrey and JoEL's comments on equitable participation, and hopes that board members have the intrinsic motivation to participate in person.

Linda is for a hybrid option, and comments that virtual participation is better than no participation. Historically, the retreat has required in-person participation given our strategic planning cycle, however our last strategic plan was created electronically.

Synthia suggests that the board meetings retreat in person, with virtual as a backup, and all board meetings can be virtual.

Maggie mentions that the board retreat doesn't need to be attached to a business meeting, especially given the success of the board to conduct business virtually over the past year. Re-thinking the event, both in timing and format, might offer board members the opportunity to maximize their resources and have more fruitful participation in the organization's most impactful events. Wisty says we need to be considerate of staff time during busy programming months.

Original motion drafted, never moved:

Motion to approve virtual participation at all board meetings, with in-person participation preferred.

Amendment to original motion, never moved:

Motion to approve virtual participation at all board meetings, with the understanding that the board retreat will move to a hybrid participation model, where virtual participation is allowed if necessary, but in-person participation is highly-preferred.

Linda asks that we table this conversation, given that we are over scheduled time. She thanks everyone for their perspectives, and encourages participation electronically in this discussion.

Reneau moves to table the motion, and Pat seconds. All in favor.

Linda asks board members to read through the rest of the agenda and act accordingly; please contact committee chairs with comments/thoughts/more resources; she asks new board members to reach out to her with comments/thoughts of their time on the board thus far. She thanks everyone for their service!

Motion to adjourn at 1:15pm made by Wisty, and Candace seconds. All in favor.

Minutes prepared by Maggie Fansher

Linda M. Nunt