

Pratt Board of Trustees Minutes

Meeting of May 27, 2015

Presiding: Brian Flock

Attendance: Lee Campbell, Madeline Dow Pennington, Jan Fischer, Richard Frank-Huff, Adam Glant, David Hensel, Jonathan Himschoot, Elizabeth Lee, Bob Swain

Staff: Steve Galatro, Oakley Allred, Lindsay Walter

Advance Materials: Agenda, May 1 Financial Reports, 501 Commons Network Assessment and Recommendations Report, 2015 Auction Report, Minutes of January Board Meeting, Minutes of February Executive Committee Meeting, Minutes of February Finance Committee Meeting, Minutes of March Finance Committee Meeting.

Meeting convened at 6pm at Pratt Painting/Drawing Studio; minutes of January meeting were approved as submitted.

Racial Equity Training/Planning: Liz reported on recent training that she, Steve and Kamla have received from the city of Seattle as part of its Race and Social Justice Initiative. The goal of the training is to help arts organizations identify racial disparities within its sphere of influence and work to fix them through the adoption of organizational practices and policies. Pratt is currently halfway through the 2-day training course, with the second half scheduled to occur on May 29. Pratt will then work to develop an action plan designed to move the organization from a “passive” position on racial issue to one that is “actively anti-racist.” It is expected that funding may/will follow for organizations that participate and show some manner of progress. Steve will update the board at a future meeting as to how the board should monitor the Pratt’s progress and performance on the action plan and the overall issue of racial equality.

Finance Report: Steve noted that this month’s finance report runs to May 1 (rather than April 30) in order to completely reflect the significant post-auction activity. As a result, however, the level of expenses reflected in the report is somewhat misleading due to the various bills that post on the first of the month.

Steve highlighted the organization’s “positive and healthy cash position,” especially versus last year and the start of this year, and that the net revenue variance of \$187,977 was higher than budgeted at this point in the year. The operating loan line has been paid off and Pratt now shows \$0 in operating debt.

With regard to the recent auction, Steve noted that the high donation activity from this event has resulted in a nearly even percentage of earned vs. donated revenue at this time, though this will “swing back” through the rest of the fiscal year; he also reminded the board that the \$1 million gift will be pulled out of future financials so as to not distort reporting, year-to-year comparisons and other analyses. Not including this gift amount, donated revenue is ahead of budget for the year. Earned revenue is also ahead of budget for April and May as the organization closes the gap caused by the early-year shortfall; revenue for summer sessions are tracking 13% ahead of last year.

Executive Director’s Report: Steve presented his report on the following key topics—

- *FY16 Budget Planning:* Planning is underway by department heads, with their draft budgets expected to Steve by May 29. He will then merge the budgets, work with the finance committee to finalize the overall budget and present it to the board at its June 24 meeting. While pay raises, facilities improvements and technology upgrades may drive an increase in some areas of expenses, Steve is aiming to be conservative as Pratt enters the “building phase” of the capital project.
- *Capital Project:* The LOI was signed in February following the board’s authorizing vote at the January meeting. The six-month period of the LOI, wherein Pratt investigates and assesses the strength of its funding support for the project, ends in July. Steve will to the board report on the status of this support and other related issues at its June 24 meeting, where a go/no-go vote will be made on moving forward; board members are strongly urged to attend so that the fullest possible participation in this vote can be achieved.
- *Branding Program:* Lindsay and Jonathan are wrapping up work on this project with Green Rubino; the agency’s plan will be presented to the marketing committee at its June 2 meeting, and then to the full board at a future date. Some elements of the plan have already been adopted and integrated into Pratt’s marketing program. The next major step in the branding program will be the assessment of Pratt’s graphic identity for alignment with the new brand platform, which may in turn require changes to the logo and/or other graphic ID components. The working goal is to launch the new graphic ID as part of Pratt’s 40th anniversary year.
- *Technology Action Plan:* Steve outlined several key findings from the 501 Commons Network Assessment and Recommendations Report. Overall, Pratt faces significant challenges due to the poor state of its technology infrastructure and (lack of) resources. Key areas of concern include:

- General management & support: Currently there is very little, if any, active technology support. Effective June 1, 501 Commons will be contracted to provide off-site help-desk support.
 - Internet service: The current level of service provided by Wave is very poor—e.g., Pratt cannot apply cloud-based solutions due to poor/slow service levels. Steve has approached Wave about upgrading the service; they have told Steve that it would cost Pratt \$20-30 thousand to run the necessary infrastructure to the facility for such an upgrade. Steve will be speaking soon with the new property developers about alternate means to fund such an upgrade.
 - Registration platform: Active Networks no longer supports the platform Pratt uses for online class registration, and new priorities also dictate changes to this system. Most replacements, however, are cloud-based solutions—which depend on solid high-bandwidth internet connectivity for proper performance. Given the issues Pratt faces with its internet service (see above), the organization continues to seek an appropriate solution and will update the board on its progress.
- *Instructor Appreciation*: This year's event is now scheduled for Friday, August 7.

Auction Committee: Adam and Madeline gave a very positive assessment of this year's auction, and discussed early ideas for the 2016 event. The committee has decided that the Bell Harbor International Conference Center will again be the location for next year's auction.

Brian closed the meeting with comments of appreciation and thanks to the Pratt board and staff.

Adjourned 7:37pm

Respectfully submitted,
David Hensel