

How can we know if we're getting our money's worth?

For many months I have studied the finances and operations of the Scottsdale Cultural Council. Friends often ask, "What is the Cultural Council and why are you so interested in its issues?"

Simple:

» The Cultural Council gets \$4 million from the city every year.

» I want to know what taxpayers get for \$4 million.

The Cultural Council is a private business with non-profit, 501(c)(3) charity tax filing

status. Its business is a 20-year facilities management contract with Scottsdale.

Charity Navigator gives the Cultural Council a score of 40 out of 100, with less than 65 percent of the council's budget going to its core purpose. Fundraising efficiency is 15 cents per dollar raised, but that's counting the \$4 million annual contract payments from the city as "contributions."

The Cultural Council manages and en-



The Cultural Council enjoys free use of many city-owned facilities such as the Center for the Performing Arts. WEN-HANG LIN

joys free use of multimillion-dollar city-owned cultural facilities including the Center for Performing Arts, Museum of Contemporary Art and the Civic Center Mall. The Cultural Council charges admission to these facilities and keeps that money. The Cultural Council also uses these facilities to solicit and receive donations, grants, and endowment funds.

The Cultural Council contract was awarded without competitive bidding. Multiyear contracts and sole-source contracts of this size are contrary to the pur-

poses of Scottsdale's "procurement code" ordinances.

The procurement code aims to ensure taxpayers get value for their money and allow businesses a level, competitive playing field in bidding for city contracts. Exceptions should be rare and fully justified.

The Cultural Council agreed some time ago to conduct its business as transparently as possible because it receives half of its funding from the taxpayers of Scottsdale. It crafted a policy of adherence to the Arizona Open Meeting Law with few exceptions.

This policy parallels the rules governing the Scottsdale City Council. Unfortunately, the Cultural Council's Open Meeting Law compliance record has been problematic.

During the past year I have frequently contacted city officials to point out the Cultural Council's improper use of closed-door executive sessions for the Board of Trustees to conduct business out of sight of taxpayers and the press. Financial reporting to the trustees and the public in open session has been (at

least to me) confusing and vague.

I can only assume based on absence of trustee questions in open meetings, the CEO and board officers must be clearing up this confusion in their executive sessions. However, that leaves us to wonder. I have repeatedly called on city officials to hold the Cultural Council to both the letter and the spirit of their Open Meeting Law commitment.

Only patrons and ticket buyers can determine if Cultural Council programs are relevant and worth consuming. However, even the simple metric of ticket sales has been muddled beyond practical usefulness.

As I write this, the Scottsdale city auditor has just announced a delay in reporting her investigation into Cultural Council finances because of delays in getting information from SCC.

However, even with that information, we still need clear and objective deliverables to calculate the taxpayer value. Do you know another way?

John Washington, Scottsdale, is a frequent participant at City Council meetings.



My Turn

JOHN WASHINGTON