

TEXAS COMMISSION ON THE ARTS

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Agency at a Glance

The Texas Commission on the Arts' (TCA's) mission is to advance the state economically and culturally by investing in a creative Texas. To achieve its mission, the agency carries out the following key activities.

- Awards grants to nonprofit organizations throughout the state to develop a receptive climate for the arts.
- Promotes the arts to attract tourists and build audiences for Texas-based arts organizations and events.
- Provides information and assistance to arts and cultural industries and organizations, and the public.

Summary

When the Texas Commission on the Arts underwent Sunset review six years ago, the agency was struggling with an unstable funding source, grant oversight issues, and high administrative and overhead costs. Since then, the agency streamlined its grant programs and reduced administrative costs, and the Legislature abolished its unstable Cultural Endowment Fund. However, with last session's budget constraints, the 82nd Legislature cut the agency's budget by more than half to \$3.7 million and reduced its staff from 17 to 12.

Currently, Texas' public support of the arts draws down more than \$1 million in federal and regional arts funds, leverages additional local and private funds, stimulates economic development, and supports access to the arts all across the state. The Sunset Commission found these economic and social benefits represent a good investment, and make continuing the agency to administer funding for the arts worthwhile. Further, the Sunset Commission determined no significant savings or benefits would result from transferring the agency's functions to another agency.

Beyond the agency's continuation and structure, the Sunset Commission found TCA's 17-member governing board is unnecessarily large given the agency's size and programs, and that its grant programs could benefit from clearer statutory authority and the incorporation of some common best practices for grant making. The following material summarizes the Sunset Commission's recommendations for the Commission on the Arts.

The Commission's role in administering public funds for the arts is worthwhile.

Issue 1

The Commission on the Arts Performs Valuable Functions Worth Continuing.

TCA's mission to advance the state economically and culturally by investing in a creative Texas provides economic and social benefits. The State's public investment in the arts draws down federal and regional arts funds that would not be available without a state arts agency and leverages additional local and private funds. Texas' investment also provides invaluable operating support for nonprofit arts and cultural organizations, supports access to the arts, and stimulates economic development by supporting the arts infrastructure.

Recommendation

Change in Statute

1.1 Continue the Commission on the Arts for 12 years.

This recommendation would continue the Commission as an independent agency responsible for supporting and developing a receptive climate for the arts.

Issue 2

A Seventeen-Member Board Is Unnecessary to Effectively Oversee the Commission on the Arts.

The Commission on the Arts consists of 17 Governor-appointed members that must represent all arts fields and be widely known for their professional competence and experience in connection with the arts. The Sunset Commission determined no clear ongoing need for maintaining such a large board exists and that reducing the number of commissioners would allow the agency to more easily and effectively support its oversight body, while not hindering the Commission's policy and oversight functions.

Recommendation

Change in Statute

2.1 Reduce the size of the governing body of the Texas Commission on the Arts from 17 to nine members.

This change would reduce the overall size of the board and require that the members represent a diverse cross-section of arts fields, but not all fields of the arts as currently required. Statute would continue to require at least two members be residents of a county with a population of less than 50,000. To limit disruption to the current structure, this recommendation would be implemented with provisions to allow fewer appointments as current commissioners' terms expire and a reallocation of terms to ensure an equal number of appointments every two years.

Issue 3

TCA's Grant Procedures Adhere to Best Practices, but Could Benefit From Additional Improvements.

While TCA's grant programs generally work well, clear statutory authority for the agency's grant-making practices would help ensure TCA's grant programs work to help achieve its mission. In addition, incorporating additional best practices into the agency's grant reporting requirements, risk-based monitoring, and program evaluation procedures would help ensure legislative investments work as anticipated.

Recommendations

Change in Statute

3.1 Clarify the Commission's statutory authority to award grants to support the arts in Texas.

This recommendation would clearly state in law the Commission's authority to award grants in accordance with its mission to advance the state economically and culturally by investing in the arts in Texas.

Management Action

3.2 TCA should amend its grant guidelines to incorporate reporting requirements for subgrantors and to better link on-site monitoring visits to risk.

TCA should amend its grant program guidelines to add subgranting reporting requirements and directly link the need for on-site monitoring to risk assessment results.

3.3 TCA should develop and track additional performance measures to evaluate the impact of its grants.

TCA should use data it collects from grant applications and compliance reports to develop and report on additional performance measures that better illustrate the impact of its grants based on the grant's purpose.

Fiscal Implication Summary

These recommendations would result in a savings to General Revenue of about \$13,000 per year, as summarized below.

Issue 2 — Reducing the size of the Commission from 17 to nine members would result in savings of about \$9,000 per year, once fully implemented in 2015, as a result of reduced travel, lodging, and per diem expenses.

Issue 3 — Directing TCA to better link its on-site monitoring visits to its risk assessment would save about \$4,000 per year.

