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2014-15 Governors Budget - Arts Board

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Mission:

The Minnesota State Arts Board is a state agency that stimulates and encourages the creation, performance, and appreciation of the arts in the state.

Statewide Outcome(s):

The Minnesota State Arts Board supports the following statewide outcome(s).

A thriving economy that encourages business growth and employment opportunities.

Minnesotans have the education and skills needed to achieve their goals.

Strong and stable families and communities.

Context:

The Arts Board's activities are aligned to ensure that all Minnesotans have the opportunity to participate in and benefit from the arts. Arts have been shown to improve academic achievement and teach skills that will be necessary in the 21st century workforce. Arts contribute to the vitality of communities, provide positive leisure activities for young people and families and contribute to cultural understanding. The structure and responsibilities of the board are outlined in Minnesota Statutes 129D (<https://www.revisor.mn.gov/statutes/?id=129D>).

Minnesota residents are the board's primary clientele—the agency exists to make the arts available and accessible to all.

The Board receives appropriations from the state's general fund and from the state's arts and cultural heritage fund (ACHF) which was created by an act of the voters in 2008. The ACHF may be spent only for arts, arts education, and arts access and to preserve Minnesota's history and cultural heritage.

Strategies:

The Arts Board provides financial support and other services to strengthen the arts and make them more available throughout the state. Its principal priorities are to advise and serve as a resource relating to the arts; distribute grants, loans, and other forms of assistance for artistic activities; and serve as fiscal agent to disburse appropriations for eleven regional arts council.

The Arts Board has established the following long-term goals (•) and related key 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

The board accomplishes its work by coordinating and providing financial support and services to Minnesota's regional arts councils, arts organizations, artists, educational institutions, local and state units of government, and other nonprofits.

Results:

The strategies listed above are intended to guide the board's activities for the coming decades. The Arts Board is developing baseline data that it will use to measure progress. The board and each regional council collects data on the impact of every grant they make; that data is used to determine whether strategies are successful and outcomes are being achieved.

The Arts Board and the state's eleven regional arts councils play a significant role in the overall strength of Minnesota's arts sector, however other significant factors affect it as well, key among them: the health of the overall economy and the strength of private philanthropy.

Performance Measures	Previous	Current	Trend
# of individuals who benefit from funded activities ¹	20,558,418	24,876,097	improving
% of Minnesotans who attend arts activities ²	67%	75%	improving

Performance Measures Notes:

¹ Total participants in Arts Board and regional arts council funded activities from 2008-09 biennium to 2010-11 biennium.

² 2001 Minnesota State Survey to 2011 Minnesota State Survey, Minnesota Center for Survey Research, University of Minnesota

Arts Board**Current, Base and Governor's Recommended Expenditures**

(Dollars in Thousands, Biennial Totals)

	General Funds	Other State Funds	Federal Funds	All Funds
Current Biennium Expenditures (FY 2012-13)	\$15,012	\$45,569	\$1,773	\$62,355
Current Law Expenditures (FY 2014-15)	\$15,012	\$82	\$1,530	\$16,623
Governor's Recommended Expenditures (FY2014-15)	\$15,012	\$82	\$1,530	\$16,623
\$ Change from FY 2014-15 Current Law to Governor's Rec	\$0	\$0	\$0	\$0
% Change from FY 2014-15 Current Law to Governor's Rec	0%	0%	0%	0%

Arts Board
Sources and Uses

(Dollars in Thousands)

	Biennium FY14-FY15			
	General Funds	Other State Funds	Federal Funds	Total Funds
BALANCE FORWARD IN		\$203		\$203
REVENUE	\$0	\$87	\$1,530	\$1,617
APPROPRIATION	\$15,012	\$0	\$0	\$15,012
SOURCES OF FUNDS	\$15,012	\$290	\$1,530	\$16,832
BALANCE FORWARD OUT		\$207		\$207
EXPENDITURES	\$15,012	\$82	\$1,530	\$16,623
PAYROLL EXPENSE	\$422	\$0	\$56	\$478
OPERATING EXPENSES	\$712	\$2	\$252	\$965
GRANTS, AIDS AND SUBSIDIES	\$13,878	\$80	\$1,222	\$15,180
USES OF FUNDS	\$15,012	\$289	\$1,530	\$16,830

Arts Board
All Funds FTE by Program

	Current	Forecast Base	Governor's Recommendation
Program	FY 2013	FY 2015	FY 2015
Program: Arts Board	15.3	3.5	3.5
Arts Board	15.3	3.5	3.5

Arts Board**Revenue Summary**

(Dollars in Thousands)

		Biennium FY14-15			
		General Fund	Other State Funds	Federal Funds	All Funds
Dedicated	FEDERAL GRANTS		0	1,530	1,530
	INVESTMENT INCOME		4		4
	ALL OTHER	0	83		83
	Subtotal	0	87	1,530	1,617
	Total	0	87	1,530	1,617

Federal Funds Summary

Federal Award Name	New Grant	Purpose / People Served	2012 Actual	2013 Budget	2014 Base	2015 Base	Required State Match Yes / No	Required State MOE Yes /No	State-wide Outcome
Federal Fund - Agency Total		To stimulate and encourage the creation, performance, and appreciation of the arts in the state.	660	1,112	765	765	Yes	No	Economy
Program Total									
Budget Activity Total									

Narrative:

The Minnesota State Arts Board receives federal support in the form of an annual State Partnership grant from the National Endowment for the Arts (NEA). NEA dollars are restricted to the following four purposes:

- Arts in education – the Arts Board must use these funds to support arts activities in schools and/or developmental programs to make arts in education programs more accessible or more successful. Minnesota school children, teachers, school districts, parents, and communities benefit directly from these grants. Teaching artists also benefit from developmental programs that enhance their skills and expand their professional capacity.
- Underserved – the Arts Board must use these funds to support arts experiences for individuals/groups/areas that traditionally have fewer opportunities to participate in the arts. In Minnesota, this includes individuals/communities in greater Minnesota, artists/arts organizations based in communities of color, and arts activities that involve persons with disabilities and/or older adults.
- Folk and traditional arts – the Arts Board must use these funds to support the artistic traditions and customs practiced within community and/or cultural groups by identifying, documenting, preserving, presenting, and honoring Minnesota’s folk arts and traditions. The practice of folk or traditional are generally stems from birthright, community membership, or direct participation in the life of a community.
- State basic grant – the Arts Board is free to use these funds as it sees fit to help achieve its vision – that all Minnesotans should have the opportunity to participate in the arts.

The National Endowment for the Arts requires a one-to-one cash match. The Arts Board must receive state funding in order to qualify for NEA funding.

The potential impact of sequestration would be to reduce the number of grants to individual artists, and reduce its costs to promote grant programs and services. As a result, fewer Minnesota individuals and organizations will know, and be able to take advantage of, programs from which they and their communities might benefit.

As long as Congress continues to fund the National Endowment for the Arts, support from the NEA to the Arts Board will be forthcoming each year. The NEA is required to pass at least 40 percent of its annual support from Congress on to states in the form of State Partnership (block) grants. The block grants are determined by a formula, predominantly based on population.