

# Indiana Arts Commission

Committee on the Future

Tuesday, January 26, 2010, 1:00 – 3:00 p.m.

Indiana Government Center

Indianapolis, Indiana



**Expanded Committee  
on the Future Meeting**



# Indiana Arts Commission

Welcome and Introductions



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# Indiana Arts Commission

History of Partnership and  
Budget Decision



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<b>Revenue</b>	<b><u>\$0 change</u></b>	<b><u>\$500K Change</u></b>	<b><u>\$1M Change</u></b>	<b><u>\$2M Change</u></b>
Cultural Trust	\$100,000	\$50,000	\$50,000	\$50,000
NEA	\$735,000	\$735,000	\$735,000	\$735,000
State Appropriation	\$4,002,959	\$3,501,479	\$3,001,479	\$2,001,479
<b>Totals</b>	<b><u>\$4,837,959</u></b>	<b><u>\$4,286,479</u></b>	<b><u>\$3,786,479</u></b>	<b><u>\$2,786,479</u></b>

<b><u>Expenses</u></b>	<b><u>\$0 change</u></b>	<b><u>\$500K Change</u></b>	<b><u>\$1M Change</u></b>	<b><u>\$2M Change</u></b>
Personnel	\$725,000	\$725,000	\$725,000	\$725,000
IAC Administrative Expenses	\$194,753	\$130,000	\$130,000	\$130,000
Majors Operating Support	\$812,000	\$730,800	\$831,479	\$389,760
Individual Artists Program	\$81,000	\$72,900	\$ 90,000	\$ 38,880
State-Wide Arts Service Organizations	\$33,000	\$29,700	\$40,000	\$15,840
Capacity Building Program	\$30,000	\$27,000	\$30,000	\$14,400
Arts in Education	\$115,000	\$103,500	\$125,000	\$55,200
Presenter's Touring/American Masterpieces	\$101,000	\$90,900	\$101,000	\$48,480
Traditional Arts Indiana	\$40,000	\$36,000	\$40,000	\$19,200
Arts Midwest	\$39,000	\$35,100	\$39,000	\$18,720
RAP Admin and Services	\$489,642	\$440,678	\$ -	\$ -
Approximate Organizational Support in Regional Block Grant	\$1,194,148	\$1,074,733	\$1,200,000	\$1,100,000
Approximate Project Support in Regional Block Grant	\$561,952	\$505,757	\$ -	\$ -
Partner Community Arts Program	\$421,464	\$379,318	\$435,000	\$ 230,999
<b>Totals</b>	<b><u>\$4,837,959</u></b>	<b><u>\$4,381,385</u></b>	<b><u>\$3,786,479</u></b>	<b><u>\$2,786,479</u></b>

*Surplus (deficit)*      \$ -      \$ (94,906)      \$ -      \$ -

<b>Programs for Comparative Purposes</b>	<b><u>\$0 change</u></b>	<b><u>\$500K Change</u></b>	<b><u>\$1M Change</u></b>	<b><u>\$2M Change</u></b>
Majors Operating Support Average	\$62,462	\$56,215	\$63,960	\$29,982
Partnership intact?	Yes	Yes	No	No
RAP Admin and Services Average	\$40,804	\$36,723	\$ -	\$-
Partner Community Arts Program Average	\$38,315	\$34,483	\$39,545	\$21,000
Project Grants intact?	Yes	Yes	No	No
Arts Organization Support Average (mini-majors)	\$9,186	\$8,267	\$9,231	\$8,462



# Indiana Arts Commission

Overview of 6 Scenarios



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## Alternative Partnership Scenarios

FY2010 Current Levels		Average Grant Size
Partner Community Arts Program Grants	\$ 249,955	\$ 27,773
Organization AOS Grants (Estimated)	\$ 864,631	\$ 6,089
Majors Grants	\$ 592,040	\$ 45,542
Project APS Grants (Estimated)	\$ 397,100	\$ 1,900
<b>Total RAP and Majors Grants for FY2010</b>	<b>\$ 2,103,726</b>	
RAP Admin fee based on RBG	\$ 151,408	
RAP Services fees	\$ 192,000	
<b>External Admin fees paid to RAP</b>	<b>\$ 343,408</b>	

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## Scenario #1

### **Regional Grants External, Services Centralized Internally:**

Regional Block grants will still be given through partnership. All other services (technical assistance, information referral and needs assessment) administered by IAC.



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# 1.

## Regional Grants External, Services Centralized Internally

### Average Grant Size

Partner Community Arts Program Grants	\$ 249,955	\$ 27,773
Organization AOS Grants	\$ 968,311	\$ 6,819
Majors Grants	\$ 632,360	\$ 48,643
Project APS Grants	\$ 397,100	\$ 1,900
<b>Total RAP and Major Grants</b>	<b>\$ 2,247,726</b>	
12% Fee still going to Partners	\$ 163,849	
<b>External Admin fees paid to RAP</b>	<b>\$ 163,849</b>	
<hr style="border-top: 1px dashed orange;"/>		
Partner Community Arts Program Grants	\$ 249,955	\$ 27,773
Organization AOS Grants	\$ 1,365,411	\$ 9,616
Majors Grants	\$ 632,360	\$ 48,643
<b>Total RAP and Major Grants</b>	<b>\$ 2,247,726</b>	
12% Fee still going to Partners	\$ 163,849	
<b>External Admin fees paid to RAP</b>	<b>\$ 163,849</b>	
<b>Gain from 12% Admin fee assessed to the new grant base</b>	<b>\$ (12,442)</b>	
<b>Net additional NEW funds for field</b>	<b>\$ 144,000</b>	
<b>New funds available for grants</b>	<b>\$ 131,558</b>	



## 1. Regional Grants External, Services Centralized Internally:

### Positives

- Services would be more consistent throughout the State
- Generally, services could be of a higher quality with economy of scale, ability to shop for products of national reputation, etc.
- Partners generally have good systems for paneling and administering grants
- The rural reach of our granting programs remains intact
- The involvement of local people remains intact
- The “hassles” of processing all grants through the State systems is avoided
- Local advocacy network as promoted/cultivated by our partners remains intact
- Fewer IAC staff issues than other scenarios

### Negatives

- Does not address the presently costly system of administering the block grants
- Grant processes are currently not consistent, and this scenario does not address that
- Does not address the sometimes local bias in the granting process
- Does not allow the IAC to establish relationships with many fundees
- Fairly inefficient system of administering grants in an environment which is demanding efficiency
- Planning and information referral less relevant on a State rather than regional level

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## Scenario #2

### **Grants Centralized Internally, Services Remain External:**

Regional block grants are no longer given, and all granting is done centrally through the IAC. All other services (technical assistance, information referral and needs assessment still provided by regional partners.



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## 2.

### Grants Centralized Internally, Services Remain External

#### Average Grant Size

Partner Community Arts Program Grants	\$ 249,955	\$ 27,773
Organization AOS Grants	\$ 905,245	\$ 6,375
Majors Grants	\$ 607,834	\$ 46,756
Project APS Grants	\$ 397,100	\$ 1,900
<b>Total RAP and Major Grants</b>	<b>\$ 2,160,134</b>	
Services funding still going to Partners	\$ 192,000	
<b>External Admin fees paid to RAP</b>	<b>\$ 192,000</b>	
Partner Community Arts Program Grants	\$ 249,955	\$ 27,773
Organization AOS Grants	\$ 1,302,345	\$ 9,171
Majors Grants	\$ 607,834	\$ 46,756
<b>Total RAP and Major Grants</b>	<b>\$ 2,160,134</b>	
Services funding still going to Partners	\$ 192,000	
<b>External Admin fees paid to RAP</b>	<b>\$ 192,000</b>	
<b>Net additional NEW funds for field</b>	<b>\$ 56,408</b>	
<b>New funds available for grants</b>	<b>\$ 56,408</b>	



## 2. Grants Centralized Internally, Services Remain External:

### Positives

- One grant application process for all applicants statewide – efficiency and consistency
- Partners can be more in touch with what services are needed locally, and this remains intact
- Maintains a significant element of cultural needs assessment/planning on a local level
- It will cost less to evaluate grants
- Efficiency of scale – fewer grant panels and accompanying administration statewide
- All grants will now be electronic – eventually smaller associated administrative costs
- Possibility of building a stronger advocacy group with some amount of technical assistance through them
- IAC reestablishes a direct granting relationship with arts organizations in the State

### Negatives

- Disconnect between grants and services – grants (categories, etc.) should be in response to local needs, etc.
- Administration of services is not necessarily many partners' current strength
- Fewer local people involved in the decision making/evaluation of grants
- “Urban” myth might be perpetuated –the IAC being in Indianapolis, only really cares about that region
- Less local ownership of how monies are allocated
- Rural disconnect
- The internal process of the State system is cumbersome, and will increase the affect of the State bureaucracy

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## Scenario #'s 3A & 3B

**3A & 3B Hybrid Systems with Fewer Partners (5 regions being Central, Northeast, Northwest, Southeast and Southwest, or 4 quadrants and 4 urban centers being Gary, Ft. Wayne, Indianapolis and Evansville):** Some regional grants and services still provided by regional or local partner. Some technical services and more operational grants (above a certain applicant budget level) taken centrally by the IAC.



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# 3A.

## Hybrid Partner Systems

Average Grant Size

### 3A. Five Region Hybrid (Central, Northeast, Northwest, Southeast, and Southwest)

Partner Community Arts Program Grants	\$ -	
Organization AOS II Grants	\$ 450,758	\$ 8,838
Organization AOS I Grants	\$ 767,508	\$ 8,434
Majors Grants	\$ 632,360	\$ 48,643
Project APS Grants	\$ 397,100	\$ 1,900
<b>Total RAP and Majors Grants for FY2010</b>	<b>\$ 2,247,726</b>	
RAP Admin fee based on RBG	\$ 139,753	
<b>External Admin fees paid to RAP</b>	<b>\$ 139,753</b>	
<b>Gain from 12% Admin fee assessed to the new grant base</b>	<b>\$ 11,655</b>	
<b>Net additional NEW funds for field</b>	<b>\$ 144,000</b>	
<b>New funds available for grants</b>	<b>\$ 155,655</b>	
Partner Community Arts Program Grants	\$ -	\$ -
Organization AOS II Grants	\$ 597,685	\$ 11,719
Organization AOS I Grants	\$ 1,017,681	\$ 11,183
Majors Grants	\$ 632,360	\$ 48,643
<b>Total RAP and Majors Grants for FY2010</b>	<b>\$ 2,247,726</b>	
RAP Admin fee based on RBG	\$ 122,122	
<b>External Admin fees paid to RAP</b>	<b>\$ 122,122</b>	
<b>Gain from 12% Admin fee assessed to the new grant base</b>	<b>\$ 29,286</b>	
<b>Net additional grant funds for field</b>	<b>\$ 144,000</b>	
<b>New funds available for grants</b>	<b>\$ 173,286</b>	

# 3B.

## Hybrid Partner Systems CONTINUED

## Average Grant Size

### 3B. Eight Region Hybrid (4 quad plus urban; Gary, Ft. Wayne, Indianapolis, Evansville)

Partner Community Arts Program Grants	\$ 222,182	\$ 27,773
Organization AOS II Grants	\$ 368,551	\$ 7,226
Organization AOS I Grants	\$ 627,533	\$ 6,896
Majors Grants	\$ 632,360	\$ 48,643
Project APS Grants	\$ 397,100	\$ 1,900
<b>Total RAP and Majors Grants for FY2010</b>	<b>\$ 2,247,726</b>	
RAP Admin fee based on RBG	\$ 122,956	
<b>External Admin fees paid to RAP</b>	<b>\$ 122,956</b>	
<b><i>Gain from 12% Admin fee assessed to the new grant base</i></b>	<b>\$ 28,452</b>	
<b>Net additional grant funds for field</b>	<b>\$ 144,000</b>	
<b>New funds available for grants</b>	<b>\$ 172,452</b>	
Partner Community Arts Program Grants	\$ 222,182	\$ 27,773
Organization AOS II Grants	\$ 515,478	\$ 10,107
Organization AOS I Grants	\$ 877,706	\$ 9,645
Majors Grants	\$ 632,360	\$ 48,643
<b>Total RAP and Majors Grants for FY2010</b>	<b>\$ 2,247,726</b>	
RAP Admin fee based on RBG	\$ 105,325	
<b>External Admin fees paid to RAP</b>	<b>\$ 105,325</b>	
<b><i>Gain from 12% Admin fee assessed to the new grant base</i></b>	<b>\$ 46,083</b>	
<b>Net additional grant funds for field</b>	<b>\$ 144,000</b>	
<b>New funds available for grants</b>	<b>\$ 190,083</b>	



## **3A & 3B Hybrid Systems with Fewer Partners (5 regions being Central, Northeast, Northwest, Southeast and Southwest, or 4 quadrants and 4 urban centers being Gary, Ft. Wayne, Indianapolis and Evansville):**

### **Positives**

- More competitive for partners/more accountability
- Could take central some statewide, higher end services
- Could take central grants of organizations over X dollars
- Greater efficiency for the IAC
- More overall savings
- Fewer partners to supervise

### **Negatives**

- Consistency to the field?
- It might break the regional mission of many of our partners
- What partners would want this “deal”
- Overwhelming task for 4 rural quadrants
- Breaks existing advocacy system



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## Scenario #4

**Entirely Centralized, as IAC was prior to the regional system:**

All grants and services directly administered by the IAC.



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# 4.

Entirely Centralized	Average Grant Size	
Partner Community Arts Program Grants	\$ -	\$ -
Organization AOS Grants	\$ 1,258,880	\$ 8,865
Majors Grants	\$ 648,154	\$ 49,858
Project APS Grants	\$ 397,100	\$ 1,900
<b>Total RAP and Major Grants</b>	<b>\$ 2,304,134</b>	
Partner Community Arts Program Grants	\$ -	\$ -
Organization AOS Grants	\$ 1,655,980	\$ 11,662
Majors Grants	\$ 648,154	\$ 49,858
<b>Total RAP and Major Grants</b>	<b>\$ 2,304,134</b>	
<b>Net additional NEW funds for field</b>	<b>\$ 200,408</b>	
<b>New funds available for grants</b>	<b>\$ 200,408</b>	



#### **4. Entirely Centralized, as IAC was prior to the regional system:**

##### **Positives**

- Greater efficiency
- More overall savings
- More direct relationship with organizations throughout the state and greater control by IAC of its services, processes, etc.
- Electronic/on-line centralization of many processes and services

##### **Negatives**

- Lack of sufficient staff or possibility of increasing staff
- Less local decision making, local involvement, local expertise, and possible degradation of advocacy network
- The IAC would be less “in the hands” of the citizens of our State



# Indiana Arts Commission

## Scenario #5

### **Status Quo:**

All grants and services remain the same.



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# 5.

Status Quo		Average Grant Size
Partner Community Arts Program Grants	\$ 249,955	\$ 27,773
Organization AOS Grants (Estimated)	\$ 864,631	\$ 6,089
Majors Grants	\$ 592,040	\$ 45,542
Project APS Grants (Estimated)	\$ 397,100	\$ 1,900
<b>Total RAP and Majors Grants for FY2010</b>	<b>\$ 2,103,726</b>	
RAP Admin fee based on RBG	\$ 151,408	
RAP Services fees	\$ 192,000	
<b>External Admin fees paid to RAP</b>	<b>\$ 343,408</b>	
<i>Partner Community Arts Program Grants</i>	\$ 249,955	\$ 27,773
<i>Organization AOS Grants</i>	\$ 1,261,731	\$ 8,885
Majors Grants	\$ 592,040	\$ 45,542
<b>Total RAP and Majors Grants for FY2010</b>	<b>\$ 2,103,726</b>	
RAP Admin fee based on RBG	\$ 151,408	
RAP Services fees	\$ 192,000	
<b>External Admin fees paid to RAP</b>	<b>\$ 343,408</b>	
<b>Net additional NEW funds for field</b>	<b>\$ -</b>	
<b>New funds available for grants</b>	<b>\$ -</b>	



## 5. Status Quo: All grants and services remain the same.

### Positives

- For partners who have built organizational strength around the core requirements, it has been a strategy for stability and growth
- Built a strong advocacy network around the State
- Involvement of many citizens in IAC decision/services
- Built an effective partnership among Commissioners, partners and legislators
- Sense of “ownership” of the IAC and the State processes by constituents

### Negatives

- Overlap of local and regional missions sometimes problematic
- Overlap of not-for-profit and public missions sometimes problematic
- Inconsistency of IAC services, both amount and quality from region to region
- Lack of delivery of all core services in all regions
- Complacency by local boards with regard to local fundraising responsibilities
- Sometimes a sense of organizational entitlement rather than citizen entitlement
- Lack of attention to rural constituents, especially in “urban” regions
- Not efficient from a financial standpoint (economies of scale)
- For the IAC, not a direct relationship with most grantees in the State



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Discussion of 6 Scenarios



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Hybrid or Other Scenarios



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# Indiana Arts Commission

Prioritizations or Key Recommendations to the  
Commission



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# Indiana Arts Commission

Adjourn



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