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Minnesota State Arts Board

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<http://www.arts.state.mn.us/>

AT A GLANCE

- The arts are a significant industry in Minnesota, generating more than \$2 billion in economic activity each year (prior to the COVID pandemic).
- Minnesota is home to more than 1,900 nonprofit arts organizations and 100,000 artists and creative workers.
- Together, the Minnesota State Arts Board and the state's 11 regional arts councils serve residents and communities in all 87 Minnesota counties.
- Activities supported by the Arts Board and the regional arts councils during the FY 2020-21 biennium served a combined audience of 22.8 million children and adults.

PURPOSE

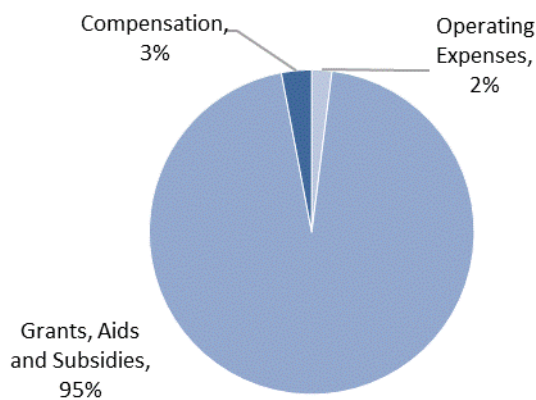
The Minnesota State Arts Board stimulates and encourages the creation, performance, and appreciation of the arts. It serves as an adviser, resource, and policy maker by distributing grants and other forms of assistance for artistic activities; it also serves as the fiscal agent for legislative appropriations to eleven regional arts councils.

The purpose of the arts is to inspire, enlighten, connect, and challenge individuals. They give us new experiences and help us understand and imagine the world from another person's point of view. However, the arts also produce tremendous secondary benefits that help Minnesota achieve many of its most important public goals.

Research shows that the arts increase academic achievement. Nontraditional learners or at-risk students often become high achievers in arts learning settings; this success becomes a bridge to learning in other areas. The arts stimulate 21st century work skills, including creativity, empathy, and collaboration which will be important characteristics of the jobs and the workforce of the future. Arts bring people together. Residents of a community better understand their new immigrant neighbors after experiencing a traditional story or dance. A struggling downtown begins to hum with new energy on the evenings the community arts center offers a concert. Towns celebrate their identity and heritage through annual arts festivals. Artists and arts participation build social capital—the social bonds and civic engagement needed in a healthy, thriving society.

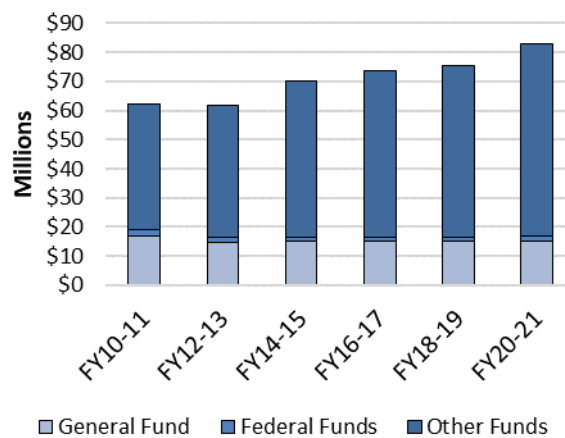
BUDGET

**Spending by Category
FY 2021 Actual**



Source: Budget Planning & Analysis System (BPAS)

Historical Spending



Source: Consolidated Fund Statement

The board receives an appropriation from the State’s general fund and from the State’s arts and cultural heritage fund (ACHF). Appropriations from the ACHF may be spent only “for arts, arts education, and arts access and to preserve Minnesota’s history and cultural heritage.” The board also receives an annual state partnership grant from the National Endowment for the Arts.

STRATEGIES

The Arts Board provides financial support and other services to enable Minnesota and its residents and communities to reap the many benefits the arts provide. To accomplish its mission, the board is pursuing the following long-term goals and strategies:

- The arts are interwoven into every facet of community life
 - Develop strategic relationships and partnerships
- Minnesotans believe the arts are vital to who we are
 - Enhance public understanding of the value of the arts
- People of all ages, ethnicities, and abilities participate in the arts
 - Fully engage with nontraditional and underrepresented participants
 - Transform everyone’s life by experiencing the arts
- People trust Minnesota’s stewardship of public arts funding
 - Provide an accountable arts support system
 - Be responsible stewards of public funds
- The arts thrive in Minnesota
 - Foster visionary, skilled arts leaders and organizations statewide
 - Ensure sufficient resources to sustain the arts and artists
 - Serve as a clearinghouse of information on best practices and successful programs

RESULTS

<i>Type of Measure</i>	<i>Name of Measure</i>	<i>Previous</i>	<i>Current</i>	<i>Dates</i>
Quantity	Number of persons who benefit from funded activities	20,563,917	22,784,415	Previous - 2008-09 Current – 2020-21 (a)
Quantity	Average number of arts experiences Minnesotans have in a year	21.19	53.33	Previous - 2008 Current - 2017 (b)
Quantity	Number of grant applications reviewed (top number) and grants awarded (bottom number)	1,901 1,308	3,231 2,708	Previous - 2009 Current - 2021 (c)

- a) Comparing the 2008-2009 biennium, just prior to creation of arts and cultural heritage fund, to the most recently completed biennium (2020-2021).
- b) Data source: Survey of Public Participation in the Arts (SPPA)
- c) Comparing fiscal year 2009 (just prior to creation of arts and cultural heritage fund) to recently completed fiscal year 2021. Numbers are combined Arts Board and regional arts council applications and grants.

Whenever data are available, the Arts Board uses 2008 or 2009 as baseline years because they precede the establishment of the arts and cultural heritage fund and can help measure the impact of the fund over time.

The Arts Board’s authorizing statute is M.S. 129D.01-129D.05. <https://www.revisor.mn.gov/statutes/?id=129D>.

(Dollars in Thousands)

	Actual FY20	Actual FY21	Actual FY22	Estimate FY23	Forecast Base FY24 FY25		Enacted Budget FY24 FY25	
<u>Expenditures by Fund</u>								
1000 - General	8,059	7,381	7,365	7,718	7,561	7,561	7,774	7,787
2301 - Arts & Cultural Heritage	32,489	30,104	37,642	36,918			47,421	44,796
3000 - Federal	766	1,296	1,682	933	933	933	933	933
Total	41,314	38,781	46,689	45,569	8,494	8,494	56,128	53,516
Biennial Change				12,164		(75,270)		17,386
Biennial % Change				15		(82)		19
Enacted Budget Change from Base								92,656
Enacted Budget % Change from Base								545

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Enacted Budget	
	FY20	FY21	FY22	FY23	FY24	FY25	FY24	FY25
1000 - General								
Balance Forward In		245		177				
Direct Appropriation	8,241	7,541	7,541	7,541	7,561	7,561	7,774	7,787
Transfers Out		265						
Cancellations		140						
Balance Forward Out	182		176					
Expenditures	8,059	7,381	7,365	7,718	7,561	7,561	7,774	7,787
Biennial Change in Expenditures				(358)		39		478
Biennial % Change in Expenditures				(2)		0		3
Enacted Budget Change from Base								439
Enacted Budget % Change from Base								3
2000 - Restrict Misc Special Revenue								
Balance Forward In	0	0	0					
Receipts	0	0						
Balance Forward Out	0	0	0					
2301 - Arts & Cultural Heritage								
Balance Forward In	765	924	4,226	909				
Direct Appropriation	32,500	33,150	34,372	36,009	0	0	47,421	44,796
Transfers In	1,463	1,492						
Transfers Out	1,463	1,492						
Cancellations			47					
Balance Forward Out	776	3,970	909					
Expenditures	32,489	30,104	37,642	36,918			47,421	44,796
Biennial Change in Expenditures				11,968		(74,560)		17,657
Biennial % Change in Expenditures				19		(100)		24
Enacted Budget Change from Base								92,217
Enacted Budget % Change from Base								
2403 - Gift								
Balance Forward In	216	220	221	222	224	226	224	226
Receipts	4	1	1	2	2	2	2	2
Balance Forward Out	220	221	222	224	226	228	226	228

(Dollars in Thousands)

	Actual FY20	Actual FY21	Actual FY22	Estimate FY23	Forecast Base FY24 FY25		Enacted Budget FY24 FY25	
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3000 - Federal

Balance Forward In				1	1	1	1	1
Receipts	766	1,296	1,683	933	933	933	933	933
Balance Forward Out			1	1	1	1	1	1
Expenditures	766	1,296	1,682	933	933	933	933	933
Biennial Change in Expenditures				554		(749)		(749)
Biennial % Change in Expenditures				27		(29)		(29)
Enacted Budget Change from Base								0
Enacted Budget % Change from Base								0

(Dollars in Thousands)

	FY23	FY24	FY25	Biennium 2024-25
Direct				
Fund: 1000 - General				
FY2023 Appropriations	7,541	7,541	7,541	15,082
Base Adjustments				
Current Law Base Change		20	20	40
Forecast Base	7,541	7,561	7,561	15,122
Change Items				
Enhance Grants Oversight Capacity		200	200	400
Maintain Current Service Levels		13	26	39
Total Enacted Budget	7,541	7,774	7,787	15,561
Fund: 2301 - Arts & Cultural Heritage				
FY2023 Appropriations	36,009	36,009	36,009	72,018
Base Adjustments				
One-Time Legacy Fund Appropriations		(36,009)	(36,009)	(72,018)
Forecast Base	36,009	0	0	0
Change Items				
Arts and Cultural Heritage Legacy Grants		47,421	44,796	92,217
Total Enacted Budget	36,009	47,421	44,796	92,217
Dedicated				
Fund: 3000 - Federal				
Planned Spending	933	933	933	1,866
Forecast Base	933	933	933	1,866
Total Enacted Budget	933	933	933	1,866
Revenue Change Summary				
Dedicated				
Fund: 2403 - Gift				
Forecast Revenues	2	2	2	4
Total Enacted Budget	2	2	2	4
Fund: 3000 - Federal				
Forecast Revenues	933	933	933	1,866
Total Enacted Budget	933	933	933	1,866

(Dollars in Thousands)

	FY23	FY24	FY25	Biennium 2024-25	FY26	FY27	Biennium 2026-27
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Enhance Grants Oversight Capacity

This funding will allow the Arts Board to increase grants to individuals and organizations, provide block grants to regional arts councils, and increase its own capacity to provide grant administration and monitoring. It will help the state's creative sector build back from the economic damage caused by the pandemic and the Arts Board's stewardship of funds.

1000 - General Fund Cost (Savings)	0	200	200	400	200	200	400
Expenditures	0	200	200	400	200	200	400

Maintain Current Service Levels

This provision provides additional operating funds to maintain the current level of service delivery at the Minnesota State Arts Board.

1000 - General Fund Cost (Savings)	0	13	26	39	26	26	52
Expenditures	0	13	26	39	26	26	52

Arts and Cultural Heritage Legacy Grants

This funding will be used by the Arts Board to make a number of grants related to arts to organizations across the state. Specifically, the grants will pertain to arts and arts access initiatives, arts education, arts and cultural heritage events and activities, a specific project in St. Paul, and regional arts councils.

2301 - Arts & Cultural Heritage Fund Cost (Savings)	0	47,421	44,796	92,217	0	0	0
Expenditures	0	47,421	44,796	92,217	0	0	0