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PAUL RIVIERE
SECRETARY OF STATE
LITTLE ROCK, ARKANSAS

TRANSMITTAL SHEET

PAUL RIVIERE, SECRETARY OF STATE
STATE CAPITOL
LITTLE ROCK, AR 72201

FOR OFFICE
USE ONLY:

EFFECTIVE DATE 11-23-83 CODE NUMBER 012.03.83 -- 001

NAME OF AGENCY Arkansas Arts Council
DEPARTMENT Department of Arkansas Natural & Cultural Heritage
CONTACT PERSON Evelyn Elmen
TELEPHONE 371-2539

STATUTORY AUTHORITY FOR PROMULGATING RULES
ACT 359 of 1971

INTENDED
EFFECTIVE DATE

DATE

☐ EMERGENCY

FILED WITH LEGISLATIVE COUNCIL

11-3-83

☒ 20 DAYS
AFTER FILING

LEGAL NOTICE PUBLISHED

9-28-83

FINAL DATE FOR PUBLIC COMMENT

10-24-83

☒ OTHER #785

DATE OF ADOPTION

10-14-83

CERTIFICATION OF AUTHORIZED OFFICER

I HEREBY CERTIFY THAT THE ATTACHED RULES WERE ADOPTED
IN COMPLIANCE WITH ACT 434 OF 1967 AS AMENDED.

Evelyn Elmen
SIGNATURE

Acting Executive Director

TITLE
November 3, 1983

DATE

88-25-1



ARKANSAS ARTS COUNCIL
Continental Building, Suite 500
Little Rock, Arkansas 72201
501-371-2539

A N N O U N C E M E N T

PUBLIC HEARING ON POLICY CHANGES

This announcement contains the drafted policy changes of the Arkansas Arts Council, including funding individual artists, ceilings on amounts that may be requested by applicants, and reorganization of categories.

A PUBLIC HEARING concerning these changes will be held: Adopted October 14, 1983
Friday, October 14, 1983
Conference Room, 5th Floor, Continental Building
Main @ Markham in Little Rock

Members of the Arkansas Arts Advisory Council will be present to hear any public comment. If you are unable to attend the hearing and wish to comment please do so in writing. Written comments are due in the Council office by October 12, 1983.

DRAFT OF POLICY CHANGES *Grant*

FUNDING CATEGORIES

The Arkansas Arts Council provides funding in the following grant categories: Music, Theatre, Dance, Visual Arts and Crafts, Literature, Media Arts, Folk Arts, Multidisciplinary Programs, Touring/Presenting, and Education. Within each discipline, funding is available for general operating and program support. Applications will be reviewed by discipline review committees of the Arts Council.

Applicants are grouped within disciplines according to the amount of income of the organization/program as follows:

Large.....Previous year's income in excess of \$100,000
Intermediate.....Previous year's income between \$20,000 and \$100,000
Small.....Previous year's income under \$20,000 but greater than \$5,000
Other.....Previous year's income less than \$5,000

The Touring/Presenting category includes funding to arts organizations producing tours to communities and/or schools, as well as grants to community organizations planning to present a touring performance/exhibit or concert series to its community. Applicants will be asked to designate if their proposal is primarily for schools, for communities, or for both. School related touring applications will be reviewed by both the Touring and the Education grant review committees of the Council.

The Education category consists of two components: Artists-in-Education, and Supplemental School Programs. The Artists-in-Education program funds residency projects which place practicing artists of professional excellence in a wide variety of educational settings. The Supplemental School Programs component is for all other in-school programs involving grades K-12. All applications within the Education category are reviewed by the Education panel.

GENERAL OPERATING GRANTS

Arts organizations with a minimum annual budget of \$20,000, paid staff and an office facility are eligible for general operating support to cover the costs of running their organizations over and beyond the costs of a specific grant project. Such groups should submit one application for funding the costs of administration, operations and programming. The programming portion may include any number of arts projects planned for the grant year and should include a specific list of projects planned for the year.

Large applicants with budgets in excess of \$100,000 may request up to 20% of the previously completed fiscal year's income. Intermediate organizations with budgets between \$20,000 and \$100,000 may request general operating support up to 25% of the previously completed fiscal year's income. Applicants with annual budgets of less than \$20,000 should apply under Program Support.

PROGRAM SUPPORT

Program Support is intended for two types of applicants:

1. Groups ineligible for general operating support who wish to sponsor a single arts project or a series of projects.
2. Sponsors of one-time specific events.

If you are in the first category and wish to apply for program support for a series of projects, you may submit one application to cover the entire series. The application should include a complete description of the series and a budget breakdown for each project in the series. Proposed expenditures should be grouped in the same budget categories outlined on the application budget form, which would then act as a summary of the projects to be sponsored.

Organizations applying for Program Support may apply for up to 50% of the actual dollars spent on a grant project(s). The remaining costs should be covered by actual cash match from the sponsor. Since the funding process is competitive, however, more cash match may increase an application's chance for funding.

CONTINUING SUPPORT

An award granted one year does not commit Arts Council support for subsequent years.

COLLEGE TUITION

The Council does not fund tuition for college or university study.

MATCHING REQUIREMENTS

All requests for funding should be matched on a dollar-for-dollar basis. In rare instances, the Advisory Council will accept some in-kind match.

Cash Match Restrictions:

1. Mortgage and interest payments are eligible cash match for general operating support only.
2. Fundraising expenses may be eligible match if the fund drive is for the specific grant project covered in the application.
3. Grant dollars spent on one project funded by the Council cannot be used to match grant dollars on another Council funded project, nor can the same expenditures be used to match both grants.
4. Salary dollars already being paid to an employee who will be directly involved with a proposed project should be considered in-kind match on all project support applications but would be eligible for matching a general operating request.
5. Salary dollars used to pay an employee(s) an additional sum for coordinating or participating in a grant project are eligible cash match, as well as the dollars spent on the employees' additional fringe benefits.

ADMISSION FEES

The Council strongly encourages organizations to charge an admission fee for performing arts events.

EDUCATIONAL INSTITUTIONS

University and college projects, as well as those of other educational institutions, are eligible to apply for general grant support when:

1. Events and services are designed to include the general public and not just the student body and faculty.
2. Events and services are supplementary to the regular curriculum.
3. Arkansas Arts Council funds are not used to replace funds usually allocated for specific arts projects of a college/university.

Programs for K-12 grades are funded through the education category and will be reviewed by the AIE panel. This includes standard AIE residencies as well as other projects designed to complement the education process.

ADDITIONAL FUNDS

Funds sometime become available during the grant year. Applications for these funds are received throughout the year and are reviewed when and if additional dollars are available, but additional formal grant solicitation will not occur for these limited funds. To be considered for interim year funds, organizations should follow these guidelines:

1. If an eligible applicant has a current year application on file with the Arts Council and wishes additional review for the same program, a letter requesting additional review will activate the application.
2. If an eligible applicant does not have a current year application on file with the Council, or the proposal differs significantly from that on file, the applicant must submit a new application.

Deferred Applications: Instead of rejecting an application, the Advisory Council may choose to defer an application for future consideration during the grant year. Only those applications that can be funded at any time during the year, such as General Operating support, will be deferred. These deferred applications will be reviewed along with new and reactivated applications.

RESUMES WITH APPLICATIONS

Applicants are encouraged to submit resumes and job descriptions of the grant program's principal artistic and administrative personnel. If no one has been hired to fill these positions, applicants should outline the job responsibilities and the process to be followed to locate qualified applicants for the positions(s).

PRESENTING/TOURING AND CONCERT SERIES SUBSIDY

The Arkansas Arts Council is committed to the residency concept of touring. Preference will be given to producers or presenters who offer nonperformance activities of high quality, such as workshops, master classes and other community education events in addition to a performance/exhibit. Presenters who apply to the Council for subsidy of events should not plan to use grant funds to cover artistic fees of programs already being subsidized through the Council's Touring Category or events presented with financial assistance from the Mid-America Arts Alliance.

AUDITS

Applicants requesting general operating support should submit financial audits and reports with their application as follows:

<u>Annual Operating Size</u>	<u>Audit Requirement</u>
\$100,000 or more	A full, external audit annually with application
\$50,000 - \$99,999	Full, external audit every other year with application
\$20,000 - \$49,000	Full external audit every 3rd year with application

All reports shall reflect the details of operating expenses and sources of income for the most recently completed fiscal year. In the year(s) in which an audit is not required of your organization, a financial statement on the agency's supplied form shall be submitted with the application.

METHOD OF PAYMENT

The total grant dollars awarded by the Council are based upon anticipated revenue, not on existing funds. To avoid the possibility of budgeting funds which may never be realized and to coordinate more closely with the rate at which the Council receives funds, 90% of a subgrantee's award is prescheduled into equal monthly or quarterly payments. The schedule depends upon the beginning and ending dates of the project and the cash flow needs. (Small grant for one-time projects will receive 90% of their award in the month(s) the funds are needed.) The remaining 10% is withheld from all awards and scheduled for a final payment at the end of the fiscal year. The level of state revenue collections determines whether you receive the full 10% or a lesser amount. In any event, this final payment will not be mailed until all of a subgrantee's final reporting forms have been received by the Council. Failure to file a complete final within 30 days of the projects completion will result in forfeiture of this final sum and jeopardize any future grant awards from the Council.

EVALUATION OF SUBGRANTEES

The Arkansas Arts Council has adopted the following policy on evaluation of subgrantees.

Beginning in 1983-84 the Council will initiate evaluation of subgrantees in the areas of music, media arts, and folk arts, (including multi-disciplinary organizations with programs in these disciplines) which are in the third year of Arts Council funding, and having an award of \$5,000 or more.

All disciplines will be evaluated by the end of June, 1986.

Evaluators: Evaluators will be sought on a regular, ongoing basis from any source feasible, by the staff and by Council members. These evaluators must be qualified as determined by Council and staff to evaluate the designated discipline(s). The use of these evaluators will be reviewed periodically by the Council.

The Council may choose to use evaluators from outside the state of Arkansas for any category.

4.
Symphony orchestras: Each will be evaluated by the same evaluators, or evaluation team, to be chosen by the Council.

Opera: The Arkansas Opera Theatre will be evaluated by someone from outside the state.

Any Council member or staff member who wishes to participate in the evaluation process [of management] may do so on a voluntary basis.

All applicants shall be notified that an evaluation process is underway.

APPLICANT REVIEW PROCESS

July-September

1. On site review of subgrantees begins and continues until funding decisions are made.
2. Civil Rights Committee begins planning how the agency can do more to assist special constituencies.

October-November

1. Guide to Grants mailed to public
2. Public announcement made that grant applications are being solicited.
3. Letters of intent to apply requested (but not required) from new applicants, so that on-site visits may be made to assist in funding decisions.
4. Funding percentages set (for the purpose of giving applicants advance knowledge of the general range of funds to be available for award)
5. Council Grant Review Committees established (in order to give Council committee members additional time to become acquainted with organizations they'll be reviewing, through visits or reading information from these groups more closely, etc.)

January 15

Applicants due to agency

Late January through the first of March

1. Staff review of applications for eligibility, completeness and accuracy.
2. Staff review by discipline to familiarize staff specialists with proposals in each field and to solicit comment for Council evaluation/scoring.
3. Applications sent to on-site evaluators who visited subgrantee for comment on proposal feasibility, etc.

March 1 - Applications mailed to Council

April - Council 2-Day Prefunding Meeting

- Day 1. Prefunding committees meet and review applications noting any questions or concerns. (Evaluators present as resource people.)
- Day 2. Applicant appointments with committees to address questions/concerns noted on day 1.

After applicant interview, committees discuss organization and application, noting strengths/weaknesses.

After Prefunding Meeting

Committee comments compiled and mailed to all members of the Council.

May - Council Funding Meeting

1. Review committees reconvene to conduct final discussion of applicants and to formulate funding recommendations.
2. Full Council review and funding decisions made.