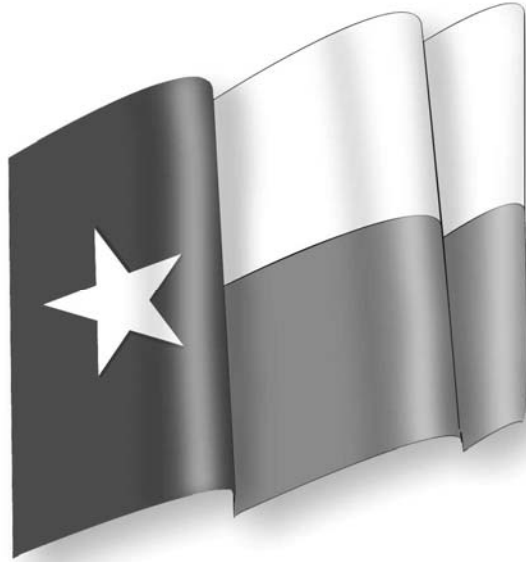


SUNSET COMMISSION DECISIONS



Texas Commission on the Arts

May 2006

Agency Information

Agency at a Glance

The Texas Commission on the Arts (TCA) helps develop a receptive climate for the arts through the support and development of arts and cultural industries in Texas. The Legislature originally created the agency in 1965 to receive federal arts funding, and encourage an interest in fine arts in Texas. Today, to accomplish its mission, TCA:

- ◆ provides grants to nonprofit arts, educational, and governmental organizations to help make arts accessible to all Texans;
- ◆ promotes arts and cultural events to increase participation in the arts and encourage tourism; and
- ◆ markets and raises funds to support the agency's programs.

Key Facts

- ◆ **Funding.** The agency operates with an annual appropriation of about \$5 million and expends the majority of this funding on arts and cultural grants. A little more than half of the agency's funding comes from General Revenue. The other half comes from a blend of federal funds from the National Endowment of the Arts, revenue from the sale of the *State of the Arts* license plates, and interagency contracts.
- ◆ **Staffing.** The Commission has 19 staff, including one employee in each of the agency's satellite offices in Fort Worth and McAllen.
- ◆ **Grants.** TCA distributes about \$3.4 million in grants each fiscal year to arts and cultural organizations and other nonprofit entities. The agency funds 96 percent of all grant applications submitted, with grantees receiving about 34 percent of the grant amount requested. In fiscal year 2005, the agency awarded 1,162 grants and the average grant amount was \$2,962. TCA has had a fully automated online grants application system since 1998.
- ◆ **Texas Cultural Endowment Fund.** In 1993, the Legislature established the Texas Cultural Endowment Fund outside the State Treasury to create a stable source of funding for the arts in Texas. At the end of fiscal year 2005, the Fund had a balance of about \$13.2 million.
- ◆ ***State of the Arts* License Plates.** TCA markets its license plate, the best selling specialty plate in Texas, to raise funds to help support its grant programs. In fiscal year 2005, the sale or renewal of 20,852 license plates raised \$459,272.
- ◆ **Texas Music Project Music CDs.** TCA collaborates with other organizations to market music CDs containing songs from well-known and emerging Texas musicians. Sales from four CDs have raised \$100,000 for grants to schools to support music education in K-12 classrooms.

Issues/Recommendations

Issue 1 Texas Has a Continuing Need for the Texas Commission on the Arts.

Recommendation

Change in Statute

1.1 Continue the Texas Commission on the Arts for 12 years.

This recommendation would continue TCA as an independent agency, responsible for supporting the arts and cultural industries in Texas.

Fiscal Implication

If the Legislature continues the current functions of the Texas Commission on the Arts, using the existing organizational structure, the agency's annual appropriation of about \$5.6 million from the General Revenue Fund would be required for its operations.

Responses

Agency

The Commission agrees with the recommendation to continue TCA as an independent agency. (Victoria Hodge Lightman, Chair, Mildred Knape Witte, Vice-Chair, and Ricardo Hernandez, Executive Director – Texas Commission on the Arts)

For

Alejandro de Acosta – Southwestern University, Austin

Jerry D. Adair, President and CEO – Good Shepherd Health System, Longview

Claudia Alarcón, Austin

Morgan Aldrich, Executive Assistant – VORTEX Repertory Company

Anne Allen, Director – Arlington Museum of Art, Arlington

Becky Allen, Executive Director – George West Storyfest Association, Inc., George West

Joan Allison, Program Director – Corpus Christi Chamber Music, Corpus Christi

Christina Anderson, Marshall

Terry Anderson

Jan Andrews, Chairman of the Programs Committee – Franklin County Arts Alliance

MacArthur Antigua – Massive Creativity, Houston

Barbara Antle, Secretary – Graham Concert Association, Graham

Alice Marie Arriaga – Ballet Folklórico of Dallas, Dallas

Linda Ayers – Blue Thistle Press

Stacy Bailey, Houston

Amy Barbee, Executive Director – Texas Cultural Trust Council, Austin

Lynn Barnett, Executive Director – Abilene Cultural Affairs Council, Abilene
Nanci Barnes, Rockport
Marilyn Bassinger, Executive Director – Ellen Noel Art Museum, Odessa
Caroline Beach, Fort Worth
Andrea Beadles, Austin
Loris Anthony Beckles, Artist
Linda Kay Behrend – Texas B and B and Live Oak Art Center, Columbus
Seymour Beitscher, Abilene
Rick Bibby, Dallas
Ginnie Siena Bivona, Director – Atriad Press
Richard Bowden, President – Music City Texas, Inc., Linden
Martin Bowers
Lynne Boze
Gyale Braecklein, Austin
Norma Brickner
Christina Bridges – City of Austin Library, Austin
Sarah Bruner, Austin
Suzanne Bullock, Austin
Vickie Butler-Rindos, Immediate Past Chair – The Regional Arts Council, Northern Harris and Southern Montgomery counties
Rubyetta Cain, President – Graham Concert Association, Graham
James Callan, Author
Corine Castle, Temple
Mike Chadwick, General Director – The Living Opera
Margaret E. Chalfant, Executive Director – Greater Denton Arts Council, Denton
John M. Chamberlain, Chief Executive Officer – Good Shepherd Medical Center, Linden
Tamara Chasteen
Wayne Christian, Mayor – City of Graham, Graham
Emily Cicchini, Director of Arts Education – VSA arts of Texas, Austin
James M. Clarke, Executive Director – Texas Coalition for Quality Arts Education, Houston
Molly Cline
Mitch Cohen, Market Manager – Yale Street Arts Market, Houston
Mitch Collier, Austin

Amy Cone, Austin
Loralee C. Cooley – Storyspinning, Pampa
Janine Schafer Corn, Austin
Lynda Counts, Houston
James B. Cowley, Ed.D., Curriculum Coordinator – Sunnyvale ISD, Sunnyvale
Libby Cox, Artist, Austin
Dorothy Craver
Sarah Crowe, Austin
Margaux Crump
David Cruz, Harlingen
Bonnie Cullum, Austin
Carolyn Dahl
Bob Dauber, Irving
Monique Daviau, Austin
Jane Clancy Debenport, Temple
Nina Di Leo, Managing Director – Victoria Bach Festival, Victoria
Adam Dietrich, Development Director – Hip Pocket Theatre, Fort Worth
Sheila Dobin, Ph.D., President – Temple Coalition of Fine Arts, Temple
Larry Dowell, Austin
Elena Eidelberg
Deanna Ekrut, Austin
Elizabeth Ellis, Storyteller
Bob Entrican, Vice President – Old Downtown Carrollton Association, Carrollton
Diana Everett, Ph.D., CAE, Executive Director – Texas Association for Health, Physical Education, Recreation, and Dance, Austin
Barbara Fields, Product Development Manager – Aarthun Performance Group, Ltd., Spring
Kevin Finegan, San Antonio
Louise Florence, Sugarland
Cheryl Ford-Mente, Executive Director – Creative Arts Theatre and School, Arlington
Maureen Freeman
Dana Friis-Hansen, Austin Museum of Art, Austin
Nancy Fulton
Louis Garcia, Corpus Christi

Bill Gardner, Austin
Sherry Gasper, Vista, Artist Coordinator – East Texas Rural Arts Council, Edom
Gale Gill
Rose M. Glennon, Curator of Education – McNay Art Museum, San Antonio
Sue Gloyna, Salado
Mónica Gómez, Performing Songwriter and Teaching Artist, El Paso
Richard E. Goodspeed, Member – Arlington Master Chorale, Arlington
Kelli Grant, “The Queen of Swing,” Longview
Etha Gray, Director – Theater Concepts, Inc.
Damian Green, Austin
Devon Greene
Andrea Grover, Founding/Executive Director – Aurora Picture Show, Houston
Carol Gunn – Gunn Graphics, Austin
Tom Gutting – University of Houston, Houston
William Haase, Houston
Cindy Haenel
Daris Hale
Ethan Ham – Ethan Ham Photography, Austin
Shirley Handler
Martha Hannah, Austin
Linda Hardberger, Director – Tobin Theatre Arts Fund
Beverly Harris
Andrea Harwell, President – Art Center of Corpus Christi
Adrienne Haschke, Austin
Bridget Hauser – Sunset Canyon Pottery, Dripping Springs
Kathleen Haymes, Katy
Ginger Head, Founder and Executive Director – Imagination Celebration, Fort Worth
Peggy and Gene Helmick-Richardson – Twice Upon a Time Storytellers, Dallas
Cathy Hernandez, Executive Director – Latin Arts Association of Fort Worth, Inc., Fort Worth
Tom Hicks, Lubbock
Viki Hicks – San Marcos Consolidated Schools, San Marcos
Natalie Hinkle, Temple
Jon Hinojosa, Executive Director – SAY Sí, San Antonio

Diane Holland, Board Member – The Regional Arts Council, Houston

John Hood, Lockhart

Rebecca Hood, Temple

Bill Huie, Professor of Communication and TV-Film – Texas A&M University-Corpus Christi and Co-producer – *The Territory*, Corpus Christi

Cheri Irwin, President – The Arts League, San Antonio

Sandra Iturbe – El Paso Inc., El Paso

Mr. Jacobs, Austin

Kirsten B. James, Executive Director – Junior Players, Dallas

Betty Jameson, Austin

Heather Jarry

Pat Jasper, Project Co-Director – Surviving Katrina and Rita in Houston, A Survivor-Centered Oral History & Storytelling Project, San Antonio

Emily Leuba Jones, Alumna – University of Texas Department of Theater and Dance, Austin

Bryan Jones, Lewisville

Monika Kalin, Temple

Kathryn Kanjo, Executive Director – Artpace, San Antonio

Audrey Kariel, Marshall

Louis Kariel, Marshall

Bill Keith, Longview

Kari Kent-Schultz

Shelby Kern – DATCU, Denton

Sally King – ArtStrategies – Acquisition and Care of Collections, Dallas

Jan Konarik, Thrall

Kerry Kreiman, Fort Worth

Kat Krone

Mary M. Lampe, Executive Director – Southwest Alternate Media Project, Houston

Judy Lanahan-Monroe

Janice LaPointe-Crump, Ph.D., Professor Emerita – Texas Woman's University, Corinth

Linda M. Lee, Executive Director – Texas Nonprofit Theatres, Ft. Worth

Derek Leighton, Austin

Dr. David A. Lewis, Director – School of Art, Stephen F. Austin State University, Nacogdoches

Bede L. Leyendecker, Assistant Professor of Dance – Texas A&M International University, Laredo

Rob Lifford
Lorella Loftus, Literary Manager – VORTEX Repertory Company, Austin
David Longoria, Austin
Marian Luntz, Curator, Film and Video – The Museum of Fine Arts, Houston
Becky Martinez, Donna
Cynthia Martinez, Temple
Terri Matthew, Executive Director – Cultural Activities Center, Temple
Karen Mayo, Temple
Caryl McAdoo, Irving
Anne McCrady, Poet & Storyteller
Gordon Stuart McLeod, Tyler
Valerie Menard, Austin
Celeste Guzman Mendoza
Don Merwin, Richmond
R. B. Miller, Executive Director – Texas Arts & Crafts, Kerrville
Kim Moncla, Executive Director – Southeast Texas Arts Council
Alder L. and Georgia Lange Moore, Winnsboro
Tammy Moore – Metal Freaktress Productions / Redrum Club, Austin
Martha Morriss, Texarkana
María Muñoz-Blanco, Dallas
Marv Myers, Holly Lake Ranch
Jason Neulander, Artistic Director – Salvage Vanguard Theater, Austin
Karin Newell, President – Artsnet, Bedford
Cory D. Norman
Jennifer Odom, Executive Director – San Angelo Symphony, San Angelo
Sylvia Orozco, Executive Director – Mexic-Arte Museum, Austin
Bruce Orr, Dallas
Cristina Ortega, Founder and Artistic Director – Hispanic Heritage Society, San Antonio
Lou B. Owens, Rental Coordinator – Art Center of Corpus Christi, Corpus Christi
Jean Pamplin, Mt. Vernon
Luther R. Parker, M.B.A., CAE, President – Parker Associates, Austin
Joyce Parry – Art Department, Texas High School, Texarkana
Robert K. Pendergrass, M.D. (Ret.), Precinct Chairman – Williamson County 146

Sharon Perdasofpy – Native American Cultural Programs, Midlothian
Thomas Perry, Houston
Bill and Jan Petersen
Pat Peterson
D. Ellis Phelps
Daniel Plunkett, Austin
Roni Powalski, Austin
Anita Powell, Assistant Professor of Art – Stephen F. Austin State University, Nacogdoches
Jiaan Powers – A Teller and A Teacher of Story, Dallas
Kass Prince, Assistant Director – Irving Arts Center, Irving
Judith Pritchett
Therese D. Prough – Hector P. Garcia Elementary School, Temple
Eric Putnam – Austin Community College, Visual Communication Department, Austin
Hilary Ralles
Mason Randall, Austin
Barbara Ras, San Antonio
Ginger Reese, Spring
Elizabeth Regner, Executive Director – Lubbock Arts Alliance, Lubbock
James A. Rennier, Ph.D., Chair – Department of Music, Texas A&M University-Corpus Christi, Corpus Christi
R. Clay Reynolds, McKinney
Susanna Robles, Executive Director – Diaz Music Institute, Houston
Betty Roy – Greater Denton Arts Council, Denton
Cookie Ruiz, C.F.R.E., Executive Director – Ballet Austin, Austin
W. Jackson Rushing, III, Ph.D., Associate Dean for Graduate Studies, Professor of Arts and Humanities – University of Texas at Dallas, Dallas
Suzette Russom, Winnsboro
Eric Salisbury, Managing Director – Jubilee Theatre, Fort Worth
Liz Sanders
Jim Sanderson
Charles Santos, Executive Director, Texas International Theatrical Arts Society, Dallas
Julie Scharnberg, Administrative Assistant – Greater Denton Arts Council, Denton
Kay Schroeder, PHR – DATCU, Denton

Sue A. Schroeder, Artistic Director – Several Dancers Core, Houston
Peter Schwarz, Business Manager – Cramden Coach Corporation, Austin
Larry Seaman, Bastrop
Janet Seibert, Austin
Megan Sela – McCarthy Print, Austin
Nelson V. Shaw, Texarkana
Reza Shirazi
Bobby Simpson – Third Coast Arts Center Inc.
Brenda Sirny, CTP, Cash Manager – Scott & White Memorial Hospital
S. Smedley
Carthel Smejkal
Charlotte Smelser, Music and Artist Consultant – ArtsSmart Institute for Learning, Texarkana
Sandra Organ Solis, Artistic Director
Leanna Sparacino, Vice President – Sparacino Company Dancers, Houston
Scott Staab, Austin
Carla Stanley, Temple
Karen Stone, General Director – The Dallas Opera, Dallas
Paula Stone, President – Friends of the Ingleside Public Library, Ingleside
Dana Sudduth, Executive Director – Young Audiences of Northeast Texas, Tyler
Kathryn Sullivan, Houston
Betty W. Switzer, Whitney
Colin Sykes, Corpus Christi
Becky Sylvera, President – The Arts Guild, Denton
Latifah Taormina, Executive Director – Austin Circle of Theaters, Austin
Howard Taylor, Director – San Angelo Museum of Fine Arts, San Angelo
David Teel – Texas Travel Industry Association, San Antonio
Michael Templeton, Managing Director – Mesquite Arts Council, Mesquite
Mari Thompson, Dallas
Jean Thorp, Temple
Juan Torres, Director – Guadalupe Ballet Folklórico
Kyle Ward, Executive Director – Texas PTA, Austin
Connie Ware, Former Chair – Texas Commission on the Arts, Marshall
Bill Watkins – Cedar Hill Association for the Cultural Arts

Shayna Weeden – Trinkets, Fort Worth

Sara Weeks

Christine Jelson West, Executive Director – Galveston Arts Center, Galveston

Sammie Wester, Dallas

Kunda Wicce, Austin

Estelita Wijangco

Vanessa Wilburn, Austin

Joanna Wilson

Peggy M. Wilson

Jessica Wimberley, Austin

Bobbie Wallace Wright, Artist

Russell G. Wright, Executive Director – Linden Economic Development Corporations, Linden

Samantha Wright, Artist, Austin

Denton Yockey, President and Executive Producer – Casa Mañana, Fort Worth

Joseph Yonke, Austin

Against

None received.

Modifications

1. Abolish the Texas Commission on the Arts and create a private nonprofit corporation to foster the development of a receptive climate for the arts in Texas.
 - ◆ Establish the Texas Arts Foundation as the State’s designated nonprofit corporation for support of the arts in Texas.
 - ◆ Provide that the Governor shall appoint the Foundation’s board of directors.
 - ◆ Designate the Governor’s Office as the state agency authorized to receive federal funding for the arts.
 - ◆ Transfer money from the Cultural Endowment Fund, the sale of the State of Texas Arts license plates, and Texas Music CDs to the Governor’s Office.
 - ◆ Specify that the Governor’s Office shall contract with the Foundation to use the arts funds to provide grants for the arts, and promote arts and cultural events in Texas.
 - ◆ As part of the contract, the Foundation shall be expected to raise funding from the private sector in an amount not less than ten times the amount provided annually from the sale of Arts license plates and Texas Music CDs.
 - ◆ Require the Foundation to report annually to the Governor and the Legislature on its financial status and activities in support of the arts.

(Howard Wolf, Public Member – Sunset Advisory Commission)

Agency Response to Modification 1

The Commission strongly opposes privatizing the agency's functions, stating that it would result in the loss of its public mission by reducing the equity of funding for both large and small communities, reducing access to arts, and eliminating the catalytic effect of the State's seal of approval on projects funded by the agency. (Ricardo Hernandez, Executive Director – Texas Commission on the Arts)

Against – Modification 1

Claudia Alarcón, Austin

Morgan Aldrich, Executive Assistant – VORTEX Repertory Company

Terry Anderson

Amy Barbee, Executive Director – Texas Cultural Trust Council, Austin

Lynn Barnett, Executive Director – Abilene Cultural Affairs Council, Abilene

Rick Bibby, Dallas

Richard Bowden, President – Music City Texas, Inc., Linden

Martin Bowers

Corine Castle, Temple

Mitch Collier, Austin

Loralee C. Cooley – Storyspinning, Pampa

Nina Di Leo, Managing Director – Victoria Bach Festival, Victoria

Sheila Dobin, Ph.D., President – Temple Coalition of Fine Arts, Temple

Deanna Ekrut, Austin

Etha Gray, Director – Theater Concepts, Inc.

Beverly Harris

Andrea Harwell, President – Art Center of Corpus Christi

John Hood, Lockhart

Mr. Jacobs, Austin

Kat Krone

Mary M. Lampe, Executive Director – Southwest Alternate Media Project, Houston

Linda M. Lee, Executive Director – Texas Nonprofit Theatres, Fort Worth

Rob Lifford

Nina Martin, Marfa

Cynthia Martinez, Temple

Jose Mata

Celeste Guzman Mendoza

Maryann Mill, President of the Board – Trails Country Center for the Arts, Winnsboro

Kim Moncla, Executive Director – Southeast Texas Arts Council

Tammy Moore – Metal Freaktress Productions / Redrum Club, Austin

Cory D. Norman

Thomas Perry, Houston

Linda Ray, Dallas

Charles Santos, Executive Director, Texas International Theatrical Arts Society, Dallas

Janet Seibert, Austin

Carla Stanley, Temple

Jean Thorp, Temple

Bill Watkins – Cedar Hill Association for the Cultural Arts

Angela Wells, Temple

Deborah A. Wood, Fort Worth

2. Continue the Texas Commission on the Arts, but reduce the agency's policy body from 17 to 9 members appointed by the Governor.
 - ◆ Two members shall be appointed by the Governor from a list of nominees submitted by the Lieutenant Governor; and two members from a list of nominees submitted by the Speaker of the House.
 - ◆ The Lieutenant Governor and Speaker should give priority to members from their respective houses when making nominations.
 - ◆ The Governor shall solicit nominations from the arts community for the remaining five members.
 - ◆ The Governor would continue to designate the policy body Chair, from among the members chosen to represent the arts community.

(Howard Wolf, Public Member – Sunset Advisory Commission)

3. Require TCA to restructure itself to be more accountable for its expenditures so that they are more in line with the agency's original mission. Withhold legislative funding until a biennial review of the TCA's goals and accomplishments warrants this funding. (Kim Overall, Board Member – Houston Potters Guild Clay Arts Museum & Educational Organization, Houston)

Recommended Action: Adopt Recommendation 1.1.

Commission Decision: Adopted a modification to Recommendation 1.1 that continues the Texas Commission on the Arts for two years. Requires the Sunset Commission staff to perform a follow-up review that focuses on how the agency spends its funds, and in particular, the percentage of funds it expends on administrative costs and overhead. The Sunset Commission would coordinate with the Senate Finance Committee, House Appropriations Committee, and the Legislative Budget Board to determine whether the agency's expenditures are in accordance with its appropriations.

Issue 2 TCA Continues to Operate Programs that Do Not Fit With Legislative Efforts to Narrow the Agency's Focus.

Recommendations

Change in Statute

2.1 Require the Commission to adopt rules to govern the acceptance of private funds to ensure that the use of the funds supports the agency's key functions.

This recommendation would require TCA to focus on its primary mission of arts promotion and grants rather than creating and directly administering additional programs to satisfy the requirements of private donations. The Commission would develop and adopt rules to guide the acceptance and use of private donations given to TCA to ensure that the funds support the agency's primary functions. At a minimum, the rules should require staff to fully evaluate any gift, grant, or donation to determine if its purpose supports the agency's priorities as set by the Legislature. TCA would also evaluate what obligations the agency would have to meet to accept the donation, including matching funds, staff time and effort, and any other additional costs. This information should be presented to the Commission for consideration before the acceptance of any donation. The rules should also ensure against TCA creating and directly administering additional programs just to receive private funding.

Management Action

2.2 The Commission should evaluate the agency's programs and initiatives to ensure compliance with the legislative direction to focus on arts promotion and grants.

Under this recommendation, TCA's Commission should evaluate the agency's programs to see if they comply with the legislative directive to support, not directly administer programs, other than grants or arts promotion efforts. Any directly administered programs that do not meet these requirements should be eliminated, and any staff or other resources from the eliminated programs should be re-directed towards the agency's primary functions – providing grants, promoting the arts, and raising private funding to support these functions.

2.3 TCA should close its Fort Worth satellite office.

With the legislative directive to support arts education solely through its grants program, TCA should close its Fort Worth satellite office. The arts education programs and initiatives administered through this office do not support the agency's grant or arts promotion functions, and take limited resources away from the agency's primary functions.

Fiscal Implication

These recommendations would not have a fiscal impact to the State, but would result in savings to the Texas Commission on the Arts that should be re-directed to the agency's grants program or arts promotion activities. Without specifics as to which programs or initiatives would be eliminated, the savings cannot be estimated. However, closing the Fort Worth satellite office would eliminate one staff person and save the agency approximately \$75,000 per fiscal year.

Responses

Agency

The Commission does not agree with the assertion that the Legislature has narrowed TCA's focus, and believes that the agency has a role in administering specific arts education programs, and will work to strengthen agency goals and objectives to better reflect the agency's role. The Commission agrees that its rules governing acceptance of private funds should be reviewed and strengthened. The Commission is reviewing the value of the Fort Worth office. (Ricardo Hernandez, Executive Director – Texas Commission on the Arts)

For

Sue Gloyna, Salado

R. B. Miller, Executive Director – Texas Arts & Crafts, Kerrville

Against

Becky Allen, Executive Director – George West Storyfest Association, Inc., George West

Amy Barbee, Executive Director – Texas Cultural Trust Council, Austin

Lynn Barnett, Executive Director – Abilene Cultural Affairs Council, Abilene

Marilyn Bassinger, Executive Director – Ellen Noel Art Museum, Odessa

Debbie Brown

Susan Caldwell, Center

Margaret E. Chalfant, Executive Director – Greater Denton Arts Council, Denton

Emily Cicchini, Director of Arts Education – VSA arts of Texas, Austin

James M. Clarke, Executive Director – Texas Coalition for Quality Arts Education, Houston

Emily Clarkson, Brownwood

Loralee C. Cooley – Storyspinning, Pampa

James B. Cowley, Ed.D., Curriculum Coordinator – Sunnyvale ISD, Sunnyvale

Margaux Crump

Nina Di Leo, Managing Director – Victoria Bach Festival, Victoria

Adam Dietrich, Development Director – Hip Pocket Theatre, Fort Worth

Alice E. Dennard, Houston

Heyd Fontenot, Austin

Cheryl Ford-Mente, Executive Director – Creative Arts Theatre and School, Arlington

Maureen Freeman

Valerie Froehlich, Weatherford

Mónica Gómez, Performing Songwriter and Teaching Artist

Damian Green, Austin
Ginger Head, Founder and Executive Director – Imagination Celebration, Fort Worth
Cathy Hernandez, Executive Director – Latin Arts Association of Fort Worth, Inc., Fort Worth
Jon Hinojosa, Executive Director – SAY Sí, San Antonio
John Hood, Lockhart
Cheri Irwin, President – The Arts League, Bedford
Kirsten B. James, Executive Director – Junior Players, Dallas
Pat Jasper, Project Co-Director – Surviving Katrina and Rita in Houston, A Survivor-Centered Oral History & Storytelling Project, San Antonio
Shelby Kern – DATCU, Denton
Kerry Kreiman, Fort Worth
Mary M. Lampe, Executive Director – Southwest Alternate Media Project, Houston
Judy Lanahan-Monroe
Linda M. Lee, Executive Director – Texas Nonprofit Theatres, Ft. Worth
Rob Lifford
Celeste Guzman Mendoza
Karin Newell, President – Artsnet, Bedford
Cory D. Norman
Joyce Parry – Art Department, Texas High School, Texarkana
Thomas Perry, Houston
Judith Pritchett
Elizabeth Regner, Executive Director – Lubbock Arts Alliance, Lubbock
Betty Roy – Greater Denton Arts Council, Denton
Eric Salisbury, Managing Director – Jubilee Theatre, Fort Worth
Julie Scharnberg, Administrative Assistant – Greater Denton Arts Council, Denton
Kay Schroeder, DATCU, Denton
Sue A. Schroeder, Artistic Director – Several Dancers Core, Houston
Janet Seibert, Austin
Leanna Sparacino, Vice President – Sparacino Company Dancers, Houston
Becky Silvera, President – The Arts Guild, Denton
Tim and Stephanie Welch, Austin
Joanna Wilson
Denton Yockey, President and Executive Producer – Casa Mañana, Fort Worth

Recommended Action: Adopt Recommendations 2.1 through 2.3.

Commission Decision: Adopted Recommendations 2.1 through 2.3.

Issue 3 TCA Awards Special Initiative Grants With Limited Review, Oversight, and Commission Approval.

Recommendations

Change in Statute

3.1 Require the Commission to adopt rules to ensure accountability of TCA's special initiative grants.

This recommendation would ensure greater accountability of TCA's special initiative grants by requiring the Commission to develop rules governing the review, approval, and oversight of these grants. The rules should clearly address Commission approval of special initiative grants, but the Commission could opt to provide for an expedited approach in cases requiring more immediate action.

The rules should also address the amounts awarded for special initiative grants, and criteria used to review and evaluate the grant applications. This information would improve the Commission's ability to make informed decisions about which projects to fund and at what level.

Management Action

3.2 TCA should provide regular updates to the Commission on all of the agency's grants.

This recommendation would improve the Commission's ability to oversee the grants by ensuring the Commission members receive key information on all of the grants. TCA should provide regular updates to the Commission in an open meeting regarding all of the agency's grants. Requiring these updates would ensure that the Commission members receive the information necessary to effectively oversee all of the agency's grants. These updates should include the following information.

- ◆ The number and type of grant applications received.
- ◆ A description of the projects and amount of funding being requested.
- ◆ The actual grant amount awarded for each project.
- ◆ The status of the grant awards.
- ◆ Information on the impact or results of the grants.

Fiscal Implication

These recommendations would not have a fiscal impact to the State.

Responses

Agency

The Commission agrees that TCA awards special initiative grants with limited review and Commission approval, and plans on developing a system and rules for distinguishing between special initiative grants and exceptions to its mini-grant programs, including Commission approval, to improve oversight and accountability. (Ricardo Hernandez, Executive Director – Texas Commission on the Arts)

For

None received.

Against

None received.

Recommended Action: Adopt Recommendations 3.1 and 3.2.

Commission Decision: Adopted Recommendations 3.1 and 3.2.

Issue 4 Lack of Stable, Long-Term Funding Prevents the Cultural Endowment Fund From Supporting TCA and the Arts.

Recommendation

Change in Statute

4.1 Dissolve the Cultural Endowment Fund, and return contributions to private donors and the Legislature.

Under this recommendation, the Cultural Endowment Fund would cease to exist. As required by law, TCA would return the balance of the Fund to its donors – in this case, private donors and the Legislature. Private donations would be returned to the Texas Cultural Trust Council, who would use the returned money as donors wished. Donors could take back their money or use the money as a gift to support the arts or TCA programs.

The remainder of the Fund balance would be returned to the Legislature, who could use it

to pay for TCA's appropriation for the next biennium or any other State fiscal need as it deems necessary. Although the Fund would no longer exist, the Trust Council could still raise money for the arts as a private nonprofit endowment, and TCA could still receive funds raised by the Trust Council as a gift. TCA could also still receive gifts directly from private donors, as allowed by the agency's statute.

Fiscal Implication

Dissolving the Cultural Endowment Fund would allow the State to recover its original \$10.2 million investment to the Fund, plus interest income of \$555,405. The remaining \$2.5 million would be returned to the appropriate private donors.

Responses

Agency

The Commission is absolutely opposed to the dissolution of the Cultural Endowment Fund, and is currently looking at several options for repurposing the Fund for the benefit of the arts and cultural industries in Texas. (Victoria Hodge Lightman, Chair and Ricardo Hernandez, Executive Director – Texas Commission on the Arts)

Agency Modification

1. Repurpose the Cultural Endowment Fund to provide a source of funding for communities undergoing the cultural district review and development process, and lower the goal of the Fund to \$50 million with the purpose of providing developmental grants and low-cost loans from the interest and earnings of the Fund. (Ricardo Hernandez, Executive Director – Texas Commission on the Arts)

For

Sue Gloyna, Salado

Against

Anne Allen, Director – Arlington Museum of Art, Arlington

Becky Allen, Executive Director – George West Storyfest Association, Inc., George West

Lynn Barnett, Executive Director – Abilene Cultural Affairs Council, Abilene
Marilyn Bassinger, Executive Director – Ellen Noel Art Museum, Odessa
Jane Bell, Director of Operations – International Cultural Center, Lubbock
Eve Campbell – Mesquite
Margaret E. Chalfant, Executive Director – Greater Denton Arts Council, Denton
Tamara Chasteen
Janet Cook, Assistant City Manager – City of Marshall, Marshall
Loralee C. Cooley – Storyspinning, Pampa
Adam Dietrich, Development Director – Hip Pocket Theatre, Fort Worth
Nancy Fulton
Rose M. Glennon, Curator of Education – McNay Art Museum, San Antonio
Etha Gray, Director – Theater Concepts, Inc.
Cathy Hernandez, Executive Director – Latin Arts Association of Fort Worth, Inc., Fort Worth
Jon Hinojosa, Executive Director – SAY Sí, San Antonio
Reed R. Hoke – Turtle Creek Chorale, Dallas
John Hood, Lockhart
Rebecca Hood, Temple
Bill Huie, Professor of Communication and TV-Film – Texas A&M University-Corpus Christi and
Co-producer – *The Territory*, Corpus Christi
Kirsten B. James, Executive Director – Junior Players, Dallas
Cheri Irwin, President – The Arts League, Bedford
Betty Jameson, Austin
Monika Kalin, Temple
Kathryn Kanjo, Executive Director – Artpace, San Antonio
Kari Kent-Schultz
Mary M. Lampe, Executive Director – Southwest Alternate Media Project, Houston
Judy Lanahan-Monroe
Janice LaPointe-Crump, Ph.D., Professor Emerita – Texas Woman’s University, Corinth
Linda M. Lee, Executive Director – Texas Nonprofit Theatres, Ft. Worth
Rob Lifford
Brooks Little, Marshall Visual Art Center – City of Marshall, Marshall
Gordon Stuart McLeod, Tyler
Maryann Miller, President of the Board – Trails Country Center for the Arts, Winnsboro

María Muñoz-Blanco, Dallas

Jason Neulander, Artistic Director – Salvage Vanguard Theater, Austin

Karin Newell, President – Artsnet, Bedford; Betty Roy – Greater Denton Arts Council, Denton

Cory D. Norman

Luther R. Parker, M.B.A., CAE, President – Parker Associates, Austin

Mike Paulus – Turtle Creek Chorale, Dallas

Robert K. Pendergrass, M.D. (Ret.), Precinct Chairman – Williamson County 146

Thomas Perry, Houston

Kass Prince, Assistant Director – Irving Arts Center, Irving

Judith Pritchett

Linda Ray, Dallas

Elizabeth Regner, Executive Director – Lubbock Arts Alliance, Lubbock

James A. Rennier, Ph.D., Chair – Department of Music, Texas A&M University-Corpus Christi, Corpus Christi

Kathryn Rogers

Betty Roy – Greater Denton Arts Council, Denton

Eric Salisbury, Managing Director – Jubilee Theatre, Fort Worth

Charles Santos, Executive Director – Texas International Theatrical Arts Society, Dallas

Leanna Sparacino, Vice President – Sparacino Company Dancers, Houston

Julie Scharnberg, Administrative Assistant – Greater Denton Arts Council, Denton

Sue A. Schroeder, Artistic Director – Several Dancers Core, Houston

Joanna St. Angelo – Sammons Center for the Arts, Grapevine

Latifah Taormina, Executive Director – Austin Circle of Theaters, Austin

Louise H. Underwood

Denton Yockey, President and Executive Producer – Casa Mañana, Fort Worth

Modifications

2. Request that the Legislature, through the appropriations process, authorize the Commission on the Arts to expend the annual interest income earned on the Cultural Endowment Fund. Specify by appropriations rider that the funds be used for grants only, which must meet the purposes for which the Endowment Fund was created. (Sunset staff, upon request of Representative Vicki Truitt, Vice Chair, Sunset Advisory Commission)
3. Continue to fund the Cultural Endowment Fund and create enabling legislation that allows TCA to use interest income to fund grants and programs statewide. (Reed R. Hoke – Turtle Creek Chorale, Dallas; Joanna St. Angelo – Sammons Center for the Arts, Grapevine; Mike Paulus – Turtle Creek Chorale, Dallas)

4. Ensure that the Fund's use remains consistent with the purposes for which it was originally appropriated - support of the arts and cultural programs benefiting Texans. (Amy Barbee, Executive Director – Texas Cultural Trust Council, Austin; Kass Prince, Assistant Director – Irving Arts Center, Irving)
5. Continue the Fund and invest a portion of all corporate filing fees and/or some lottery money in the endowment. (Latifah Taormina, Executive Director – Austin Circle of Theaters, Austin)
6. Dedicate an existing tax revenue source to support the Cultural Endowment Fund instead of dissolving the Fund. (William Haase, Houston; John Hood, Lockhart; Michael Templeton, Managing Director – Mesquite Arts Council, Mesquite)
7. Dedicate 2 percent of the Hotel Motel Tax to support the arts. (R. B. Miller, Executive Director – Texas Arts & Crafts, Kerrville)
8. Allow the Texas Commission on the Arts to repurpose the Fund for the benefit of the arts and cultural industries in Texas. (Anne Allen, Director – Arlington Museum of Art, Arlington; Becky Allen, Executive Director – George West Storyfest Association, Inc., George West; Marilyn Bassinger, Executive Director – Ellen Noel Art Museum, Odessa; Rick Bibby, Dallas; Margaret E. Chalfant, Executive Director – Greater Denton Arts Council, Denton; Janet Cook, Assistant City Manager – City of Marshall, Marshall; James B. Cowley, Ed.D., Curriculum Coordinator – Sunnyvale ISD, Sunnyvale; Adam Dietrich, Development Director – Hip Pocket Theatre, Fort Worth; Cheryl Ford-Mente, Executive Director – Creative Arts Theatre and School, Arlington; Mónica Gómez, Performing Songwriter and Teaching Artist; Cathy Hernandez, Executive Director – Latin Arts Association of Fort Worth, Inc., Fort Worth; Cheri Irwin, President – The Arts League, Bedford; Kirsten B. James, Executive Director – Junior Players, Dallas; Kathryn Kanjo, Executive Director – Artpace, San Antonio; Shelby Kern – DATCU, Denton; Linda M Lee, Executive Director - Texas Nonprofit Theatres; Brooks Little, Marshall Visual Art Center – City of Marshall, Marshall; María Muñoz-Blanco, Dallas; Karin Newell, President – Artsnet, Bedford; Betty Roy – Greater Denton Arts Council, Denton; Eric Salisbury, Managing Director – Jubilee Theatre, Fort Worth; Julie Scharnberg, Administrative Assistant – Greater Denton Arts Council, Denton; Kay Schroeder – DATCU, Denton; Sue A. Schroeder, Artistic Director – Several Dancers Core, Houston; Janet Seibert, Austin; Leanna Sparacino, Vice President – Sparacino Company Dancers, Houston; Becky Sylvera, President – The Arts Guild, Denton; Joanna Wilson; Denton Yockey, President and Executive Producer – Casa Mañana, Fort Worth)

Recommended Action: Adopt Recommendation 4.1.

Commission Decision: Adopted Modification 2 to request that the Legislature, through the appropriations process, authorize the Commission on the Arts to expend the annual interest income earned on the Cultural Endowment Fund and to specify by appropriations rider that the funds be used for grants only, which must meet the purposes for which the Endowment Fund was created.

Across-the-Board Recommendations

Texas Commission on the Arts

| Recommendations | Across-the-Board Provisions |
|------------------------|---|
| Modify | 1. Require public membership on the agency’s policymaking body. |
| Update | 2. Require provisions relating to conflicts of interest. |
| Already in Statute | 3. Require unbiased appointments to the agency’s policymaking body. |
| Already in Statute | 4. Provide that the Governor designate the presiding officer of the policymaking body. |
| Update | 5. Specify grounds for removal of a member of the policymaking body. |
| Update | 6. Require training for members of the policymaking body. |
| Already in Statute | 7. Require separation of policymaking and agency staff functions. |
| Already in Statute | 8. Provide for public testimony at meetings of the policymaking body. |
| Update | 9. Require information to be maintained on complaints. |
| Apply | 10. Require the agency to use technology to increase public access. |
| Apply | 11. Develop and use appropriate alternative rulemaking and dispute resolution procedures. |

Recommended Action: Adopt staff recommendations.

Commission Decision: Adopted staff recommendations.

New Issues

New Issues

The following issue was raised in addition to the issues raised in the staff report. The issue is numbered sequentially to follow the staff's recommendations.

5. Streamline the grant application process to eliminate unnecessary red tape. (Jan Andrews, Chairman of the Programs Committee – Franklin County Arts Alliance)

For

Dolores Schroeder, Board Member – Hill Country Vocal Arts Society, Kerrville

Against

None received.

Recommended Action: Staff makes no recommendation on the new issue.

Commission Decision: The Commission did not adopt this new issue.

