



**Sunset Review Committee
Senator Shane Wilkin, Chair**

Tuesday, June 25, 2024, 2 p.m.

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

Good afternoon, Chair Wilkin, Vice Chair Hillyer, and members of the Sunset Review Committee, I'm Donna Collins, executive director of the Ohio Arts Council. On behalf of the entire Ohio Arts Council Board, including Chair Ginger Warner, I want to thank you for the opportunity to testify today. We respectfully request reauthorization.

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. We are led by an uncompensated, 19-member board, which includes 15 members appointed by the Governor and four state legislators. The board meets quarterly.

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

- **We invest** by making bold, smart investments to sustain and advance Ohio arts and culture.
- **We engage** by sparking authentic dialogue among constituents and the public about the unique strength and value of the arts.
- **We innovate** by driving Ohio's arts community toward forward-looking and adaptable creative evolution.
- **We lead** by playing an active leadership role in ensuring equity and resilience in Ohio's arts and culture sector.

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 decade, now issuing almost 2,500 grants each biennium. (Ten years ago, when I became director and first testified before the Sunset Review Committee, we were issuing about half as many.) This level of activity is anticipated to remain high and potentially grow, thanks to increases to the agency's grantmaking budget supported by Governor Mike DeWine and the Ohio General Assembly in the state's operating budget acts over this past decade, setting our GRF budget at a record high of \$51 million. 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—particularly by enhancing resources available to constituents for capacity building and sharing of best practices, modernizing its online grantmaking system and shortening its grant guidelines, and bolstering both its digital presence and in-person public engagement.

The agency currently employs 19 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 remains near its 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, which is also included in your questionnaire:

- 1) The General Revenue Fund supports grants to arts organizations, artists, schools, and nonprofits engaged in arts and cultural activities. A separate GRF line item is utilized for administrative costs.
- 2) The agency's Arts Council Program Support Fund primarily receives revenue from various state and external partnerships for services performed, irregular gifts and donations, and special purpose grant funds. The fund mainly defrays costs related to administrative expenses, planned events, and other 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 15 consecutive years, 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 \$2.6 million biennially, and 100% of the agency's federal funding is re-invested via grants in Ohio.

The state's investment in Ohio's 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, prior to the pandemic, research by Bowling Green State University showed that Ohio's creative industries supported nearly 290,000 jobs, contributed almost \$41 billion to the state's economy, and generated approximately \$4.6 billion in annual tax revenues (federal, state, and local combined).

Through public investment, the OAC leverages a high match ratio from its grantees. \$43 in local and private funding matches every one OAC dollar. With the OAC's budget only constituting about 0.06% 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, 94% of Ohioans believe public funds should be invested in the arts, which has grown from 70% in 1992. Meanwhile, 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 -- 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.

In closing, the OAC appreciates the opportunity to present information before the Sunset Review Committee and thanks members of the General Assembly for their past and present support. 2025 will mark 60 years of public support for the arts and culture in Ohio through the OAC. 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 again for your work and for your consideration.