

Pratt Board of Trustees

Minutes

June 28, 2018

Presiding: Jenny Pohlman

Attending: Lee Campbell, Susan Edelheit, Preston Hampton, Terri Hiroshima, David Hensel, Cirihn Malpocher, Robin Kirschbaum, Len Lewicki, Richard Openshaw, Anna Skibska, Sam Smith, Sara Traver, Richard Wortley,

Staff: Steve Galatro, Laura Hammarlund, Ryan Davis, Karina San Juan

Advance Materials: Agenda, May meeting minutes, Pratt Finance Committee May and June meeting minutes, Company Snapshot As of May 31, 2018, Pratt Fine Arts Center Budget to Actual, Pratt Fine Arts Center Balance Sheet as of May 31, 2018, Fiscal year 2019 proposed Operating Budget

Regular meeting of the Board convened at 6:00 in the drawing studio at Pratt Fine Arts Center with a quorum present; Susan Edelheit moved to approve the minutes for May, Len Lewicki seconded. Motion passed unanimous approval.

Education Committee: Sarah Traver reported the committee is creating a strategic framework for Pratt's scholarship program. Previously the program was driver by donors, needs to change to conform to needs of the recipients. The committee is planning to survey students, artist etc. The completion date is for the end of 2018. A new scholarship has been created by a donation by Bernie Funk. It will be funded by a donation of \$50k. The scholarship of \$5k will be awarded to a student in stone/metal/wood.

Racial Equity: Preston Hampton reported on the committee. The minutes for the Racial Equity committee were sent previously by email. Pratt has been meeting with other community groups for round table discussions on racial equity, and what programs other organization are involved with. This is continuing with more meeting planned at different locations. Two training sessions took place last week, one with the board and staff, the other with instructors. The committee's annual assessment of how Pratt is progressing with regard to race relations will be done this year by the whole board at the August board meeting.

Finance Report: Robin Kirshbaum reported that Pratt's operating cash is healthy, as well as the operating capital. The earned vs donated ratio looks good at 38%/61%. The tuition revenue is 7% ahead of budget, and continues to be very strong. Group events are 87% above budget. Jonathan Gooden, or new events coordinator has been doing a great job of bringing in new groups events. Total donations to Pratt is 2% ahead, mostly do to a onetime donation of \$1m. Small donations are not as good.

Directors Report: Steve Galatro: nine weeks until end of fiscal year, doing great. Exceeding tuition budget, 3800 students, including 902 youth. Tuition assistance up 30%. Record high group events, record high studio access users. Doing two workshop at Amazon per month. Several partnership

programs with classes at Pratt. Governance committee currently has no members, so no meetings. Eleven candidates for new board members to be added in August. Currently board is at 18 members, need to expand. Steve announced that Katherine Wax has resigned from the board.

Marketing: Karina San Juan reported on new marketing strategy. Emphasizing classes using digital ads. Ads reaching 40% more new people who are signing up for classes.

2019 Budget: Steve Galatro presented budget for 2019. The new budget includes two new hires; one in marketing to help out with access fund events and general fund raising events. While Pratt has received several large gifts, the small contribution such what is received through the access fund is lagging. The new person can concentrate on these, allowing Laura Hammarlund time to concentrate on development projects. The second hire would to bring back the Program Director position. The 2019 budget includes 5% raise for regular staff. Teaching assistants will get \$16/hr up from \$15. Instructors had previously gotten a raise, so wont at this time. The Budget reflect an anticipated increase of 8% in health costs. The 2019 budget include money to switch to a new registration system The registration system we currently have is not working out. Len Lewicki moved that we accept the 2019 budget, Richard Openshaw seconded. The 2019 budget passed unanimously.

During the budget discussion the issue was raised if it would be possible to increase the hours to part time employees to enough hours to allow them to qualify for health benefits.

The regular board meeting was adjourned at 8:18.

After the attending staff members were excused, an executive board meeting was called to order. This meeting was held to discuss the campus expansion project. Currently the project is on hold to allow Daniels Real Estate to address objections of lack of low income housing raised by the community. Currently DRE is looking into how and if they can include this into the project. As such the project is on hold. The impact on Pratt is that Pratt will continue to plan for expansion of the hot shop, since that will need to happen. Pratt will also start thinking about alternate plans if the project with DRE falls through. The agreement with DRE will expire in August of 2019. Currently its felt that Pratt will not be at risk for its default, costing Pratt additional money. During this discussion the opinion was raised that Pratt should continue to interact with various community groups with regard to the campus expansion project.

The executive meeting was adjourned at 8:45.