



**Sunset Review Committee  
Senator Kristina Roegner, Chair**

**Tuesday, January 21, 2020, 10:45 a.m.**

**Testimony submitted by:  
Donna S. Collins, Executive Director  
Ohio Arts Council**

Good morning, Chair Roegner, and members of the Sunset Review Committee, I'm Donna Collins, executive director of the Ohio Arts Council. On behalf of the entire 15 member Ohio Arts Council Board, including Chair Ginger Warner and Vice-Chair Jim Dicke II, and our four legislative members, I want to thank you for the opportunity to testify today.

The Ohio Arts Council is a state agency that was formed in 1965 to fund and support quality arts experiences that strengthen Ohio communities culturally, educationally, and economically. With funds from the Ohio General Assembly and the National Endowment for the Arts, the OAC invests in arts organizations, artists, and schools across the state, making grants in all 88 counties for the third straight biennium.

In its work as a state agency, the Ohio Arts Council lives its strategic plan:

- **We invest** by making bold, smart investment in arts and culture.
- **We engage** by sparking authentic arts dialogue and idea-sharing among the general public and the agency's constituents and stakeholders.
- **We innovate** by driving Ohio's arts community toward forward-looking creative evolution.
- **We lead** by playing an active role in the ongoing development of Ohio's arts and culture sectors.

The OAC's primary function is investing directly in arts organizations, artists, schools, and nonprofits—thereby reaching children, seniors, and all ages in between—in every county. Our grantmaking workload has increased over the last half-decade, issuing close to 1,900 grants each biennium. (Five years ago, when I last testified before the Sunset Review Committee, we were issuing closer to 1,200 grants in a biennium.) This level of activity is anticipated to continue to grow, thanks to increases to the agency's grantmaking budget supported by Governor Mike DeWine and the Ohio General Assembly in its FY 2020-2021 operating budget. Additionally, more Ohioans and Ohio organizations are aware of the agency's resources thanks to our improved visibility and presence throughout Ohio, particularly through the agency's Fund Every County initiative.

In addition to its investment activity, the agency has also undertaken a number of critical projects—such as improving agency communications through a completely redesigned website and brand, modernizing its online grantmaking system and program guidelines, bolstering its online presence and media engagement, and enhancing resources available to constituents for capacity building and sharing of best practices.

The agency currently employs 18 mission-critical full-time equivalents (FTEs), which OAC board and staff leadership view as the minimum number necessary to carry out the agency's duties and meet the public's expectations. As perspective, in the 1990s, the agency had more than 50 staff, while today's staff count of 18 remains near an all-time low.

The OAC has traditionally received funding through four funding sources: 1) the General Revenue Fund, 2) revenue received in the Arts Council Program Support Fund (also known as the Gifts and Donations fund), 3) fees to administer Percent for Art projects provided in state law, and 4) federal funds from the National Endowment for the Arts. The agency anticipates continuing to receive revenue and to budget expenses from these four sources. A brief elaboration on each fund follows:

1) The General Revenue Fund supports grants to artists, arts organizations, and nonprofits engaged in arts and cultural activities. A separate GRF line item is utilized for administrative costs. The OAC's GRF appropriation reached a high of \$32.3 million in FY 2000-01, dipped to a 30-year low in FY 2010-11 during the Great Recession, and has just now eclipsed its previous peak, standing at \$34.5 million for FY 2020-21.

2) The agency's Arts Council Program Support Fund primarily receives revenue from various state and external partnerships for services performed. The fund mainly defrays costs related to the state's arts tourism website run in conjunction with several convention and visitors' bureaus, the Governor's Awards for the Arts, and other special events and projects.

3) Fees to administer Percent for Art projects stem from state law requiring state agencies to expend 1% of construction or renovation project costs on purchasing, commissioning, and/or installing public art for qualifying capital projects that exceed \$4 million. Of the project costs, the OAC retains a fee of up to 5% for the process of procuring an artist, executing contracts, and installing artwork, and an additional minimal fee to facilitate site visits and proposal costs.

4) Federal funds from the National Endowment for the Arts (NEA) are received through a competitive grant process in which all states participate. For ten years running, the OAC has earned one of the top three largest grants from the NEA for state arts agencies in the nation. NEA grants typically total around \$2 million biennially, and 100% of the agency's federal funding is invested in individuals and organizations via grants.

The state's investment in Ohio's creative sector and arts infrastructure generates great economic benefits. The arts are a proven economic driver and one of our state's greatest selling points. They attract new business and a talented workforce, support tourism, create

and retain jobs, and produce tax revenue. In turn, OAC grants are an investment in creative capital that flows throughout Ohio's communities. Artistic professionals come in all stripes—architects, graphic designers, craftsmen and craftswomen, and marketing and branding teams. Artists themselves are often entrepreneurs, running businesses or galleries. They buy from local businesses and make communities better places to live, work, play, and raise families.

To this point, recent longitudinal research by Bowling Green State University shows that Ohio's creative industries support nearly 290,000 jobs, contribute almost \$41 billion to the state's economy, and generate approximately \$4.6 billion in annual tax revenues (federal, state, and local combined). These figures represent increases of approximately 60,000 jobs, \$9 billion in economic impact, and \$1.2 billion in tax revenue compared to the last study (2018 versus 2015).

Through public investment, the OAC leverages a high match ratio from its grantees. \$51 in local and private funding matches every one OAC dollar. With the OAC's budget only constituting 0.04% of total GRF appropriations, the state's funding for the arts yields a tremendous return on investment.

Ohioans know their tax dollars are invested in the arts—and strongly support their continued investment. According to a recent OAC statewide public survey, 91% of Ohioans believe public funds should be invested in the arts, and 83% know that public funds support the arts in Ohio. In an era of increasing accountability and transparency in government spending, our agency is humbled that Ohioans continue to authorize and support its public mission and purpose.

In addition, the arts strengthen education, aiding success inside and outside the classroom. The arts prepare students to succeed in an economy driven by innovation and creativity. Ongoing research confirms a positive relationship between arts education and improved academics for all students—from better math and reading skills, to higher standardized test scores and graduation rates. An education that includes the arts helps to train our workforce and produce creative, critical thinkers and problem-solvers that are attractive to employers.

To better accomplish its mission, the OAC has incorporated lasting cost-saving measures into its operations through lengthening grant cycles, streamlining procedures, reducing administrative burdens on the agency and its grantees, and decreasing grant review expenses. The agency has also emphasized developing strategic partnerships in the public, private, and nonprofit sectors to save state dollars on program, administrative, and technology costs.

If reauthorized by the Sunset Review Committee, the board and staff of the OAC will continue to work effectively and efficiently to advance and strengthen the arts in Ohio. Thank you for your work and time today. I'll be happy to answer any questions you may have.