National Assembly of State Arts Agencies
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STRATEGY SAMPLER

Responsive Funding Strategies, 2019

State arts agencies (SAAs) are an important source of general operating support, which is not available from the National Endowment for the Arts and often is not a priority for foundations, whose resources are frequently limited to a specific geographic region or a particular programmatic theme. In many states, the state arts agency is the only source of flexible dollars to sustain a variety of organizations, including small, rural and community based groups.

This long-established function of state arts agencies is not without difficulties. SAAs nationwide feel the strain of divvying up limited resources and face high demand for arts funding for all kinds of institutions, individuals and projects. Given finite appropriations, what is the most efficacious and equitable way to deploy grant dollars, especially when increasing funds to one cohort necessitates reducing funds for another? No agency has solved this problem, including those with the largest appropriations. The persistence of this issue has led to innovative thinking and a variety of grant-making strategies. Each state's solution will be different, but learning from other states' experiences is valuable for any state arts council considering policy and guideline revisions.

This strategy sampler—originally produced at the request of the Pennsylvania Council on the Arts to inform changes to their formula funding model—analyzes qualitative information from five states to understand various SAA operating support allocation strategies. Policy considerations presented in this report are drawn from examining these sample SAA funding formulas, their efforts to fund a diverse array of organizations and their aspirations.

NASAA members can request custom benchmarking data to help inform any grant making policy or planning considerations. Contact NASAA's Senior Director of Research, Ryan Stubbs, or any member of NASAA's research team to request custom data.

GENERAL OPERATING SUPPORT PROGRAMS BY STATE

Arizona

The Arizona Commission on the Arts has one program that allocates general support to arts and culture organizations in Arizona. [Community Investment Grants](#) provide unrestricted general operating support to organizations whose primary mission is to produce, present, teach or serve the arts, including nonprofit arts organizations of all sizes, local arts agencies and tribal entities. Arizona does not use formula funding for its GOS program. Instead, the program has six tiers of funding based on applicants' annual income with three flat award amounts (high, medium and low) in each tier.

Maryland

The Maryland State Arts Council allocates general operating support through two programs: [Grants for Organizations](#) and the [Creativity Grant Program.](#)
The Grants for Organizations program awards three-year grants to arts groups with an allowable annual income of least $50,000. The program is open to nonprofit and tax-exempt organizations, as well as units of government with ongoing arts programming.

The [Creativity Grant Program](#) awards one-year grants of $1,000-$3,500 to arts organizations with an annual income of less than $50,000. The program supports small organizations with small awards and no matching requirement with the intent of promoting the vitality and sustainability of arts infrastructure in Maryland. Individual artists are also eligible to receive Creativity Grant awards for community oriented projects, making this program uniquely flexible.

General operating support funding in the state of Maryland is more than agency policy; it's an express priority of state statutes. In addition to the agency's regular appropriation for grants (governed by a budget control act that stipulates that the agency's budget cannot be cut), a [Special Fund for the Preservation of Cultural Arts exists in Maryland](#). This money "shall be used to provide supplemental grants for operating and programmatic improvements that strengthen the organizational capacity and financial stability of cultural arts organizations in the State that qualify for general operating support grants from the Maryland State Arts Council." General operating support is part of the political discourse, too: for many years, advocates have sought support for the agency toward an explicit goal of securing enough funding for Maryland to provide a minimum of 10% of the operating expenses for arts organizations.

Massachusetts

The Massachusetts Cultural Council provides general operating support through two separate programs within its [Cultural Investment Portfolio](#). The larger GOS program is the

[Portfolio](#) grant, which provides general operating support to nonprofits that promote "access, excellence, diversity, or education in the arts, humanities, or interpretive sciences". To be eligible for the Portfolio grant, applicants must have a minimum annual cash expenses of $50,000 based on a three-year average and must have received Gateway support (see below) for at least two years.

Organizations are admitted into the Portfolio pool only when they can meet rigorous programmatic, operational and advocacy requirements. Rather than being adjudicated through a traditional panel, organizations are required to file annual Cultural Investment Portfolio reports to confirm ongoing eligibility. Portfolio grantees must complete two advocacy activities per year that include direct contact with elected officials, speaking to the cultural sector as a whole; maintaining board approved ethics and best practices policies for boards; working with the Mass Cultural Council on approved community engagement and service to the sector requirements; and proving ongoing financial compliance and eligibility.

The Massachusetts Cultural Council provides general operating support to smaller, less-established organizations via a two-year [Gateway](#) grant program. The Gateway program serves as a prerequisite for organizations that can then eventually receive funds from the larger Portfolio program. Both the Portfolio and Gateway programs fund nonprofit arts organizations as well as "cultural affiliates," defined as semi-independent cultural programs of noncultural institutions, such as a colleges, social service organizations or departments of federal, state or local government.

New Jersey

The New Jersey State Council on the Arts allocates dollars for operational support via two separate yet similar programs. The programs are nearly identical and eligibility is dictated by the type of organization, not the size of the organization. The [General Operating Support](#) program awards three-year grants to arts organizations while the [General Program Support](#) program awards three-year grants to a variety of non-arts organizations that produce or present ongoing public arts programs, such as an arts center on a university campus.

New Jersey General Operating Support grants go to organizations with missions exclusively devoted to the arts. Reviews occur every three years and grantees typically receive a three-year commitment. Uniquely, New Jersey requires these grants to be matched 3:1 ($3 earned or raised and spent per $1 received from the arts council) instead of the typical 1:1 matching requirement. Guidelines for the General Program Support grants are nearly identical, the primary difference being the eligibility of arts programs housed at non-arts organizations and institutions.

Ohio

The Ohio Arts Council has two programs that provide general operating support to arts organizations: the Sustainability program and the Arts Access program.
The [Sustainability program](#) is a tiered model and awards four-year grants to established organizations with budgets of more than $50,000 and a history of support from the Arts Council. Sustainability grants support the large, administratively sophisticated and established Ohio organizations with flexible and reliable funding. Grantees must have received at least two Ohio Arts Council awards in the last four fiscal years. The program is open to arts organizations along with non-arts entities and institutions that demonstrate a commitment to arts programming. The largest 40 organizations in the applicant pool fall within the "large" organization tier while all other applicants are funded within the "mid-sized" tier.

The [Arts Access](#) program provides general operating support for small organizations, meaning those with annual budgets of less than $50,000. Similar to the Sustainability award, grantees must have received at least two Ohio Arts Council awards in the last four fiscal years. This program supports ongoing arts and cultural activities in all genres that broaden opportunities for the general public to participate in the arts. Guidelines for these awards are similar to the Sustainability grants with the exceptions of a smaller award size, a shorter funding period and the eligibility of small-sized organizations.

FUNDING FORMULAS ([back to ToC](#))

Funding formulas refer to the methods by which state arts agencies calculate dollar amounts that go to each successful applicant. Formulas commonly are used in general operating support programs to apply a systematic logic for making award amount determinations. The merits and efficacy of formula funding to meet the following goals can be argued, but intended positive aspects of using a funding formula include: to avoid real or perceived favoritism, to gain application efficiencies for grantees, to gain adjudication efficiencies for SAAs, and—in conjunction with maximum award amounts—to limit the portion of funds that go to any one organization. When shared with applicants, formulas also can be a transparency tool. In some cases, SAAs use a funding formula in lieu of a panel process, but many apply panel scoring to their formulas.

Finding an optimal formula is a challenge. The more sophisticated a formula gets in adjusting for different variables (such as organizational budget size, geographic factors, etc.) the more difficult it is to administer—and the more difficult it is to explain to constituents. Furthermore, the objectively measurable factors that often drive formulas (total organizational revenue, for instance) may perpetuate systemic bias because they channel more funding to organizations that enjoy greater access to resources. There also are many subjective decisions that go into the creation of the formulas. While the spreadsheet mathematics of any given formula may be "value-neutral," those calculations

originate from human policy decisions about how to weight each variable the formula contains. Additionally, as the fiduciary state of arts organizations and state arts agencies evolve at the macro level, formulas must periodically adjust to adequately serve the field. The following section examines the primary approaches to funding formulas for the states examined in this report.

Arizona

The Arizona Commission on the Arts no longer uses a formula for its general operating support program; however, its tiered grant system does function like a formula in many aspects and is worth reviewing. Arizona reconstituted its general operating support program in 2012 and now requires a panel review for all GOS applications, with review criteria that increased its emphasis on public value and responsiveness to community needs. Arizona established six tiers of funding (based on applicants' annual income) with three flat award amounts (high, medium and low) in each tier.

Organizations apply in one of six tiers based on budget size as determined by the organization's adjusted annual income as reported through DataArts. Each applicant is reviewed with their cohort and is given an award based on the competitiveness of their application as scored by the

	FY2018 Adjusted Annual Income	Award Range
CIG Level I	$5,000 – $24,999	$1,000 – $3,000
CIG Level II	$25,000 – $99,999	$2,000 – $5,000
CIG Level III	$100,000 – $249,999	$3,000 – $8,000
CIG Level IV	$250,000 to $549,999	$6,000 – $15,000
CIG Level V	$550,000 – $1,249,999	$8,000 – $22,000
CIG Level VI	$1,250,000 and above	$15,000 – $60,000

panel. This strategy predetermines award ranges based on budgets, taking away a need for formula driven award amounts and arguably allowing for a more focused and influential panel process. The chart shows the tiers and ranges established for fiscal year 2018 grantees.

Maryland

The Maryland State Arts Council uses a simple formula to determine grant amounts for its primary general operating support program. The funding formula takes into account total allowable income, panel scores and the current year's grant budget.

Maryland determines the percentage of its grants budget for each grantee by calculating the total allowable income (see box) from all the applicants. The final award is based on the organization's total allowable income figure multiplied by its panel score and available funding.

> **Maryland Allowable Expenses Guidelines**
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> *Allowable expenses and income include but are not limited to artist fees, salaries, technical fees, marketing, exhibition materials, theater sets, musical scores, rentals on space and objects necessary to production and administration, educational fees, supplies for classes and productions and other costs to maintain an arts organization or arts program. Revenues may include but are not limited to ticket sales, tuition, donations, foundation support, corporate support, public support, gift shop sales, fundraisers, etc.*

Massachusetts

The Massachusetts Cultural Council uses a formula to determine award amounts for all grantees that qualify for its Portfolio program. In this case, the formula does not take into account any panel scores because the grantee pool has already been screened for excellence and eligibility through other systems (see above). Instead, this formula focuses exclusively on dividing available funds into individual award amounts through a multistep process. The Council staff calculates the available resources for Portfolio grantees based on appropriations and the total Portfolio program budget for the year, excluding funds to entry level Gateway Program grantees and other expenses.

The formula model calculates budget size as the mean of the three most recent years of cash expenses, based on self-reported data via the DataArts system. This model informs the maximum and minimum parameters for the Portfolio, and the maximum grant amount for Cultural Affiliates (non-arts grantees with arts programming). Setting a maximum for Cultural Affiliates is necessary since the organizational revenues for certain institutions (such as universities) would be outliers. In FY2019, the maximum Portfolio grant was capped at to $60,000 and the minimum at $4,500. The Cultural Affiliate grant was set at $15,000, which is 25% of the maximum Portfolio grant.

New Jersey

The New Jersey State Council on the Arts has a set award range of $10,000-$1 million ($10,000-$30,000 for first-time applicants) and overriding principles to distribute funding in a way that respects the panel process and to ensure funding is meaningful to the

organizations that are applying. These overriding principles also speak to targeting areas of need and rewarding excellence.

Exact grant amounts are based on applicant requests as well as on the panel review and the Council's final funding determination. The Council may award a grant that is less than the requested amount due to panel score or budget limitations. In practice, many applicants receive their requested amount. Application scores and the panel's "consensus comments" are reviewed by the Council's grants committee, which makes the final decision on grant awards taking into account its annually set Funding Principles and Actions.

For FY2020 the Council's funding principles are:
1. Honor the panel process.
2. Reward excellence.
3. Employ cutoffs and correlate funding to ranking.
4. Support core programs first:
   a. General Operating and General Program Support (GPS)
   b. Local Arts Program (county arts agencies)
   c. Cosponsored Projects
5. Continue support for currently funded organizations as much as possible to maintain stability in the field.
6. Award no more than 25% of an organization's total income, if possible (GOS/GPS).
7. Support a minimum of 5% of operations/programming, if possible (GOS/GPS).
8. Fund in meaningful amounts, no less than $10,000 and no more than $1,000,000.
9. Adjust/modify awards in keeping with Council published priorities.
10. Achieve South Jersey target (see box).
11. Consider all other sources of state funding, including state budget line item language.
12. Capitalize on opportunities if resources allow.

> **Funding Principle #10: Achieve South Jersey Target**
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> In 2001, the New Jersey state legislature and governor enacted legislation creating a mandate that 25% of New Jersey State Council on the Arts grant funding be awarded in the eight southernmost counties of New Jersey, many of which are rural. The perceived divide between northern and southern New Jersey and lack of resources going to southern New Jersey originally motivated the mandate, which appears in state budget legislation every year.

Ohio

The Ohio Arts Council has two separate formulas for its Arts Access Awards and its Sustainability awards. Arts Access Awards are based on the applicant's request amount, the amount of grant funds available and the application's panel score. In short, the application's score and the Council's grants budget determine whether the applicant receives 100% of the requested grant amount or an amount below 100%. The formula also operates with the range of $1,000 to $5,000 for this program.

The Sustainability formula is more complex. Unlike the Arts Access program, applicants don't request a grant amount. Grant awards are based on the applicant's budget and their application's panel score. Often, in practice, the larger an applicant's budget, the smaller the grant award as a percentage of the applicant's budget. Based on the panel-score scale of 1-60, the Sustainability formula ultimately assigns dollar amounts for every numeric panel score. For the largest tier, 95% of grant amount is formulaic (based on the budget) and 5% is variable (based on panel scores).

STRATEGIES FOR EQUITABLE FUNDING ([back to ToC](#))

All states within the cohort studied identified strategies to reach a diverse array of applicants, including smaller organizations, rural constituents and culturally specific organizations. These strategies are not always embedded within the general operating support mechanism. In fact, several states identified general operating support programs as the most difficult aspect of their portfolios to diversify. This is partially due to long-the standing practices designed to fund larger cultural institutions (many of them urban), which have big budgets, offer a high volume of public services and/or operate large facilities. There are benefits to having such organizations participate in the state funding system: it encourages the accessibility and responsiveness of programs that reach millions of citizens, it aligns their work with the state arts council's goals, and it strengthens the base of influential stakeholders willing to stand up for public arts support.

However, if an SAA provides dollars to these largest "majors" at a scale that is meaningful relative to their budgets, it can exhaust the pool of funds available to smaller groups, exacerbating inequities in the overall cultural ecosystem. Conversely, if an SAA reduces the size of its awards to majors in order to reach more organizations, it may diminish the real and perceived relevance of the SAA and reduce its ability to influence the practices of the organizations that reach the most people in a state. This is not a new dilemma for SAAs, but it is taking on fresh urgency as our field seeks better strategies for advancing diversity, equity and inclusion. Every state NASAA interviewed for this research project reported active effort to address these dynamics.

Strategies to reach small, rural and culturally specific agencies take place within general operating support guidelines but also occur within different parts of a state arts agency portfolio. Given the interconnectivity of all SAA programs and that decisions to fund general operating support for organizations are not made in a vacuum, this section examines both strategies that are implemented within the GOS program and relevant strategies that take place in other aspects of SAA work.

General Operating Support Program Strategies

"Entry Level" GOS Grantees: *Four out of five states examined for this* strategy sampler *used either a tiered approached or an "entry level" program to make funds available to smaller*

organizations. The entry level approach sets aside specific funding that is only available to organizations beneath a certain budget threshold. In Massachusetts, the smaller Gateway program serves a layer of vetting to help organizations move up to the larger Portfolio program. In Maryland, the Creativity Grant program provides small awards to small-budget organizations, but is flexible enough to fund individual artists. Ohio's Arts Access program awards smaller dollar amounts to smaller organizations, which is also the case in Arizona, Maryland and Massachusetts.

Making the Application and Panel Process More Accessible: The New Jersey State Council on the Arts is working to increase the number of new applicants in an effort to more equitably distribute operational funding. New Jersey launched a new pre-application process designed to promote the program to new applicants, to advise potential applicants on whether they have the capacity to apply for and manage a grant, and to help organizations that aren't ready to apply determine what they can do to build their capacity. Furthermore, New Jersey now has multiple general operating support panels organized by applicants' budget size. This ensures that small and large organizations are not considered in the same panel and, relatedly, that panelists with expertise with small organizations are evaluating applications from small organizations.

Making the GOS Panel Process More Equitable: The equitable distribution of funds is also reliant on panel processes that mitigate inherent biases. Bias in the panel room is difficult to detect and can be influential without intent. The [RE-Tool: Racial Equity in the Panel Process](#) toolkit is one resource that state arts agencies and foundations are using to ask the crucial questions to understand where racial bias may be present in institutional and human decision making. Maryland recently made [several changes](#) to its panel process in an effort to better and more equitably serve all constituent and organizations. There is now a statewide call for panelists to get a larger and more representational pool of respondents, a more robust panelist training process with a focus on equity, a detailed scoring rubric created to clarify applicant scoring, and panel monitoring to rectify any observed discrepancies during the review process.

Non-GOS-Specific Equity Strategies

Decentralized grant making (systems by which state arts agencies grant to local or regional agencies that then regrant to local organizations) is an efficient way to get more awards to smaller organizations and was cited as an important strategy by Massachusetts, New Jersey and Maryland. The benefits of decentralized regranting include economies of scale (having regranting partners handling high volumes of smaller awards), local buy-in (through decision making authority at the community level), and cultural infrastructure development (growing the capacity and influence of local arts partners).

The New Jersey State Council on the Arts' indirect avenue for supplying general operating support to small organizations is through its local arts program. New Jersey gives

decentralized grants to 21 local arts agencies, 18 of which are county agencies. Many of these locals offer general operating support. Additionally, many locals have less burdensome application processes compared to the state council, which can reduce the burden on smaller organizations. As another example, Maryland provides general operating support to small and rural organizations around the state through its decentralized [Community Arts Development](#) program. The Maryland State Arts Council funds 23 county arts councils, many of which, in turn, provide general operating support to small and rural organizations.

Rural Focused Programs

Offering rural communities access to the arts is preeminent to state arts agencies' missions to serve all people within their states. As such, states arts agencies not only attempt to extend the reach of their grants, they also pursue specific programs and initiatives aimed at proliferating the [arts in rural communities](#). Many of these strategies revolve around the ideas of economic development, community development and creative placemaking. For example, the Arizona Commission on the Arts cites its [AZ Creative Communities](#) program as a good experience in learning about how to build long-term partnerships with rural communities. Through AZ Creative Communities, the Commission and the Arizona State University's Herberger Institute for Design and the Arts are working with nine communities (five of which are rural) to address local challenges. The program helps these communities realize creative placemaking goals by providing technical assistance through workshops, site visits, mentorship calls and interactive on-line training, as well as grant dollars.

Another SAA strategy is to take inventory of areas not currently being reached through state arts agency funding and to put in place a mechanism to address those gaps over time. This was the case with [Ohio's Fund Every County](#) initiative. Beginning in 2016, the agency assigned a high priority on directly funding arts and culture activities in all 88 Ohio counties each biennium. The agency now works with local government, schools, nonprofit arts organizations and other providers in underserved counties to identify organizations or projects that offer good prospects for either operational or project support. Staff conducts extensive outreach to assist applicants and reduce barriers to entering the public funding system. [Several states](#) have taken this county based approach to increasing the reach of agency funding into rural or low-income communities.

OTHER INITIATIVES AND ASPIRATIONS ([back to ToC](#))

Agencywide DEI Initiatives

Equitable funding strategies can be part of agencywide approach and commitment to diversity, equity and inclusion. States employ a variety of [programs and strategies](#) to confront long-standing social inequities and institutional biases that affect the distribution

of resources. The challenge of improving access to resources for underserved communities goes beyond guideline revisions. Some state arts agencies are even thinking of their roles in prompting social change.

For example, Massachusetts has a [four-year Diversity, Equity and Inclusion (DEI) plan](#), which includes updating grant guidelines, applications and review processes. This effort is causing a culture shift within the agency, resulting in renewed staff interest to better serve rural communities. This combination of systems thinking plus concrete steps is a valuable approach to understanding large-scale change factors as well as tangible actions.

Collecting Data to Inform Progress

One challenge of serving diverse populations is an agency's ability to collect demographic data on the communities and populations benefitting from its awards. Evaluation of program and policy changes directed at more equitable funding patterns necessitates data collection as well as establishing evaluative frameworks. For state arts agencies, this portion of the work is largely aspirational; however, states have identified this as a goal and NASAA is assisting states with understanding the [demographic implications](#) of the data they collect.

The New Jersey State Council on the Arts' recent revisions to GOS guidelines require that applicants describe the demographics of their geographic service area and how their programming serves the various demographic segments within it. The hope is that this requirement will allow constituents to better understand their communities beyond their typical audiences. Maryland hopes to one day provide web-accessible demographic data to grantees so that it can have a clear picture of the demographics of its service areas. Currently, grant applicants are responsible for researching and describing demographic data, which can be a challenge for some grantees.

Video and Audio Applications

One idea that has gained traction in the grant-making field is to allow video and audio grant applications. This strategy can theoretically help level the playing field by reducing the influence of grantsmanship from larger organizations that often employ highly trained grant writers. Video and audio applications may help smaller organizations tell a compelling story more effectively than might occur in writing. While two of the states in this cohort currently allow video and audio applications for certain programs, the idea of allowing these types of applications for their general operating support programs is still aspirational.

For FY20, for the first time, Maryland is allowing video and audio applications for its Maryland Traditions Apprenticeship Award. Expanding this to other programs may enable a greater number of organizations, especially those with small budgets, in rural

communities and lack of experience, to apply for grant funding. Arizona introduced video and audio applications to its individual artist grants and would eventually like to open this option up to general operating support applicants.

INSIGHTS AND CHALLENGES ([back to ToC](#))

General operating support remains a lifeline for arts organizations of all sizes.

Nonprofit organizations of all types are starving for general, nonrestricted support for administration and programs. State arts agencies remain important purveyors of this type of support to arts organizations, which contributes to sustaining cultural infrastructure in the United States. Awards from public sources make up a small percentage of organizational budgets, but those dollars have extra meaning in leveraging additional funds from private sources. Awards from state arts agencies can make up larger portions of budgets for smaller organizations *and* states can contribute meaningfully to larger institutions, but finding the right balance remains a work in progress for most states. Arts funding is not a zero-sum game, and although there is tension and scarce resources, funding organizations large and small helps serve a broad constituency.

Think beyond formal arts infrastructure.

One reason for the somewhat limited reach of general operating support is that it best suits formal arts organizations with traditional arts facilities. Rural and economically disadvantaged communities are less likely to contain these types of organizations or venues. Therefore, opening eligibility to organizations such as schools, community centers, libraries and gymnasiums may help those communities access funds. Also, grantees with facilities in city centers can be encouraged to do more programming outside of their walls with panel scoring that encourages community engagement. Recognizing that important creative activity occurs outside of the 501(c)(3) model (especially among groups that have low trust in government), some SAAs are seeking ways to fund informal, unincorporated groups through fiscal sponsorship or other partnership mechanisms.

Is your entry level program gaining new grantees?

A number of states use tiers and entry-level programs to ensure funding reaches organizations of all sizes. These strategies have been effective in saving a slice for smaller groups, but there is less evidence that this alone helps improve the reach and diversity of grantees. Maintaining funding is important, but requirements for entry level programs may still be keeping smaller, rural and culturally specific agencies from applying. Additionally, new organizations that would make great applicants may not know about their state arts agency. Given that barriers go beyond the availability of funds, SAAs need proactive strategies to remove both process and knowledge barriers for new grantees.

Have a broad perspective about systems change and implement tangible actions.

The challenge of providing impactful support in an equitable fashion is not something that can be solved with any one policy change. Contemplating a state arts agency's ability to influence systems change may be sobering, however, mapping lofty goals to specific tangible actions will help the work be directionally focused and help evaluate progress along the way.

Formula funding does not necessarily mean objective funding.

One advantage of formula funding is that it takes away some subjectivity of assigning award levels to grantees. However, formulas are built to reflect principles, assumptions and policy decisions. When examining a formula or considering a revision to a formula, reflect on the underlying goals and perspectives that went into the creation of the formula. What problem or problems was the formula trying to solve? Is it negatively affecting any groups or individual organizations? What historical norms might the formula perpetuate, and do those norms truly serve the state as a whole today?

Balance accountability and accessibility.

As entities of state government, state arts agencies are held accountable for the stewardship of public funds and the outcomes those funds make possible. Grantees are an important part of that equation, for it is through them that accountability and impact must ultimately be documented and measured. The application process can be helpful to organizations getting their "sea legs" for grant writing and the reporting process can provide useful data for both the grantee and the grantor. However, highly formal and onerous systems can have biases towards large and well-staffed grantees. A major challenge for state arts agencies is to find the balance between removing barriers and remaining accountable. There is no single solution, but creative ideas such as allowing audio and video applications and learning how to manage new types of application data should be considered.

Respond to constituent needs, but anticipate constituent resistance.

State arts agency strategic planning often leads to policy changes affecting general operating support program guidelines and practices. At their best, SAA plans are community driven, grounded in input and feedback from diverse stakeholders: small and large arts groups, successful and unsuccessful applicants, culturally specific organizations, tribal entities, urban and rural perspectives, and representatives from multiple sectors beyond the arts. Such plans often provide a useful impetus—or outright directives—for change in how SAA resources are distributed, to address funding gaps or new priorities. However, even if constituents ask the SAA for greater equity in its distribution of resources

they may still express ire later on if they perceive their own resources to be threatened! This phenomenon necessitates clear and consistent communications as well as adroit political management.

Communicate strategically—and repeatedly.

What has your agency learned from its outreach and community conversations? Signpost clearly the needs that surfaced and explain how your SAA is responding. Repeat this often, to build a strong foundation for future policy and practice shifts, to reassure grantees, and to support the process of change.

Manage the politics proactively.

Consider the possible political ripple effects of reallocating resources and develop a plan to address them. Disgruntled constituents may complain to their elected officials, or even circumvent the SAA to seek funding directly from the legislature outside of the SAA's grant process. This may cause conflict or, in the worst-case scenario, motivate the legislature to reduce its appropriation to the SAA. Are there key elected officials or opinion leaders in the cultural community whose support you need to deploy a more equitable funding system? Help these individuals understand the community-driven rationale and ultimate public benefits of any strategy shifts you plan to make.

Raise the tide that floats all ships.

Shifts in funding might be difficult to execute if an SAA's appropriation is stagnant or gradually declining, forcing potentially painful reductions in funding for some grant categories. Changes can be easier, however, if the overall pool of available resources is rising and if all grantees can realize at least some benefits from that growth. This makes advocacy a potentially powerful ingredient in any state's efforts to build greater equity in grant making. What advocacy assets or partners can be mobilized to grow the state's commitment to the arts in rural, low income or other underserved areas? How can a strategy be built that also garners the buy-in of urban constituencies? Are there SAA programs around which all advocates and legislators could unite?

Know your data and identify desired outcomes.

Data are necessary to understanding exactly who is benefitting and who isn't benefitting from general operating support programs. Certain information also is required by the NEA, and sometimes by state contracting or budget offices, too. Unfortunately, acquiring, analyzing and making meaning of those data is not easy. Also, requiring more data and more granular data can be at odds with agency goals for reducing red tape and making funding more accessible. These issues can be minimized by making sure you are collecting meaningful and actionable data, by communicating how those data will be used and by

showing constituents how those data have helped boost support for the arts. Data will be more meaningful and actionable if it speaks directly to program outcome goals and if it can be communicated in a visual and accessible fashion.

About NASAA

The National Assembly of State Arts Agencies (NASAA) is the nonpartisan membership organization representing the state and jurisdictional arts councils of the United States. NASAA is a clearinghouse for research about government support for arts and culture in America, providing statistical data, policy analysis and information on exemplary practices.

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