

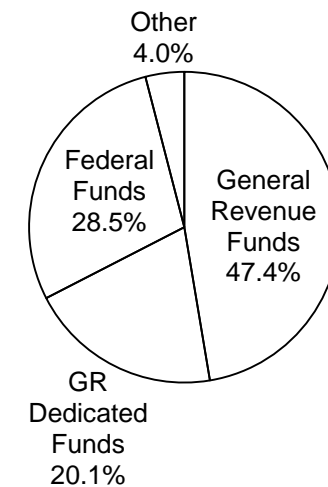
**Commission on the Arts
Summary of Recommendations - Senate**

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Gary Gibbs, Executive Director

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RECOMMENDED FUNDING
BY METHOD OF FINANCING

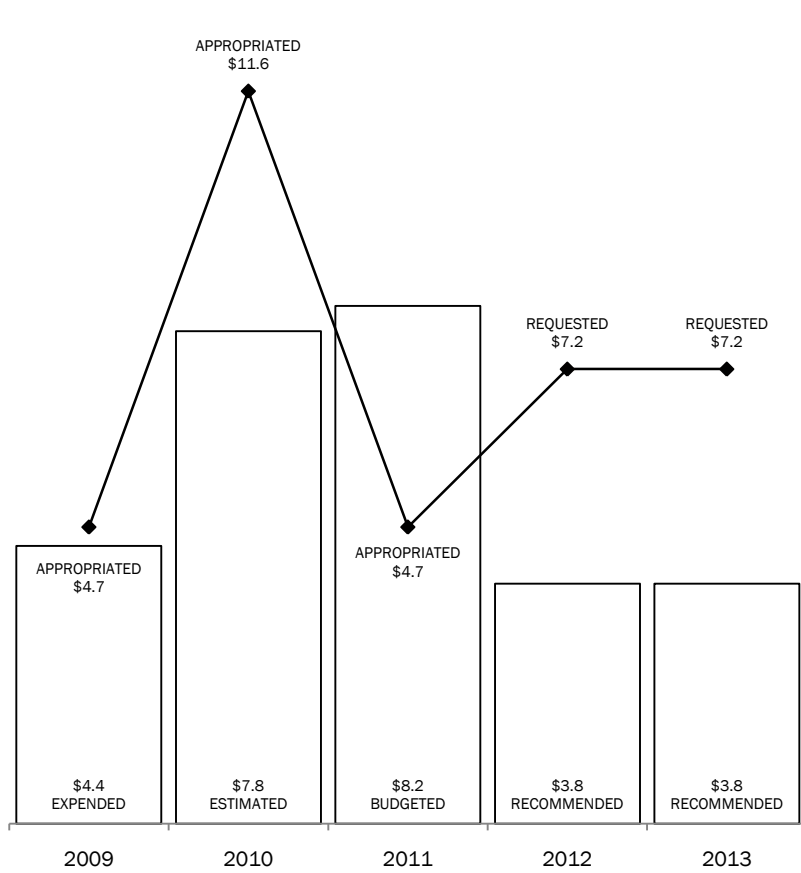
Method of Financing	2010-11 Appropriations	2010-11 Base	2012-13 Recommended	Biennial Change	% Change
General Revenue Funds	\$1,334,447	\$1,334,447	\$3,571,961	\$2,237,514	167.7%
GR Dedicated Funds	\$9,479,237	\$8,838,641	\$1,514,583	(\$7,324,058)	(82.9%)
Total GR-Related Funds	\$10,813,684	\$10,173,088	\$5,086,544	(\$5,086,544)	(50.0%)
Federal Funds	\$3,196,200	\$3,528,300	\$2,151,000	(\$1,377,300)	(39.0%)
Other	\$2,264,000	\$2,246,497	\$304,000	(\$1,942,497)	(86.5%)
All Funds	\$16,273,884	\$15,947,885	\$7,541,544	(\$8,406,341)	(52.7%)



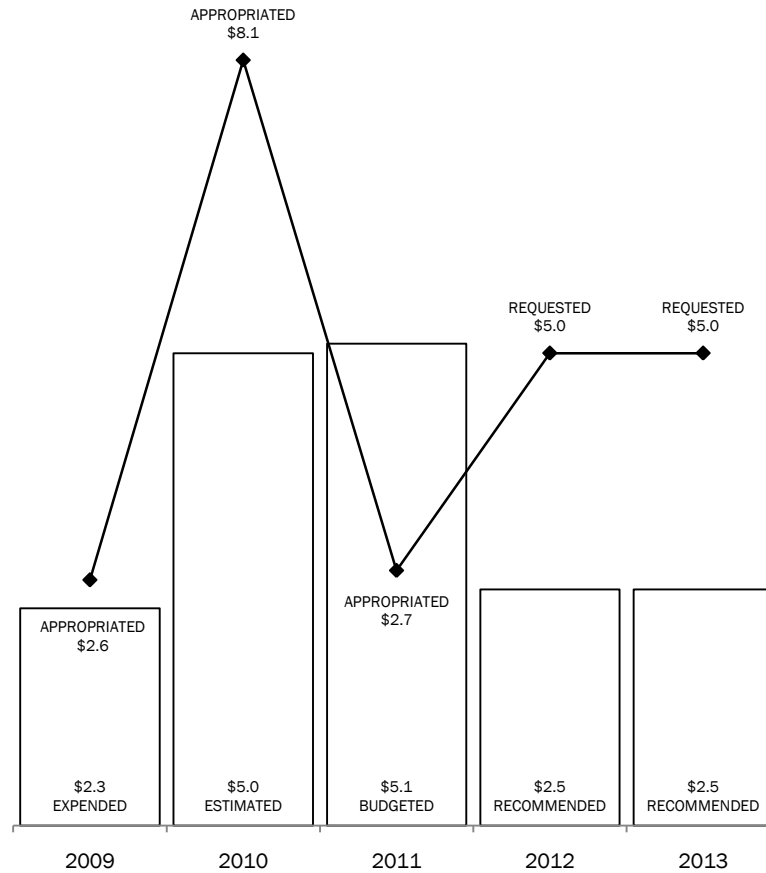
FTEs	FY 2011 Appropriations	FY 2011 Budgeted	FY 2013 Recommended	Biennial Change	% Change
FTEs	18.0	17.7	12.0	(5.7)	(32.2%)

The bill pattern for this agency (2012-13 Recommended) represents an estimated 100% of the agency's estimated total available funds for the 2012-13 biennium.

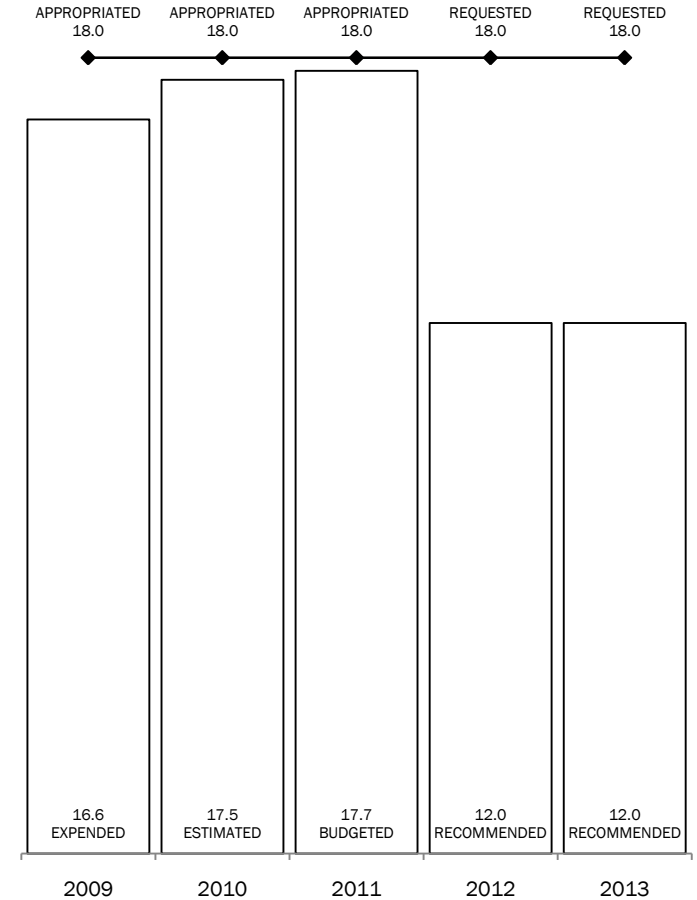
ALL FUNDS



**GENERAL REVENUE AND
 GENERAL REVENUE-DEDICATED FUNDS**



FULL-TIME-EQUIVALENT POSITIONS



Commission on the Arts
Summary of Recommendations - Senate, By Method of Finance -- ALL FUNDS

Strategy/Goal	2010-11 Base	2012-13 Recommended	Biennial Change	% Change	Comments
					<p>Recommendations provide 50 percent of combined 2010-11 General Revenue and General Revenue Dedicated base funding levels to the Commission, resulting in an increase of \$2.2 million in General Revenue and a decrease of \$7.3 million in General Revenue Dedicated Arts Operating Fund 334. Increase in General Revenue offsets reductions in Fund 334, primarily due to expenditure in 2010-11 of one-time funds appropriated from the abolished Cultural Endowment Fund and recommended appropriation of one-half of estimated receipts from the agency's specialty license plate.</p> <p>In addition, Interagency Contract funds from the Texas Department of Transportation (\$1.3 million) and Texas Education Agency (\$0.6 million) are eliminated.</p>
ARTS ORGANIZATION GRANTS A.1.1	\$9,936,600	\$4,200,000	(\$5,736,600)	(57.7%)	<p>Recommendations provide funding for operating support grants and project support grants to arts organizations. Recommended funding level is similar to 2008-09 levels. General Revenue allocated to this strategy offsets loss of \$1 million in Interagency Contract funds from TxDOT.</p> <p>Decrease of \$5.7 million is primarily due to expenditure of \$5 million in 2010-11 of funds transferred from the abolished Cultural Endowment Fund and \$0.4 million in funds from the American Recovery and Reinvestment Act (ARRA).</p>
ARTS EDUCATION GRANTS A.1.2	\$1,626,270	\$1,700,000	\$73,730	4.5%	<p>Recommendations provide funding for arts education grants. General Revenue allocated to this strategy offsets loss of \$0.6 million in Interagency Contract funds from TEA. Recommended funding levels is similar to 2008-09 and 2010-11 levels.</p>
DIRECT ADMINISTRATION A.1.3	\$1,409,413	\$702,934	(\$706,479)	(50.1%)	<p>Recommendations reflect a 50 percent reduction of funding for administration of arts organization and arts education grant programs including loss of 4.1 FTE positions.</p>
Total, Goal A, ARTS AND CULTURAL GRANTS	\$12,972,283	\$6,602,934	(\$6,369,349)	(49.1%)	
CULTURAL TOURISM GRANTS B.1.1	\$1,355,600	\$0	(\$1,355,600)	(100.0%)	
MARKETING AND FUNDRAISING B.1.2	\$386,137	\$0	(\$386,137)	(100.0%)	

Commission on the Arts
Summary of Recommendations - Senate, By Method of Finance -- ALL FUNDS

Strategy/Goal	2010-11 Base	2012-13 Recommended	Biennial Change	% Change	Comments
DIRECT ADMINISTRATION B.1.3	\$170,415	\$0	(\$170,415)	(100.0%)	
Total, Goal B, PROMOTION AND PARTICIPATION	\$1,912,152	\$0	(\$1,912,152)	(100.0%)	Recommendations eliminate the agency's cultural tourism grant programs (funded through \$0.3 million in Interagency Contract funds from TxDOT) and marketing and fundraising programs. Also reflected in reductions is loss of \$1 million in ARRA funds.
CENTRAL ADMINISTRATION C.1.1	\$795,135	\$748,140	(\$46,995)	(5.9%)	Recommendations maintain funding for agency administration.
INFORMATION RESOURCES C.1.2	\$268,315	\$190,470	(\$77,845)	(29.0%)	Recommendations reflect elimination of 0.7 FTE webmaster position.
Total, Goal C, INDIRECT ADMINISTRATION	\$1,063,450	\$938,610	(\$124,840)	(11.7%)	
Grand Total, All Strategies	\$15,947,885	\$7,541,544	(\$8,406,341)	(52.7%)	

**Commission on the Arts
Selected Fiscal and Policy Issues**

1. Fiscal Implications of LBB Recommendations

- **Tourism Memorandum of Understanding:** In accordance with Government Code 481.172, the Commission on the Arts, Parks and Wildlife Department, Texas Department of Transportation and the Historical Commission are required to enter into a memorandum of understanding (MOU) with the Governor's Office of Economic Development and Tourism to coordinate tourism efforts. Recommendations eliminate funding for the agency's marketing programs including funding for activities and promotions performed in conjunction with the MOU.
- **Cultural Tourism Grants:** Recommendations eliminate cultural tourism grants provided to organizations for events which draw tourists. These grants are primarily funded through a portion of the Interagency Contract funds (\$0.3 million) from TxDOT which are not included in recommendations.

2. Interagency Contracts: Recommendations eliminate \$1.96 million in Interagency Contracts (IACs), from the Texas Department of Transportation (\$1,340,000 from State Highway Fund 6) and Texas Education Agency (\$600,000 from Foundation School Fund) which primarily fund grant programs. Recommendations allocate General Revenue and General Revenue Dedicated funds to arts organization and arts education grant programs to offset reductions of \$1.6 million of the IACs.

3. Statutory Changes Required to Implement Recommendations

- None required

**Commission on the Arts
FTE Highlights**

Full-Time-Equivalent Positions	Expended 2009	Actual 2010	Budgeted 2011	Recommended 2012	Recommended 2013
Cap	18.0	18.0	18.0	12.0	12.0
Actual/Budgeted	16.6	17.5	17.7	NA	NA
Schedule of Exempt Positions (Cap)					
Executive Director, Group 2	\$77,500	\$85,250	\$85,250	\$85,250	\$85,250

Recommendations eliminate 6.0 FTE positions including 4.3 in grants administration, 1.0 for the Director of Marketing and 0.7 for the webmaster.

State Auditor's Office Report No. 10-706, *A Classification Study of Exempt Positions*, states that the Executive Director's current salary is within the recommended salary range and group.

**Commission on the Arts
Performance Measure Highlights**

	Expended 2009	Actual 2010	Budgeted 2011	Recommended 2012	Recommended 2013
<ul style="list-style-type: none"> <i>Average Grant Amount Awarded to Arts and Cultural Organizations</i> <p><i>Measure Explanation: Average grant amount awarded for arts organization grants will decline significantly due to loss of one-time funds expended in 2010-11 from funds transferred from the abolished Cultural Endowment Fund (\$5 million) and the American Recovery and Reinvestment Act (\$0.4 million).</i></p>	2,797	8,317	7,200	3,000	3,000
<ul style="list-style-type: none"> <i>Number of Marketing and Public Relations Activities, Conferences, and Seminars to Promote Cultural Tourism</i> <p><i>Measure Explanation: Agency's marketing programs are zero-funded in recommendations.</i></p>	83	79	80	0	0

Section 4

Texas Commission on the Arts (TCA)
Performance Review and Policy Report Highlights

Reports & Recommendations	GEER Report Page	Savings/ (Cost)	Gain/ (Loss)	Fund Type	Is included in the Introduced Bill	Action Required During Session
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NO RELATED RECOMMENDATIONS

**Commission on the Arts
Rider Highlights**

2. (old) **Interagency Agreement.** Delete rider which provides \$1,340,000 for the biennium from Interagency Contracts from TxDOT. Funds are not included in recommendations.
3. (revise) **Texas State of the Arts License Plates: Appropriation of License Plate Receipts.** Amend rider to appropriate 50 percent of estimated license plate revenue generated on or after September 1, 2011. Amended rider language is in accordance with revised Article IX provision on specialty license plate receipts.
3. (old) **Arts Education.** Delete rider which provides \$600,000 for the biennium from Interagency Contracts from TEA. Funds are not included in recommendations.
7. (old) **Appropriation: Texas Cultural Endowment Fund Interest and Income Earnings.** Delete rider due to abolishment of the Cultural Endowment Fund in FY 2010.

Commission on the Arts
Items not Included in Recommendations - Senate

	2012-13 Biennial Total	
	GR & GR- Dedicated	All Funds
1. Restore funding for contract for systems programming services which supports online grants system and other agency IT resources including servers, spam appliance and firewall.	\$ 120,000	\$ 120,000
2. Restore funding for salaries and increase FTE cap:		
(a) Funding for 5.0 FTE positions and increase in FTE cap from 12.0 to 17.0.		
Director of Communications (1.0). Position oversees website content, formal and informal communications with field and elected officials, serves as agency's liaison to the State Agency Tourism Council and oversees the agency's Administrative Rules.	\$ 139,402	\$ 139,402
Program Administrators (2.0). Positions administer the agency's grant programs including processing applications, reviewing grant reports and performing on-site visits to monitor grant awards.	\$ 200,000	\$ 200,000
Program Assistant (1.0). Position assists Program Administrators with grant reviews and in conducting grant review panels.	\$ 66,000	\$ 66,000
Webmaster (1.0). Position is responsible for maintaining information on agency website.	\$ 80,000	\$ 80,000
(b) Longevity pay.	\$ 6,400	\$ 6,400
(c) Funding for partial salary of 1.0 FTE Program Administrator position within the recommended cap of 12.0 FTEs.	\$ 80,842	\$ 80,842
3. Arts Create grants provided to arts and cultural organizations for operating support.	\$ 2,000,000	\$ 2,000,000
Total, Items Not Included in the Recommendations	\$ 2,692,644	\$ 2,692,644