

**INDIANA ARTS COMMISSION
QUARTERLY BUSINESS MEETING
Government Center South, Conference Room A
Indianapolis, Indiana
Friday, March 12, 2010
9 A.M. – 12 P.M.
Jeanne Mirro, Chair**

AGENDA

1. Welcome and Introductions
2. Consent Agenda ACTION ITEM
 - a. Approval of meeting agenda
 - b. Approval of December 2009 meeting minutes
3. Chair and Executive Reports
 - a. Chair's Report
 - a. Governor's office issues
 1. Nominations status –
 - a. One seat to be filled – Sandi Clark (Bloomington)
 - b. Next seat to be filled – Irene Smith-King, June 2010, end of second term (Gary)
 - c. Next probable reappointment -- Kelly Schreckengast, June 2010, end of first term (Lafayette)
 - b. 2010-2011 Budget Meeting
 - c. Regional Partner Reviews in Progress or Completed
 - a. Arts Council of Southwestern Indiana (Evansville)
 - b. Arts United (Ft. Wayne)
 - d. Four Point Plan for Moving Forward (covered below)
4. Executive Director Report
 - a. Year-to-date financial Activity
 - b. State-wide Capacity building efforts (Spring delivery)
 - a. Arts Lab Proposal (with Arts Midwest)
 - b. IU Center on Philanthropy/The Fundraising School
 - c. Arts Education update
 - d. Cultural Districts update
 - e. Indiana Artisan Program update
 - f. ArtsWork and NEA Accessibility Leadership Award
 - g. Recommendations for our Current Budget and Economic Situation
 - a. History of IAC Funding
 - b. History of Recommendation Development
 - c. Public Management Principles Behind Recommendations
 - d. Four Point Plan for Moving Forward
 - i. AOS II Grants
 - ii. AOS I, Project and Mini Grants
 - iii. Technical Assistance

- iv. CAP Monies and Regional Partner Status
- e. Common Questions and Concerns About Recommendations

5. Public Comments

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6. Committee Reports

- a. Committee on the Future, Dick Stifel, Chair
 - a. Strategic plan update
 - b. Four Point Plan for Moving Forward ACTION ITEM
- b. Program Evaluation Committee, Earl Williams, Chair
 - a. IAP Accessibility Grants ACTION ITEM
- c. Advocacy & Awareness Committee, Karen Ellerbrook, Chair
 - a. 2011 Governor's Arts Awards Update ACTION ITEM
 - b. Interim Session Advocacy Efforts
- d. Cultural Trust Administrative Board, Kelly Schreckengast, Chair
 - a. Current activity

7. Regional Arts Partners Update, Sue Burk

8. Old Business

9. New Business

- a. Remaining meeting dates for Calendar Year 2010
- b. Possible Special Commission April Meeting
- c. Ethics Training

10. Closing Comments – Jeanne Mirro

11. Adjourn

**INDIANA ARTS COMMISSION
QUARTERLY BUSINESS MEETING**

December 11, 2009, 9:00 a.m.

The Governor's Residence
Indianapolis, Indiana

Jeanne Mirro, Chair

Minutes

Members present: Jeanne Mirro, Karen Ellerbrook, Earl Williams, Irene Smith-King, Kelly Schreckengast, Suzie Rentschler, Jon Ford, Dick Stifel, Gil Cárdenas, Pam Hicks, Linda Levell, Linda Goad

Members via teleconference: Jan Shupert-Arick

Members absent: Judy Hess, Carol Trexler, Sandi Clark

Guests: Lawren Mills, Michael Kos, Sue Burk

IAC Staff present: Lewis Ricci, Michelle Anderson, Bobbie Garver, Susan Britsch, Kristina Davis, Rex Van Zant, Laura Frank, Dennis Hardin

1. **Welcome and Introductions.** Ms. Mirro called the meeting to order at 9:04 a.m. and asked everyone to introduce themselves. She then thanked everyone who had arranged for the receptions of the previous evening.

2. **Consent Agenda.** Mr. Stifel moved to adopt the consent agenda. Ms. Ellerbrook seconded the motion. The motion passed.

3. **Chair's Report.**

A. Ms. Mirro welcomed the newest IAC Commissioner, Linda Goad from Carmel, who is attending her first business meeting.

B. Ms. Mirro remarked upon the importance of the work of the Arts Commission and its "cultural footprint", and stressed the importance of attendance, not only at the quarterly business meetings, but especially at committee meetings. She also emphasized the "historical significance" of the arts.

C. Ms. Mirro reminded the meeting that there is one vacancy on the Commission, that being the seat of Sandra Clark from Bloomington, whose second term expired in June 2009, although Ms. Clark continues to serve until she is replaced. The next commissioner who will fulfill two full terms is Irene Smith-King, whose second term will expire in June 2010; commissioner Kelly Schreckengast will complete her first term in June 2010 and is expected to be re-appointed by the Governor. Ms. Mirro encouraged all members to continue to identify

individuals who would serve well as commissioners, so that nominations may be submitted regularly to the Governor's office.

D. Revised budget for FY 2009-2010. Mr. Ricci reported on the latest budget cuts imposed by the state budget office – an additional 5% hold-back imposed upon the remainder of the FY2010 budget. He presented slides showing month-by-month revenues at the state level, all of which have fallen far short of expectations; he presented an additional slide showing the forecast revenues for the remainder of FY2010, which are also expected to fall far short of expectations. He then presented a handout (attached) showing where, within the IAC budget, additional cuts could be made to achieve the mandated additional 5% hold-back. These additional cuts have been discussed and approved by the Committee on the Future and the Executive Committee. The proposed cuts include a 4.5% reduction to Regional Block grants, community arts programming, and Majors grants, with the remainder being cut from the IAC in-house administrative budget. Mr. Ricci stressed that Individual Artist grants and Education grants have not been affected. He also presented a handout (attached) showing the monetary amounts of the affected grants after the proposed cuts. Ms. Levell moved to approve the proposed changes in the FY2010 IAC budget. Ms. Smith-King seconded the motion. The motion passed.

E. Regional Partnership Status Issues.

1.. Arts Council of Southern Indiana (New Albany). Mr. Ricci reviewed for the Commission that the Arts Council of Southern Indiana has been suspended as a Regional Arts Partner, and that the Executive Committee, in its meeting on December 2, passed a motion recommending to the full Commission that the Arts Council of Southern Indiana not be invited to apply for continued Arts Partner status. Ms. Smith-King moved that the recommendation of the Executive Committee be approved. Ms. Hicks seconded the motion. The motion passed.

2. Bloomington Area Arts Council. Mr. Ricci reviewed for the Commission that the Bloomington Area Arts Council has been suspended as a Regional Arts Partner, and that the Executive Committee, in its meeting on December 2, passed a motion recommending to the full Commission that the Bloomington Area Arts Council not be invited to apply for continued Arts Partner Status. Ms. Levell moved that the recommendation of the Executive Committee be approved. Ms. Ellerbrook seconded the motion. The motion passed.

3. Arts Council of Southwestern Indiana (Evansville) and Arts United (Fort Wayne). Mr. Ricci reviewed that both of these organizations scored below 80 on the latest application panel review, and that such a score automatically triggered an independent review of their status as Regional Arts Partners. The independent reviews are in progress, and are mostly complete with the exception of the financial portion. The portions which have been completed do not show glaring weaknesses such as had been shown in reviews of other organizations; both organizations, however, have been shown to be concentrating funds and services in the major metropolitan areas of their regions, with scant funds and services reaching the rural areas. The Program Evaluation Committee, in its last meeting, made no recommendation as to the status of these organizations as Regional Arts Partners. The FY2011 application cycle will begin before the full commission meets again in March 2010, and Mr. Ricci asked the Commission to

empower the Executive Committee to act on its behalf regarding the completed results of the reviews now in progress. Mr. Cárdenas asked if the two organizations had been informed of the partial results of the reviews and if they have shown willingness to make appropriate changes. Mr. Ricci replied that the Arts Council of Southwestern Indiana and Arts United of Greater Fort Wayne have both received documentation, but that they have not had a reasonable time to respond. Ms. Smith-King remarked that seeing Regional Arts Partners struggle, with two organizations already being terminated, is worrisome. Mr. Cárdenas suggested that perhaps population density rather than geography should be the primary consideration in the distribution of funds and services. Ms. Mirro added that there is no written formula for Regional Partners to use to translate funds into rural delivery of services. Ms. Schreckengast asked rhetorically how it would even be possible to grade or gauge success or failure based on delivery of funding and services to rural areas. Mr. Ricci added that the magnet-center (population) approach might be more viable given the economic landscape. Mr. Stifel informed the members that the Committee on the Future will be meeting in special session on January 26, 2010, to more fully evaluate the future of the Regional Arts Partner system, given the struggles of the past year and the likelihood of further budget strain at the state level. Mr. Ricci added that a Regional Arts Partner retreat, to be hosted by IAC, is scheduled for February 3 – 4 in Columbus. Ms. Schreckengast would like to see assistance offered to those organizations that need help, and suggested that other partner organizations could offer ideas. Ms. Smith-King remarked that not all regions are the same in terms of population density or other parameters, and that no single model would fit all regions. Mr. Ricci said that the responsibility of the IAC is to see that funds are administered equitably. Ms. Schreckengast moved that the Regional Arts Partnership with the Arts Council of Southwestern Indiana be continued, pending the final results of the independent review. Mr. Cárdenas seconded the motion. The motion passed. Ms. Hicks moved that the Regional Arts Partnership with Arts United of Greater Fort Wayne be continued, pending the final results of the independent review. Ms. Smith-King seconded the motion. The motion passed.

4. Executive Director's Report.

A. Year-to-date financial activity. Mr. Ricci presented a hand-out (attached) showing current budget activity through October 31, 2009. He thanked Deputy Director Michelle Anderson for her continuing work to keep IAC within budget.

B. State-Wide Capacity-building efforts. Mr. Ricci reminded the commission that funds formerly dedicated to individual Capacity-Building grants to organizations have been consolidated into a new program to provide assistance to a wider range of small and intermediate arts organizations. This program will manifest in two workshops to be held in Indianapolis in the spring of 2010. Mr. Ricci presented a proposal from ArtsLab (attached) for a two-day workshop focused on long-term goals, leadership, financial management, and community engagement. This workshop will be funded in part by Arts Midwest. The second workshop would be presented by the IU Center on Philanthropy/The Fundraising School, and would focus on fundraising techniques. No dates have been established for these workshops.

C. Arts Education Update. Ms. Britsch presented a handout (attached) reviewing a recent Education Leaders Institute meeting in South Bend, and an update on the 2010 Poetry Out Loud program.

D. Cultural Districts Update. Ms. Davis reported that a recent panel reviewed applications from seven organizations requesting Cultural District designation. Site visits have been completed for the top three scoring organizations. The commission will vote to accept these three organizations into the program under agenda item 5b. Mr. Williams asked how often applications will be reviewed; Mr. Ricci replied that it is undecided, but that they will be reviewed again in 2010, and then perhaps every two years following until a “saturation level” is attained.

E. Indiana Artisan Program update. Mr. Ricci presented a hand-out (attached) prepared by Artisan project manager Eric Freeman.

F. ArtsWork and NEA Accessibility Leadership Award. Mr. Ricci reported that the IAC is the winner of the 2009 National Accessibility Leadership Award, presented by the National Endowment for the Arts. He congratulated staff member Kristina Davis who wrote the grant application. The award comes with a \$30,000 grant, which will fund an appropriate new category in the FY2011 Individual Artist Program. Mr. Ricci and Ms. Davis both hope to attend the award ceremony in New York City on January 8th.

G. Regional Arts Partnership Overview. Mr. Ricci spent several minutes reviewing the history of the Regional Arts Partnership program, and presented slides showing the responsibilities of those organizations chosen as Partners, as well as the benefits and drawbacks to the system as it exists today. This review was to provide background information to the commission members prior to more in-depth discussions to come in January and February by the Committee on the Future, the Strategic Planning Steering Committee, the RAP retreat, and ultimately by the full Commission at its next business meeting in March.

H. Regional Partnership Retreat Plans. Mr. Ricci emphasized the importance of the upcoming RAP retreat, to be held in Columbus on February 3 – 4. The objectives of the retreat are to provide input into the direction for the program given the current and likely IAC budget, as well as provide input for the Strategic Plan. Mr. Williams asked if other states have developed such a partnership program, and Mr. Ricci replied that some states have instituted parts of what makes up the Indiana program, but none is as comprehensive.

Ms. Mirro declared a brief break in the meeting at 10:50 a.m. She reconvened the meeting at 11:03 a.m.

5. Committee Reports.

A. Committee on the Future. Mr. Stifel, chair, reported on the new strategic planning process, which is now in the information gathering phase. He presented the minutes of the November 17 meeting (attached) during which prospective steering committee members were discussed. Invitations have now been extended to prospective members. An electronic survey has been sent out, and over 1,400 responses have been received so far. These responses will help to provide base-line information for the steering committee at its first meeting in 2010. Former commission chair Ron Stratten will be facilitator for the strategic planning process. The COF

will be meeting in special session on January 26, primarily to discuss the Regional Arts Partnership program, in light of current and anticipated IAC budgets. At this special meeting, there will be a spectrum of possible scenarios presented, including centralized and decentralized delivery of services to areas of the state. The Executive Committee has been invited to participate in this important meeting.

B. Program Evaluation Committee. Mr. Williams, chair, reported on the November meeting of the PEC, which included recommendations for approval of the first Cultural Districts. The PEC voted to approve three applicants for the designation, based on their scores in the paneling process. The organizations recommended for approval are: City of Bloomington, Carmel Redevelopment Commission, and Tippecanoe Arts Federation. Mr. Williams moved that the full Commission accept the recommendation of the Program Evaluation Committee and approve City of Bloomington, Carmel Redevelopment Commission, and Tippecanoe Arts Federation as Cultural Districts. Ms. Rentschler seconded the motion. The motion passed. Mr. Williams also reported that the PEC voted to recommend approval of 11 Arts In Education Grants, based on scores from the panel review of the applications. The recommended grants are to: North Adams Community Schools, Washington Catholic Schools, Greencastle Community School Corporation, Dickinson Intermediate Fine Arts Academy, Greater Clark County Special Ed Coop, Harrison Hill Academy, Brown County Schools, The Project School, Nicholson Performing Arts Academy at IPS #70, Batesville Community School Corporation, and Northwood Elementary School. Mr. Williams moved to approve the recommendation of the Program Evaluation Committee and award the Arts In Education Grants to these 11 applicants. Ms. Ellerbrook seconded the motion. The motion passed.

C. Advocacy and Awareness Committee. Ms. Ellerbrook, chair, reported that Donna Catalano from South Shore Arts has been appointed to the Advocacy and Awareness Committee. Ms. Ellerbrook then reviewed the successful Governor's Arts Awards which were held at Cornerstone Center for the Arts in Muncie on September 25. She then addressed advocacy efforts during the interim before the next legislative session begins in January 2010. State Senator Vi Simpson plans to introduce legislation to provide tax support for IAC-designated Cultural Districts, although there is little expectation that the legislation will be passed during the upcoming session. Ms. Ellerbrook then explained to the Commission that the next few months are a critical time to advocate for the FY2011 IAC budget. Mr. Ricci reported that the Advocacy and Awareness Committee had recommended that the 2011 Governor's Arts Awards be held in Indianapolis, due to the uncertainty of the budget and the wish to be cautious about raising expectations in communities that might want to host the GAA, in the event of funding cuts. Ms. Schreckengast offered the opinion that there indeed might be communities which would be willing to shoulder the financial responsibilities. Ms. Hicks agreed. Mr. Ricci emphasized that IAC wants the GAA to be hosted outside of Indianapolis for a variety of positive reasons, but that the reality of the economic landscape needs to be considered. Mr. Stifel suggested that commission members could study the possibilities within their own communities, to see if there would be legitimate contenders willing to take on the responsibilities of hosting the GAA in 2011. This suggestion was met with approval by the members. No action taken on the recommendation of the Advocacy and Awareness Committee to hold the 2011 Governor's Arts Awards in Indianapolis.

D. Cultural Trust Administrative Board. Ms. Mirro presented a handout (attached) showing the current balance (as of October 31, 2009) of the Cultural Trust to be \$1,805,020.11. In 2009, \$50,000 was drawn from interest to fund Arts In Education Grants.

6. **Regional Arts Partners Update.** RAP incoming chair Sue Burk presented a handout (attached) recounting the RAP meeting held in Indianapolis on December 10. She thanked Paige Sharp from Tippecanoe Arts Federation for her work on standardizing electronic grant applications.

7. **Old Business.** There was no old business.

8. **New Business.** Ms. Garver reminded the members that the 2010 Midwest Arts Conference will be held in Indianapolis in September 2010. She also asked members to consider serving as moderators for upcoming Individual Artist Grant panels. Mr. Hardin reported that all current commissioners and IAC staff members will need to complete mandatory on-line ethics training during 2010.

9. **Closing Comments.** Ms. Mirro again emphasized the importance of the work being done by the commission and the IAC staff, and encouraged all to keep up the good work.

10. **Adjourn.** Mr. Stifel moved to adjourn. Ms. Ellerbrook seconded the motion. The motion passed.

INDIANA ARTS COMMISSION

RECOMMENDATION FOR APPOINTMENT AS COMMISSIONER

Name of person being recommended: _____

Region _____

Contact information (if available):

Address: _____

Phone: _____ Email: _____

Occupation: _____

Qualifications for Indiana Arts Commission: _____

Experience with what arts organizations or other non-profit: _____

Other Comments:

Your name: _____

Please return to Chair, Indiana Arts Commission



**Indiana Arts Commission
Comparative Budget Financial Statement
For the Period Ending
February 17, 2010**

February YTD				
FY2009 Revenue				
State Appropriation (\$3,202,368 minus Two 5% reserves)	\$	2,882,132		
National Endowment for the Arts Grant	\$	807,100		
NEA Accessibility Award	\$	30,000		
American Recovery and Reinvestment Act	\$	308,480		
FY09 Grant-Committed Carry Forward	\$	111,559		
FY09 Uncommitted Federal Carry Forward	\$	25,109		
Uncommitted other Carry Forward	\$	13,858		
Dedicated Funds/Donations				
Office of Community and Rural Affairs	\$	166,650		
Trust Income	\$	50,000		
CICF Income	\$	5,366		
Total All Revenue	\$	4,400,254		
IAC Expenses	Year to Date			Annual
	Actual/Encumbered	Budget	% Variance	IAC Budget
<u>Salaries and fringe benefits-1</u>	409,772	471,809	-13%	727,963
<i>Indiana Artisan Salaries</i>	5,002	5,002		67,700
<u>Telecommunication Services-2</u>	12,701	14,890	-15%	19,570
<i>Indiana Artisan Telecommunications</i>	713	713		-
<u>Services by contract-3</u>	23,098	27,161	-15%	43,291
<i>Indiana Artisan Services by Contract</i>	45,863	45,863		65,706
<u>Materials, supplies, parts-4</u>	18,449	19,779	-7%	23,827
<i>Indiana Artisan Materials, supplies, parts</i>	(362)	(362)		5,000
<u>Office Equipment-5</u>	-	1,500	-100%	2,000
<i>Indiana Artisan Equipment</i>	-	-		-
<u>Indirect Support-8</u>	14,365	10,000	44%	15,600
<i>Indiana Artisan Indirect Support</i>	-	-		-
<u>Operating Expenses-9</u>	82,230	101,991	-19%	173,750
<i>Indiana Artisan Operating Expenses</i>	5,490	5,490		-
<u>Grants Programs-7</u>	3,194,098	3,194,098	0%	3,194,098
IAP	60,943	60,943	0%	60,943
RAP	1,969,068	1,969,068	0%	1,969,068
CBP	30,000	30,000	0%	30,000
MOS	592,036	592,036	0%	592,036
SWASO	28,050	28,050	0%	28,050
Indirect cost for federal \$	13,067	13,067	0%	13,067
Accessibility	26,000	26,000	0%	26,000
ARRA	273,000	273,000	0%	273,000
Arts Education Program	93,690	93,690	0%	93,690
Lincoln Project	75,000	75,000	0%	75,000
Indiana Artisan	28,244	28,244	0%	28,244
GAA Grant	5,000	5,000	0%	5,000
Total IAC Expenses	3,811,420	3,897,933	-2%	4,338,504
<i>Indiana Artisan Total Expenses</i>	84,950	84,950	0%	166,650
Indiana Arts Commission Expenses (excluding IN Artisan)	3,726,470	3,812,983	-2%	4,171,854
TOTAL Surplus/(Deficit)		588,834		

Proposed

State-wide Technical Assistance Opportunities

June 3 – 4

Provider: ArtsLab, Minneapolis, Minnesota

Title: Leading at the Speed of Change

Faculty: Kate Barr, Executive Director, Nonprofits Assistance Fund; Anne Hunter, President, Marketing Source USA; Mai Moua, Ph.D., President, Leadership Paradigms and Sharon Rodning Bash, Program Director, ArtsLab

Target Audience: Executive staff and board members of AOSI and II size organizations

Participants will examine their organization's business model in relation to its "life stage" and plot an appropriate roadmap for the future. Specific areas covered in the roadmap development include financial management, leadership and change management and community engagement and relevance. ArtsLab is a collaborative project of the Bush Foundation, the F.R. Bigelow Foundation, Mardag Foundation, The McKnight Foundation and the Saint Paul Foundation. They have worked with numerous organizations in Minneapolis and rural Minnesota, and are nationally recognized for their work in arts organization strategic development. Their visit to Indiana will be funded in part by ArtsMidwest.

June 24 – 25

Provider: IU Center on Philanthropy/The Fund Raising School

Title: Sharpening Arts Fund Raising and Constituent Building in our Current Economy

Faculty : Tim Seiler, Ph.D. and CFRE, Director, Public Service and the Fund Raising School, Center on Philanthropy at Indiana University

Target Audience: Executive staff and board members of AOSI and II size organizations

Description: This two-day seminar will cover obstacles to arts fundraising in the current economic environment and how to overcome them. The seminar will include giving trends, fundamentals of fundraising as a values exchange, constituency identification and development, developing and testing a case for support, structuring a fundraising program, board and staff roles in fundraising and the psychology of giving and asking. The Fund Raising School is nationally known as a leader in executive training for all disciplines of the not-for-profit sector in America.

February 24, 2010

To: Indiana Arts Commission PEC

From: Eric Freeman

Re: Indiana Artisan Update

- **[2010 Primary Focus: 1 of 3] June, 2010, Artisan Adjudication.**
 - Established and posted timeline on IndianaArtisan.org for the 2010 process from application to bootcamp.
 - Began confirming jury panelists and jury meeting locales, outreach to new panelists.
 - Debating three new panels to adjudicate soaps/bath products, books/music CDs and candles.
 - Contracted with new tech support person to post updated applications (food, art, and any/all of the above three) on IndianaArtisan.net.

- **[2010 Primary Focus: 2 of 3] 2011 Indiana Artisan Marketplace.**
 - Asked Artisans to self-nominate for a committee to propose a plan to the Oversight Committee that outlines the ideal marketplace from an artisan perspective.
 - Got agreement from Brown County Potter Tom Prichard to chair committee, worked with him to select members from the nominations
 - Committee will develop its ideal plan for presentation to the Oversight Committee at its March meeting.

- **[2010 Primary Focus: 3 of 3] Retail expansion.**
 - Worked with OCRA constituent Maxine Brown to have Indiana Artisan Carl deGraaf's pottery sold in the Jeffersonville depot her organization owns/manages.
 - Promoted Artisan Peg Neal's teapots as retail merchandise to Kristin Peterson, now marketing director of Hubbard & Cravens Coffee.
 - Met with John Bradshaw, GM of Food Specialties Inc., to discuss how FSI can mentor/profit from work with small-batch food Artisans needing help with packaging.
 - Connected him with Sr. Jean Marie Ballard for cookie packaging help.
 - At the suggestion of the Humanities Council, set a meeting with Neal and Amanda Taflinger, of INDIEana Handicraft Exchange. They are developing an Irvington retail store.
 - Edited the Indiana Artisan Retail Development RFP, researched who in Indiana should receive it, sent it to six potential vendors. Talked extensively with some of the vendors as they developed proposals. Collected the proposals and prepped them for this meeting.
 - Followed up with Susan Smith, executive director of TRIRI, regarding week-long June, July and September bike rides she plans, encouraging stops at Indiana Artisan studios, workshops, galleries, stores. Connected her with the Wine/Grape Council and Brewers of Indiana Guild.
 - Met with Susan Johnson, the new manager of the ISM Museum Store, to discuss the continued relationship with Indiana Artisan.
 - Toured the Judge Stone House in Noblesville with Amy Vaughan, Brian Blackford and representatives of the Hamilton County CVB. Considered it as an office/retail site.
 - Talked with Sally Harman, director of the Purdue Retail Institute, about engaging students in Purdue's entrepreneurialism certification program, or the senior capstone class, in reviewing the Indiana Artisan program and drafting a written retail/sustainability plan.
 - Met with Bloomington's Assistant Economic Development Director for the Arts Miah Michaelson, toured possible retail sites (stand-alone venues, store-in-a-store options) and discussed RFP approach to finding the best potential option.
 - Facilitated a three-day retail show opportunity for artisans interested in participating in an event in Batesville.
 - Facilitated a food expo opportunity in Muncie, with the Indiana Foodways Alliance, for food artisans interested in participating.

- **The Oct/Nov, 2009 adjudication follow-up and overall results.**

- Facilitated panelists and all details of three jury panels and process at two locales in Oct/Nov.
- Unpacked and displayed all food and art samples. Repacked and returned art samples.
- At the conclusion of the October art jury panel session, and the November food jury panel session, the final adjudication for this year, seven current artisans juried new work into the program.
- Twenty-seven new artisans, who were among 130 art and food applicants, juried into the program, for a total of 34 successful applications – or 26 percent.
- Over the course of all five adjudication sessions in 2008 and 2009, 138 of 811 applicants have juried work into the program – or 17 percent. As the program nears the end of its second year, the quality of the work of the successful 138 artisans remains high.
- The 27 new artisans added five new counties to the geographic mix of Indiana Artisan, bringing the total number of counties represented to 46 – exactly half of Indiana’s 92 counties.
 - The five new counties are Carroll, Kosciusko, Shelby, Vigo, and Wayne.
 - Brown County extended its dominance with four new applications juried in, bringing the total number of artisans from Brown County to 18.
 - Marion County was the program’s #2 county. It added six new artisans this time and is now tied with Brown County, at 18.
 - Four new artisans from Monroe County brings the total to 14 in what was, and still is, the program’s #3 county.
 - Hamilton County was, and is, the county with the fourth largest population of Indiana Artisans. It had eight and added two for a total of 10.
- Notified all 142 (12 did not provide samples and were disqualified) applicants about their application result, offering those whose work did not jury into the program the opportunity to request jury panel comments.
- Offered all 130 applicants the opportunity to participate in the marketing workshops in Martinsville (central), Madison (southern) and Fort Wayne (northern).
- On IndianaArtisan.org, posted updated statewide map illustrating locales of all 138 artisans; updated list of all artisans, listing city, county and medium/product of each; and June, 2010 adjudication timeline.
- Sent all new artisans a bio form to complete, along with a request for images and promotion.
- Prepped for, and hosted 26 of the 27 new artisans at the Dec. 3 bootcamp at the Hamilton County 4-H Extension Building.

- **Workshops/Mentoring.**

- Worked with the IAC’s Bobbie Garver in facilitating marketing workshops in Martinsville for Indiana Artisans and the arts audience in Region 8. Workshop will focus on:
 - Know as much about your audience as you do about your art
 - Set realistic customer-focused marketing and PR goals
 - Develop your messages before you share them with the media
 - Tell the difference between communications strategy and tactics
 - Figure out if social networking is right for you
 - Create a timeline and action steps to guide your communications efforts
 - Measure for results, not just output
- Promoted/took reservations for the Jan. 28 marketing workshop in Fort Wayne for Indiana Artisans and the arts audience in IAC Region 3.
- Promoted/took reservations for the Feb. 16 marketing workshop in Madison for Indiana Artisans and the arts audience in IAC Region 12.
- Met with Ivy Tech Culinary Instructor and Indiana Artisan Food Juror Paul Vida to discuss launching the food mentoring program. Established expectations, desired outcomes, rates, and timeline.
 - Connected Paul with November Jury Food Applicant Nicholas Ramirez, of Evansville’s Abbey Christian Bakery, as a pilot for food mentoring.
- Met with Terri Taylor, former national sales manager for Ann Taylor stores, about leading a “How to sell to retailers” workshop.

- **Media/Promotion.**

- Story by Becky Hill, of the Zionsville Times Sentinel, ran Nov. 25 (attached). It's a two-part story on Indiana Artisan that will feature the two Boone County artisans and one who exhibits in Zionsville.
- Story by Becky Hill, of the "Zionsville Times Sentinel," ran Jan. 13, the second of a two-part story on Indiana Artisan that featured Boone County artisans Chris Quigley, Joyce K. Jensen and Peg Neal.
- Drafted news release on Miami County Artisan Susan Kline, about her working jurying into the program in October, and sent it to the Miami County CVB at its request.
- Drafted news release on Carroll County Artisan Rena Brouwer for "Carroll County Comet" reporter, interviewed with reporter for Dec. 23 story.
- Posted links to five stories about Indiana Artisans on the "Media" page of IndianaArtisan.org.
- Following up IOTD pitch, interviewed with, and provided images to, Tammy Rader for upcoming *Indianapolis Monthly* article.
- Worked with IOTD staff in facilitating the "Made in Indiana. Given by You." promotion.
 - Taped an "Art of the Matter" show on WFYI/NPR, with two representatives from the ISM Museum Store, to promote the "Off the Walls" exhibit at the ISM.
- Continue to provide text, images and direction, working with IOTD's Anicia Richardson, on updates to www.indianaartisan.org.

- **Social Media.**

- Continued to grow Indiana Artisan's Facebook friends, now at more than 2,700.
- Continued to use the Facebook page as a promotional tool for the program:
 - creating an album of captioned images promoting each of the Oct., 2009 art artisans accepted into the program;
 - congratulating Rena Brouwer/linking to the "Cass County Comet" newspaper feature covering her becoming an Indiana Artisan;
 - congratulating new Indiana Artisan Allison Ford/linking to a feature in "The Indianapolis Star" on her wooden jewelry;
 - congratulating Rosey Bolte and Ron Schuster, both new Indiana Artisans, and linking to features in *Our Brown County* magazine;
 - congratulating Boone County artisans Chris Quigley, Joyce K. Jensen and Peg Neal/linking to the "Zionsville Times Sentinel" newspaper feature;
 - congratulating Chris Gustin, of Homestead Weavers, on a PBS segment on WTIU; and
 - congratulating Jim Campbell, proprietor of Mild to Wild sauces, on a BBQ sauce promotion supporting service men and women.

- **Outreach.**

- Proposed a student project/collaboration to BSU Instructor of Telecommunications Terry Heifetz to have students interview, video and produce videocasts for IndianaArtisan.org about Indiana Artisans along the trails.
- Met with Ted Miller, president of the Brewers of Indiana Guild, to discuss the program and a plan to encourage Indiana brewers to apply to the June adjudication.
- Encouraged Trails grantees to submit final report prior to 12/31. Reviewed final reports with Brian.
- Encouraged all Artisan Business Development Grant recipients to submit final paperwork. Reviewed final reports and finished facilitating the payment process.
- Researched how the Governor and Lt. Governor select give-aways, state-related gifts [little headway]
- Visited every stop, including the shops/galleries of eight Indiana Artisans, on ***The Backroads of Brown County Tour***.
- Spoke to the participants in the Nickel Plate Arts Trail at the group's quarterly meeting.
- Launched the mentoring component of Indiana Artisan. Food jurors Shirley Vargas and Paul Vida will work with selected applicants-with-merit to help with labeling/packaging (Shirley) and recipe/preparation/presentation (Paul) needs. Shirley already has worked with Artisan Tim Burton on labeling needs of his sorghum that just juried into the program.

Indiana Artisan program growing

By Becky Hill/Times Sentinel correspondent

The term "going local" is the latest buzz word and has been used repeatedly to tout the advantages of local services and products. But before the Industrial Revolution, going local was the natural state of local economies. Items used for everyday usage were crafted by hand and sold directly to the community. In fact, artisans were the leading producers of goods during that age. A hierarchy of artisans existed. If one owned his own business, he was considered a master. A person who would work for a master was considered a journeyman or apprentice. An apprentice or journeyman would work a certain amount of time learning their craft by actually creating products that were necessary for the local economy. But once the Industrial Revolution came and stayed, these titles slowly fell away so that now the term "artisan" generally applies to a person who uses manual and creative skills to create unique items with local resources.

Now states are finding that these old ideas have currency even in today's marketplace. Only a few states have artisan programs. One of the oldest programs, Kentucky Crafted, has been in existence for 29 years and is one of the most successful programs in the United States, annually holding its Kentucky Crafted show, which last year raised over a half million in retail and wholesale dollars. In January 2008, Lt. Gov. Becky Skillman started the Indiana Artisan program, which now recognizes 138 artisans from 46 Indiana counties. The growing program is a joint venture between the Indiana Office of Community and Rural Affairs, the Indiana Office of Tourism Development, the Indiana State Department of Agriculture and the Indiana Arts Commission. But in all of these programs, one distinctive feature, the use of locally-sourced ingredients, products and services produced by a local craftsman in small batches is what distinguishes an artisan from an artist. Eric Freeman, program director for the Indiana Artisan Program, says that making the distinction between an artist and artisan was a deliberate choice for the Indiana program.

"We purposely selected the word, 'artisan' because there are two sides to this program: arts and food," Freeman said. "Secondary, we are looking for work in this program that is truly artisanal. By that, we mean it is made by hand in small batches by the artist."

The Indiana Artisan Program is open to all artisans and artists in Indiana. It is also open to small businesses who produce unique products that are created in small batches like the hand-dipped truffles by Chocolatier Elizabeth Garber, owner of The Best Chocolates in Town on Massachusetts Avenue in downtown Indianapolis. For Freeman, it is not the recipe that matters the most, but the ingredients and production of those products.

"We are looking for businesses that do small batches in production. We do not ask for the recipe, but we do check the ingredients to see if they are sourced from Indiana," Freeman said. "Twenty-five percent of our criteria are focused on whether Hoosier heritage is integral to the product. We want the work to be specific to Indiana."

Because Freeman sees economic development as a key feature of the program, IAP also concentrates on smaller rural areas where artists/artisans may not have the economic opportunities to make their product available to a larger marketplace. One of the main goals of the program is to help the artisan expand their business so that they can stay in county to continue to produce their wares. Freeman calls it place-based asset development.

"Our main goal is to help the artisan expand their business," Freeman said. "That's why we reach out to rural areas, because it helps develop rural economies without bringing in the smokestacks. It also helps the artisan stay in the county and he doesn't have to move. We help them connect to other retail businesses through the state."

Other ways that the IAP helps expand local economies is through the development of local Artisan Trails where artisan businesses and studios can be situated in a central location such as nature trail. The program also plans a statewide artisan fair for February 2011 which will be based on the success of the Kentucky Crafted Show. To develop the IAP, Freeman spends much of his time working with local economic development commissions, talking to them about how they can develop artisan businesses locally.

"A town can take an undeveloped storefront and use the Indiana Artisan Program as part of that puzzle," Freeman said. "The IAP can then come in, fill half the store with Indiana Artisans and help promote it through the Indiana Office of Tourism Development. The town can staff it, fill it the other half with local artwork and make money off of it. Any town can do this."

One place that has developed store space for artisans has been the local SullivanMunce Cultural Center where Art Center Director Cynthia Young created the SullivanMunce Artisan Boutique. In the boutique she features local artisan products and artwork. For the holidays, the art center will devote the entire center to their Artisan Holiday Boutique on Dec. 5 to 23. Local artists like Janet Cohen, Suzi Rizzo, Janet Goar, Tara Bender and other artists will offer their works for unique holiday purchases.

The Indiana Artisan program is open to all Indiana artists and food artisans. Artists/artisans must fill out an online application, then must show their actual product to a pre-selected arts and food jury, who will then determine if the product meets the Indiana Artisan criteria. The jury must be able to see, feel, taste and smell what is being presented before they make any decision. And while this process seems simple, criteria is tough, with only 17 percent of all artists who apply being accepted into the program.

The program has juried in three Boone County Indiana Artisans: watercolorist Joyce K. Jensen, ceramist Peg Neal of Art IN Hand and stone carver Chris Quigley. The work of all three artists is now on display in a special exhibit, "Off the Wall," at the Indiana State Museum through Jan. 31, 2010. For each of these three artists, the Indiana Artisan Program not only connects them statewide with other artisans trying to sell their product, but also provides them with an opportunity to get their work into a wider statewide marketplace. For stone carver and Zionsville native, Chris Quigley, this is an opportunity to get excited about.

"It is a great idea, especially for someone like me who lives out in the country and who can't get their foot in the door in mainstream art market," Quigley said. "Their main idea is to bring business to Indiana. The Artisan program has no strings attached. No political affiliations are necessary. They are strictly looking at your work and you are judged on your work."

Peg Neal agrees. For her, the recognition and networking that comes with the Indiana Artisan designation is critical.

"It will offer the artists as well as the public good exposure to our work," Neal said. "I hope that the public will appreciate and recognize that this is work from Indiana."

For Joyce K. Jensen, her ultimate hope is that the program will help her become more known as an Indiana artist.

"The artisan program has definitely helped. Being in the State Museum in a show where my work really stands out, the exhibit is beautiful," Jensen said. "The Artisan program is a terrific idea. It has been a very positive and exciting experience for me."

Next month I will profile all three Boone County artists and explore how their work makes them uniquely Hoosier and artisan in nature.

IAC FUNDING APPROPRIATIONS FY 1993 through FY 2008

Year	State	Federal	Total
1993	\$2,749,705	\$731,000	\$3,480,705
1994	\$2,749,705	\$682,000	\$3,431,705
1995	\$3,002,971	\$636,586	\$3,639,557
1996	\$3,002,971	\$434,400	\$3,437,371
1997	\$3,089,429	\$458,600	\$3,548,029
1998	\$3,090,180	\$465,900	\$3,556,080
1999	\$3,842,783	\$494,500	\$4,337,283
2000	\$3,842,783	\$519,800	\$4,362,583
2001	\$3,949,564	\$557,200	\$4,506,764
2002	\$3,787,072	\$595,800	\$4,382,872
2003	\$2,955,442*	\$595,800	\$3,551,242
2004	\$3,596,567*	\$581,000	\$4,177,567
2005	\$3,605,885*	\$585,200	\$4,191,085
2006	\$3,383,349*	\$633,100	\$4,016,449
2007	\$3,632,224*	\$637,100	\$4,269,324
2008	\$3,975,695*	\$735,900	\$4,711,595

*Appropriations from state subject to reversions between 5 -7%. Does not include additional mandated reductions

The 2010 IAC budget is \$3,689,232 (\$2,882,132 state and \$807,100 federal)

Compare this to two points in our history adjusted for inflation:

The lowest budget point

1994 \$3,431,705 2010 Inflation Adjusted \$2,523,198 Percent decrease 26%

The first full year of the partnership where the initial bubble occurred to have a budget large enough to support the regional system as conceived

1999 \$4,337,283 2010 Inflation Adjusted \$2,836,469 Percent decrease 35%

Indiana Arts Commission Recommendations for Moving Forward in this Economic Environment

- 1) Administer AOS II (Arts Operating Support) grants centrally for the entire state with existing staff.

Economic Rationale: This strategy will save the fees we currently pay to partners to administer these grants. Based on FY2010 granting categories and historical estimates, this represents 12% of the anticipated grant pool for AOS II, or about \$18,000. It will allow us to put this saved money back into our granting categories statewide, lessening the affect of the current cuts and creating some needed efficiency. Applicants will also apply to our online system, rather than in a paper format (which is still how most of our regional partners administer the grants).

Strategic Rationale: This group of about 50 organizations statewide represents the next tier of arts organizations under the majors (which we administer centrally). It is important, for advocacy purposes that the IAC reestablish direct relationships with more arts organizations in the state, and a funding relationship is the most relevant relationship for organizations. These are arts organizations with cash budgets over \$200K, but which primarily operate in one region. They are our local symphonies, theatres, arts councils, museum, dance companies, presenters, centers, festivals, etc. Also, with the exception of region 7, most regions have a very few of these level organizations, and this makes the paneling of like organizations around the state more consistent and competitive. In addition, we can create evaluative criteria which competitively awards organizations who provide active outreach beyond their home counties, increasing our rural impact.

Benchmarking: Most of the state arts commissions which have regional programs of any sort mainly use them for project granting (for example Michigan prior to their cuts). Those that do give operating type grants still have organizations at this level centrally administered (for example, Pennsylvania centrally administers all organizations of \$250K annual cash budget and above).

Staffing and Logistical Issues: This will increase our staff commitment to grant administration. However, we have dropped our central project grant categories (about 20-25 grants annually) so this will only add a net 30 or so grants. It will also add 3 panels, but our “every other year” strategy with our Individual Artist grants will reduce the amount of panels by a like amount in the upcoming year.

Timeline: Start administering the grants centrally in the upcoming fiscal year, 2010-2011 (in the current year for application/paneling). We may also consider rethinking when paneling and announcement of grants occurs in the fiscal year cycle. We have also begun rewriting of the AOS guidelines as we are currently piloting our centralized electronic application system in regions 4, 8, and 12.

- 2) Using the IAC's online granting system, re-granting agents will continue to administer AOS I and a fewer number of project grants. Agents will also administer a new category called AOS 0 which will be developed to provide operating grants for the smallest of arts organizations.

Economic Rationale: This will focus the regional money on arts organizations and reduce the number of project grants to non-arts organizations to approximately 69 grants, which is 70 fewer than FY2009. This strategy will increase the statewide arts organization pool of money by \$266,000.

Strategic Rationale: Although, regrettably, this will impact the most rural arts project providers disproportionately (many times the organizations applying for an arts project grant in rural counties are non-arts organizations), we have made the decision to support artists and arts organizations primarily in this time of reduced funding. It should be noted that prior to the regional system being created, the IAC gave organizational and operational grants in 57 counties statewide in 1998. Currently we are reaching 66 counties with direct funding, and in the past year, some of our most rural grantees dropped out of the applicant pool for economic reasons, and at least one partner (Region 7, Indianapolis Arts Council) ceased to offer project grants. This strategy will also allow the IAC's electronic system to be consistent and statewide, when it fully comes online next year, standardizing grant categories for all providers.

Benchmarking: Many commissions throughout the country make grants available only to arts organizations, and more have gone solely in that direction in these economic times. The IAC's plan is to reduce, but not eliminate the project grants.

Staffing and Logistical Issues: This strategy should make it somewhat easier for regional providers to administer grants, since they will be dealing, primarily, with arts organization constituents. We are currently piloting our statewide electronic system with the intent that all will be using this system a year from now for all application processes, so this works from that standpoint.

Timeline: Application and categories proceed as is for this upcoming year, with a full transition for applicants who apply in the spring of 2011 for FY 2011-12.

- 3) Centralizing the majority of technical services for the state with central, higher quality technical assistance delivered in conjunction with the Indiana Coalition for the Arts (INCA) and re-granting agent contractors; cultural planning centralized in our strategic planning process; and information referral residing primarily with local providers and organizations.

Economic Rationale: The economy of scale of this strategy will allow us to save significant administrative monies which are currently being paid to regional partners, and allow us to put these monies into the granting pool statewide. We can reduce our technical assistance budget by \$144,000 annually, and place that money in the granting pool for arts organizations.

Strategic Rationale: Partners, with some exceptions, have either been unwilling or unable to engage in cultural planning in their regions. The geographic scale of regions and the lack of continuity of arts communities across the geographic spectrum make this very difficult, and most plans, if they exist, are realistically for a single municipality or small region. Since we are

already engaged in a statewide strategic planning process, and since our organizational survey administered with the Indiana University School of Public and Environmental Affairs finds no significant differences in needs for the northern, middle and southern tiers of the state, this strategy seems reasonable in this reduced funding environment. Also almost all local communities and organizations are very involved in local information referral, and the IAC, in the reduced funding situation, simply cannot afford to pay for services which are already happening in communities, many times, at least in part, by non-partner providers. Central information referral (such as a statewide arts information site) would be beneficial, but with tourism in an even more reduced state, the target market for this service (people looking for “what to do” on a state level), is somewhat reduced, and this additional investment by the IAC at this time cannot be afforded and does not seem timely.

The centralized technical assistance will allow us to deliver higher-quality product of common interest/importance to the field in conjunction with INCA, our state’s advocacy organization. It will also allow us to help INCA attract organizational and individual members, by offering reduced or in certain instances, free access to services in exchange for membership in INCA. This will bring a much-needed membership to our state’s advocacy organization and effort. Other statewide organizations and re-granting agents may also be considered for partnership in these efforts where strategically appropriate.

Benchmarking: Almost all states (including all states in the Midwest region) have much stronger, more professional, and more influential advocacy organizations. Most times these statewide organizations have a significant piece of technical assistance to help organizations and artists in many ways as they engage them for advocacy. Also, all state arts commissions have most of the technical assistance for the state in their primary deliverable services, and regional programs, if they exist at all, are focused primarily on re-granting activities.

Staffing and Logistical Issues: This will certainly tax the capacity of our central staff, and a skilled use of partnership and redirection of existing effort in this category will be the primary objectives. These strategies in conjunction with other recommendations listed below will make it difficult for regional providers to fund, with IAC money, anything other than part-time or contract employees for the reduced services they will continue to provide on our behalf.

Timeline: Begin in this fiscal year with no or reduced technical assistance money through the regional service system for next fiscal year.

- 4) Change name of Regional Arts Partner system to Regional Grants Administration system. “Open up” system for other organizations to apply to be re-granting agents with a “term limit.”

Economic Rationale: At this level of service, regional providers have the responsibility of mid and smaller grants and perhaps some targeted technical assistance. Currently partners receive Community Arts Partner (CAP) grants well above the level of AOS grantees which are similar-sized organizations. Beyond the contracted amount for services, these organizations would be eligible to apply for AOS funds for their own operations, but at a level/category commensurate with their budgetary size (not counting re-granting dollars). Again, this will distribute money (approximately \$160,000) in the granting pool for all organizations in a fairer fashion. Opening up the current “grandfathered” partnership as an open, competitive regional granting provider

system will make all organizations more accountable for taxpayer dollars. It will also provide for greater accountability to the taxpayer by the IAC itself, which is one of our primary charges. All grants will be done through the IAC's central electronic system, which, over time will be an additional cost-saving.

Strategic Rationale: This scenario will focus the IAC's monies to regional providers on the services contracted for. It will increase accountability, fairness, and openness. Potential regional providers will be given a Request for Proposal (RFP), and they will apply to us based on their capacity to make grants on our behalf, and their connection with communities who receive grants in their region. This selection process could happen every 4 years (2 budget cycles). Through the process, the IAC could also selectively fund specific, technical assistance workshops proposed by the regional providers rather than providing a lump sum of money for unspecified services. It will also help to increase connections among many organizations in the state over time, as well as relationships between the IAC and additional organizations. Especially in this economic climate, it will increase fairness, efficiency and accountability. It will also keep intact local input into the grant decision making process, reach out into the state in a reasonable fashion given limited resources, and give the IAC more direct management oversight in the grant making process, which is essential to assure accountability.

Benchmarking: This will bring the IAC in-line with the field as to its degree of decentralization (it will still be one of the more decentralized commissions). Currently only 16 of the 54 state/territory arts commissions have any kind of decentralization, with almost all of them targeting the smallest grants in their states.

Staffing and Logistical Issues: Again, as stated before, regional re-granting agents will only be able to pay for part-time personnel time with fees paid for services. Central staff, with the commission, will need to take a greater leadership role in determining and implementing appropriate strategies, programs and services for the state. There will need to be a reassignment of duties for IAC staff internally to reflect the new system and its internal and external requirements.

Timeline: RFP for all regions will go out this spring, with regions 8 and 12 being implemented for this upcoming fiscal year, and the remainder being implemented for the following fiscal year. This will allow a year of adjustment for our current partners.

Indiana Arts Commission
FY2011 Grant System Changes
Frequently Asked Questions

1. **Will there be any administrative money for those organizations selected to be re-granting agents?**
 - Yes. The scenario includes a 12% administrative fee for the value of all money re-granted by the agent.
2. **Why are the Community Arts Program grants decreasing? Weren't they commensurate to other similar-sized organization grants before?**
 - Our current partners are AOS (Arts Operating Support) I or II sized organizations, and their average CAP (Community Arts Program) grant is \$25,000 while the average AOS grant is currently \$6,100. The reduction makes program money available more equitably for all organizations and recognizes the public value that all grantees provide in their communities.
3. **Will current arts organization AOS II still apply for funds from their current partner? AOS Is and Projects?**
 - AOS II applicants will now apply directly to the IAC and be paneled in statewide pools. Using the same online system, AOS I and project applicants will still apply to and be paneled by a regional agent so local wisdom and decision-making can continue to add value to the IAC's public process and the reach into rural counties can continue.
4. **Could a current partner still be chosen to re-grant?**
 - Absolutely, even though this proposal opens up the possibility of other organizations fulfilling a regional agent role, it is expected that many of the current partners would successfully compete to be regional agents.
5. **Why does the Commission need to make a decision so quickly? How does this plan correlate with suggestions from the field? How was the process transparent?**
 - IAC grant and program changes have been discussed since the IAC's state appropriation started declining in FY2008. However, the urgency for a decision has increased over the past month because state revenue shortfalls have unexpectedly continued and will likely affect the IAC's FY2011 appropriation.
 - Even though policy decisions are at the discretion of the Commission, this plan was developed entirely in the realm of public meetings devoted to this subject for more than a year. The discussions have spanned quarterly commission meetings, a regional arts partner retreat, expanded planning meetings, and expanded committee meetings. Also taken into consideration were the results from a survey conducted by the Indiana University School of Public and Environmental Affairs which examined the needs of arts organizations and providers statewide. This plan incorporates priorities and strategies suggested by commissioners, staff, current partners, current grantees, artists, and other organizational partners. It also references grant and service delivery practices of similar state arts commissions nationwide. There are currently 16 of 54 state arts commissions with some sort of regional strategy. The changes proposed in this plan still keep Indiana's system as one of the most decentralized throughout the country.
6. **If the IAC's revenue stays the same for next year, how much grant money will this put out on the field? What will the grant average be in each category?**
 - In addition to standardizing application processes, criteria, and categories, regardless of the re-granting agent, this plan utilizes three financial strategies to put more money out on the field in an equitable fashion.
 - \$162,000 of administrative and decentralized service money is reallocated into statewide grant categories;
 - Approximately \$160,000 is reallocated from the inequity of the current CAP grant levels; and
 - 33%, or \$131,000, of the current project grant category is reallocated to a new AOS 0 category for the smallest of the state's arts organizations. The remaining portion of the current project grant category, \$266,000, is proportionately reallocated among the AOS I, AOS II, and project grant categories.
 - Using the aforementioned strategies, average AOS I and II grants would increase from \$6,100 to \$9,200, or a 50% increase. The project grant average would remain at \$1,900, based on 70 fewer funded projects.
7. **How does the IAC's current budget compare to its budget throughout the partnership years?**
 - The IAC's budget is at an historic and critically low point. When adjusted for inflation, our current appropriated federal and state budget, including mandatory, nonexpendable state reserves, is \$3,689,232. This is 26% less than the lowest recorded budget of the last two decades (in 1994) and 35% less than the 1999 budget, the first fully implemented year of the partnership when the IAC received additional funds deemed necessary to make the program work.. Currently, the IAC does not have sufficient money to fund all the aspects of the original program which included cultural planning, information referral, technical assistance and full regional-based re-granting.

8. **How will the IAC reach rural communities?**

- As mentioned before, the re-granting agents will still receive funds to provide grants to smaller arts organizations and projects. Therefore, these grants will still be available to rural area applicants. The decreased funding has forced the IAC to refocus its funding efforts on Indiana arts organizations to preserve the strength and presence of the arts in Indiana. Consequently, fewer grants will be available in the project category which could adversely affect rural counties, but the added operations grant category for the smallest of arts organizations is expected to provide opportunities for those organizations that would normally fall in the “project” category. In addition, the IAC will implement review criteria for all applicants which reward organizations for serving underserved/rural areas.

9. **Does the IAC plan to do all technical assistance and workshops centrally? Could a grantee apply to administer portions throughout the state?**

- The majority of technical assistance monies will be used centrally for the common statewide needs of artists and arts organizations. Some money will be available for specific and targeted services proposed by regional agents. All sessions will be coordinated by IAC staff, but facilitated by qualified contractors as necessary. The current, limited budget necessitates that most local technical assistance be funded by local providers rather than the state commission.

10. **Why should “partner” be removed from the granting category name?**

- First, all organizations which receive public dollars from the IAC are partners. Our entire granting/re-granting system invests public dollars in private, not-for-profit corporations, in order to partner our state government with not-for-profits to deliver services of public value to all citizens. Removing the word “partner” accurately assigns all grant recipients to the same level since all grantees provide public value to Indiana citizens. Also, our current situation necessitates that we reduce some services that constituents have come to expect. As long as the title of the program remains the same, constituents will continue to have expectations that cannot be met at current funding levels. The name change will signal a change in services, and with it, a new set of expectations. Finally, some current partners may not compete successfully to be a re-granting agent, so the removal of the word “partner” from any current partnering organization and transferring that “status” to another organization in their region or community could potentially damage an organization’s community reputation. This name change fairly protects and respects all organizations which may or may not have regional agent status in the future.

11. **Will the regions always include the same counties?**

- No. Depending on which applications for the regional agent program are successful, the geography of the regions and number of regions may change.

12. **Will these changes increase the IAC’s staff?**

- No. The IAC’s objective is to decrease administrative expenses and provide more grant money to arts organizations. In the midst of its declining state appropriation and reducing its staff by two full-time positions, the IAC still managed to return most of its revenue to the Indiana arts through grants and programs last year. This was accomplished because the IAC realigned job responsibilities and reduced administrative expenses. In anticipation of further changes and its continued commitment to the field, the IAC is currently cross-training several staff members to manage grants and services that may be recentralized. If additional budget reductions are sought, it is likely that the IAC staff will decrease, along with its services and granting activity.

Estimated Comparative Categories Based on FY2010 Funding Levels	Current Levels		Recommended Scenario		
	Category Total	Average Grant Size	Category Total	Average Grant Size	Compared to Current
Partner Community Arts Program Grants	\$ 249,955	\$ 27,773	\$ -	\$ -	-100%
Organization AOS II Grants (estimated)	\$ 319,913	\$ 6,273	\$ 518,363	\$ 9,425	50%
Organization AOS I Grants (estimated)	\$ 544,718	\$ 5,986	\$ 852,566	\$ 8,974	50%
Organization AOS 0 Grants (estimated)	N/A	N/A	\$ 131,043	\$ 1,899	N/A
Project APS Grants (estimated)	\$ 397,100	\$ 1,900	\$ 131,043	\$ 1,899	0%
Major Organization Grants	\$ 592,040	\$ 45,542	\$ 632,360	\$ 48,643	7%
Total Organization Grants for FY2010	\$ 2,103,726		\$ 2,265,375		
Regional admin fee based on RBG (block grant)	\$ 151,408		\$ 133,758		
Service fees for re-granting agents	\$ 192,000		TBD on a contract basis		
External Admin fees paid to re-granting agents	\$ 343,408		\$ 133,758		

PROGRAM EVALUATION COMMITTEE

The Program Evaluation Committee (PEC) held a meeting on Thursday, February 25 to review and approve the following reports.

- **Affect of Budget Reductions on Grant Programs – Arts Project Support (APS).**

Mr. Ricci explained the proposed changes to the Regional Arts Partnership (RAP) system. These changes are needed because of the 30% cut in the FY2010 budget and the anticipated cuts in the FY2011 budget. There was also a discussion about not funding non-arts organizations and adding another Arts Organizational Support (AOS) level for those arts organizations currently applying in APS. The new AOS level would be smaller than the current AOS I. It was noted that many of the grants to non-arts organizations allowed the IAC to reach rural areas.

- **Review and Ratification of the FY2011 Artists Access Category Applications**

Ms. Davis explained the new Artist Access category for Individual Artist with disabilities. This one year \$30,000 grant was awarded to the IAC from the National Endowment for the Arts; \$26,000 of the funds was earmarked for IAP grants to individual artists with disabilities. Twenty-two applications were received at the February 1 deadline. These applications were reviewed by an IAP panel February 23. The top 13 applications with the highest scores requested a total of \$24,736 and the top 14 requested \$26,736 (\$736 more than the original earmarked funds for artists). Ms. Davis explained that the Artist Access budget had \$736 from another budget item not being used to fund the 14th application. Mr. Ricci cautioned the committee to be careful about funding the 14th application because the Access category scores were lower than the scores normally funded by the Individual Artist Program. After a lengthy discussion, the PEC members recommended that the top 14 applications go forward with the caveat that the IAC staff review the comparative scores between the Access category and the FY2010 multi-arts and crafts applications.

- **Indiana Artisan Update**

Ms. Garver gave Mr. Freeman's report on the Indiana Artisan program's successes and upcoming activities. Mr. Ricci reported that the Indiana House of Representatives passed a resolution, sponsored by Rep. Eric Koch, recognizing the Indiana Artisan program as "The states official program to identify, support and promote high quality, handmade items from Indiana". As the Artisan program enters its last year of funding through the Office of Rural and Community Affairs (OCRA), plans are being made to transition the program into a 501c3 not-for-profit organization.

**FY2011 Artist Access IAP
Panel Scores**

	Application #	Region	Applicant Name	Average Score	Request	
1	110021	7	Nina L. McCoy	94.8	\$2,000	
2	110029	12	Photography by Kendal/Kendal Miller	92.4	\$2,000	
3	110048	7	Gina Soo Golden	92.4	\$2,000	
4	110083	7	Mary Ann Van Soest	89.8	\$2,000	
5	110068	7	Steven W. Sickles	88.6	\$2,000	
6	110143	8	Susan W. Showalter	88.4	\$2,000	
7	110022	10	Carole Douglas	87.2	\$1,025	
8	110128	7	Chad J. Gallion	87.2	\$2,000	
9	110067	8	Debra J. Spanger	85.8	\$2,000	
10	110102	5	Jody Powers	85.4	\$1,877	
11	110192	1	Larry D. Mickow, Jr.	84.8	\$1,850	
12	110094	12	Gregory Allen Sayers	83	\$1,984	
13	110047	8	Sean Cortright	82.6	\$2,000	\$24,736
14	110214	5	Valerie J. Birk	81.6	\$2,000	\$26,736
15	110002	5	Betty Settle Drinkut	80.6	\$2,000	
16	110092	3	Melinda Sue Priebe	79.6	\$2,000	
17	110034	7	Judy F. McCoy-Champa	77.25	\$2,000	
18	110115	7	Victoria Lee Hirt	75.8	\$2,000	
19	110064	8	Christopher J. Meyer	74.8	\$2,000	
20	110118	1	Kevin Hanusin	74.6	\$2,000	
21	110009	7	Teresa J. Tungate	71.6	\$2,000	
22	110057	9	Karl P. Terrell	70.2	\$2,000	
					\$42,736	

ITEM 6 c

Advocacy & Awareness Committee

The Advocacy and Awareness Committee met February 25 with commissioners, two representatives from Indiana Coalition for the Arts (INCA), and Regional Arts Partner representative Donna Catalano taking part in the meeting.

Lewis provided an update on the current legislative session including brief comments about a bill introduced by Sen. Vi Simpson (D-Bloomington) to establish tax free arts districts. The bill was assigned to committee, but did not receive a hearing this session. Sen. Simpson had expressed doubts the bill would survive the session because of the Legislature's desire to avoid bills with fiscal impact. Nevertheless, groundwork has been established to revisit the issue at a more appropriate time.

Lewis also reported on a concurrent resolution introduced by Rep. Eric Koch (R-Bedford) highlighting the accomplishments of the Indiana Artisan. The resolution was approved by both the House and Senate.

Although budget reductions may be forthcoming for the National Endowment for the Arts (NEA), Lewis said he did not know how such a reduction might impact the IAC.

Terry Whitt Bailey, INCA president, provided the committee with a review of the annual Arts Day at the State House program. She said a total of 42 legislators attended at least some portion of the program. She also pointed out a record number of organizations had signed up to participate in the event. Terry also shared with the committee the recipients of the 2010 Community Arts Leadership Awards. These recipients included: Eric Rogers, arts administrator; Joy Bailey, arts advocate; Judy Ward, arts educator; and Miriam Robeson, arts volunteer.

Lewis discussed with the Committee the process currently underway for the IAC's new Strategic Planning, as well as the need for a review of the Regional Arts Partner system in light of the agency's budget reductions.

ITEM 6 d

Cultural Trust Administrative Board

The Cultural Trust Administrative Board met by conference call February 23. The board received a report from the Office of the State Treasurer regarding the current fund balance as of the end of January. At that time the fund balance was \$1,843,642.14.

Revenues are currently invested in three short-term certificates of deposit with balances, interest rates and maturity dates as follows:

Fifth Third Bank	\$1,000,000	0.88%	3/17/2010
Fifth Third Bank	\$ 450,000	0.52%	6/10/2010
Fifth Third Bank	\$ 390,000	0.52%	6/24/2010

The Office of the Treasurer reported that the current financial reports did not reflect the \$50,000 transfer approved at the last meeting. This was due to a change over in the State's People Soft financial reporting system. Not all the information required in the new reporting system had been entered completely in time for it to be reflected in this report to the Board.

For the seven month period ending January 31, 2010, total donations were reported at \$121,200.00. This amount translates into an estimated 4,848 Arts Trust license plate sales/renewals or 262 more plates sold than for the comparable seven month period one year ago.



FY 2010 Business Meeting Dates

January 26, 2010	9:00 a.m. 2:00 p.m.	Advocacy Day at Statehouse Committee on the Future
Feb 3 – 4		RAP Retreat, Columbus
February 23	10:00 a.m. 2:00 p.m.	Committee on the Future Cultural Trust Administrative Board
February 25	10:00 a.m. 2:00 p.m.	Advocacy & Awareness Committee Program Evaluation Committee
March 3	9:00 a.m.	Executive Committee
March 12	9:00 a.m.	Quarterly Business Meeting (Indianapolis)
June 1	10:00 a.m. 2:00 p.m.	Committee on the Future Cultural Trust Administrative Board
June 3	10:00 a.m. 2:00 p.m.	Advocacy & Awareness Committee Program Evaluation Committee
June 9	9:00 a.m.	Executive Committee
June 18	9:00 a.m.	Quarterly Business Meeting (Gary)
August 31	10:00 a.m. 2:00 p.m.	Committee on the Future Cultural Trust Administrative Board
September 2	10:00 a.m. 2:00 p.m.	Advocacy & Awareness Committee Program Evaluation Committee
September 8	9:00 a.m.	Executive Committee
Sep 13 – 16		Midwest Arts Conference (Indianapolis)
September 17	9:00 a.m.	Quarterly Business Meeting (Bloomington)
November 16	10:00 a.m. 2:00 p.m.	Committee on the Future Cultural Trust Administrative Board
November 18	10:00 a.m. 2:00 p.m.	Advocacy & Awareness Committee Program Evaluation Committee
December 1	9:00 a.m.	Executive Committee
December 10	9:00 a.m.	Quarterly Business Meeting (TBD)



Possible Dates for Special Session of Full Commission
(Please mark dates you can attend **in person** at 1:00 p.m.)

_____ Tuesday March 30

_____ Wednesday March 31

_____ Thursday April 1

_____ Friday April 2

_____ Monday April 5

_____ Wednesday April 7

_____ Friday April 9

Your Name: _____



TO: INDIANA ARTS COMMISSION

FROM: DENNIS HARDIN, IAC ETHICS OFFICER

MARCH 12, 2010

Ethics training is required of all state officers, employees and special state appointees at least every two years. The Office of the Inspector General will again be administering the training program that is being delivered via PeopleSoft. The Arts Commission has been allotted a specific period of time in which we must complete this training. You will be able to access the training beginning **Monday March 22, 2010**, and you must complete the training no later than **Friday April 9, 2010**. I will be providing you with your log-on ID and password via email, along with instructions to access the training site. Even if you have recently completed the training, you must do so again during this designated period. Keep in mind that you must have a high-speed internet connection, and you cannot complete the training via blackberry or other portable device. It will take you approximately 15 minutes to complete the training course. Please make the effort to comply with the Office of the Inspector General and complete the training during the designated period. Thank you!

Dennis Hardin
IAC Ethics Officer