

AGENCY NAME:	Arts Commission		
AGENCY CODE:	H910	SECTION:	28

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Fiscal Year 2017-18 Agency Budget Plan

FORM A – SUMMARY

RECURRING FUNDS (FORM B DECISION PACKAGES)	My agency is submitting the following recurring decision packages listed in <u>priority order</u> (Form B):	
	For FY 2017-18, my agency is (mark "X"):	
	<input checked="" type="checkbox"/>	Requesting a net increase in recurring General Fund appropriations.
	<input type="checkbox"/>	Not requesting a net increase in recurring General Fund Appropriations.

CAPITAL & NON-RECURRING FUNDS (FORM C DECISION PACKAGES)	My agency is submitting the following one-time decision packages listed in <u>priority order</u> (Form C):	
	For FY 2017-18, my agency is (mark "X"):	
	<input type="checkbox"/>	Requesting capital and/or non-recurring funds.
	<input type="checkbox"/>	Not requesting capital and/or non-recurring funds.

PROVISOS (FORM D)	For FY 2017-18, my agency is (mark "X"):	
	<input checked="" type="checkbox"/>	Requesting a new proviso and/or substantive changes to existing provisos.
	<input type="checkbox"/>	Only requesting technical proviso changes (such as date references).
	<input type="checkbox"/>	Not requesting any proviso changes.

Please identify your agency's preferred contacts for this year's budget process.

	<u>Name</u>	<u>Phone</u>	<u>Email</u>
PRIMARY CONTACT:	VIRGINIA GOODMAN	803-734-8699	vgoodman@arts.sc.gov
SECONDARY CONTACT:	ANGELA BREWBAKER	803-734-8759	abrewbaker@arts.sc.gov

I have reviewed and approved the enclosed FY 2017-18 Agency Budget Plan, which is complete and accurate to the extent of my knowledge.

SIGN/DATE:	<i>Agency Director</i>	<i>Board or Commission Chair</i>
TYPE/PRINT NAME:	KEN MAY	HENRY HOROWITZ

This form must be signed by the department head – not a delegate.

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FORM B – PROGRAM REVISION REQUEST

DECISION PACKAGE	9869
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Provide the decision package number issued by the PBF system ("Governor's Request").

TITLE	Allocation of Pay Plan, Retirement and Health Insurance Allocation
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Provide a brief, descriptive title for this request.

AMOUNT	\$22,242
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What is the net change in requested appropriations for FY 2017-18? This amount should correspond to the decision package's total in PBF across all funding sources.

ENABLING AUTHORITY	Net Allocations for FY2016-17 By the Legislature.
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What specific state or federal statutory, regulatory, and/or administrative authority established this program? Is this decision package prompted by the establishment of or a revision to that authority? Please avoid citing general provisions of law where possible, and instead cite to the most specific legal authority supporting the request.

FACTORS ASSOCIATED WITH THE REQUEST	Mark "X" for all that apply:
	<input checked="" type="checkbox"/> (Base Adjustment) Allocation of statewide employee benefits.
	<input type="checkbox"/> (Base Adjustment) Realignment within existing programs and lines.
	<input type="checkbox"/> (Base Adjustment) Restructuring of agency programs – <i>requires pre-approval.</i>
	<input type="checkbox"/> IT Technology/Security related
	<input type="checkbox"/> Consulted DTO during development
	<input type="checkbox"/> Related to a Non-Recurring request – If so, Decision Package # _____
	<input type="checkbox"/> Change in cost of providing current services to existing program audience.
	<input type="checkbox"/> Change in case load / enrollment under existing program guidelines.
	<input type="checkbox"/> Non-mandated change in eligibility / enrollment for existing program.
	<input type="checkbox"/> Non-mandated program change in service levels or areas.
	<input type="checkbox"/> Proposed establishment of a new program or initiative.
<input type="checkbox"/> Loss of federal or other external financial support for existing program.	
<input type="checkbox"/> Exhaustion of fund balances previously used to support program.	

RECIPIENTS OF FUNDS	Classified State Employees
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What individuals or entities would receive these funds (contractors, vendors, grantees, individual beneficiaries, etc.)? How would these funds be allocated – using an existing formula, through a competitive process, based upon predetermined eligibility criteria?

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ACCOUNTABILITY OF FUNDS	<p>Goal 1: S.C. citizens and visitors have diverse opportunities for relevant and rewarding arts experiences, with emphasis on rural, high poverty and minority communities Strategy 1.1 SCAC staff assistance</p> <p>Goal 2: SC’s artists have opportunities to practice their art forms and develop sustainable careers Strategy 2.1 SCAC staff assistance</p> <p>Goal 3: Students receive a comprehensive education in the arts that develops their creativity, problem solving and collaborative skills, and prepares them for a lifetime of engagement with the arts and productive citizenship Strategy 3.1 SCAC staff assistance</p> <p>Goal 4: SC arts providers have the capacity and resources to deliver relevant, high quality arts experiences to citizens and visitors Strategy 4.1 SCAC staff assistance</p> <p>Goal 5: There is broad recognition of the value and contributions of the arts in South Carolina Strategy 5.1 SCAC staff assistance</p> <p>Goal 6: SC Arts Commission programs, systems and staffing are sligned to address the agency’s strategic and long-range goals Strategy 6.3 Support staff capacity to deliver programs and services</p>
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What specific agency objective, as outlined in the agency’s accountability report, does this funding request support? How would this request advance that objective?

POTENTIAL OFFSETS	N/A
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For decision packages that request non-mandatory funding increases to programs or initiatives, please identify a potential offset within an existing lower priority or ineffective program(s).

MATCHING FUNDS	N/A
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Would these funds be matched by federal, institutional, philanthropic, or other resources? If so, identify the source, amount, and terms of the match requirement.

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FUNDING ALTERNATIVES	N/A
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What other possible funding sources were considered? Could this request be met in whole or in part with the use of other resources, including fund balances? If so, please comment on the sustainability of such an approach.

SUMMARY	State funds were allocated by the Legislature to provide pay raises for state employees and to help fund health care and retirement expenditures.
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Using as much detail as necessary to make an informed decision regarding this request, provide a summary of the rationale for the decision package. Why has it been requested? How specifically would the requested funds be used? If the request is related to information security or information technology, explain its relationship to the agency's security or technology plan.

METHOD OF CALCULATION	<p>The Arts Commission has two program areas. The areas are Administration where we budget a portion of the Executive Director's Salary only.</p> <p>The second program is Statewide Arts where all state appropriations are being applied to cover pay raises and associated costs for state funded employees.</p>
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How was the amount of the request calculated? List the per unit or per FTE costs of implementation. What factors could cause deviations between the request and the amount that could ultimately be required in order to perform the underlying work?

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FUTURE IMPACT	N/A
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Will the state incur any maintenance-of-effort or other obligations by adopting this decision package? What impact will there be on future capital and/or operating budgets if this request is or is not honored? Has a source of any such funds been identified and/or obtained by your agency?

PRIORITIZATION	
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If no or insufficient new funds are available in order to meet this need, how would the agency prefer to proceed? By using fund balances, generating new revenue, cutting other programs, or deferring action on this request in FY 2017-18? Please be specific.

INTENDED IMPACT	Maintain staff to provide quality services.
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What impact is this decision package intended to have on service delivery and program outcomes, and over what period of time?

PROGRAM EVALUATION	The pay raises are an incentive to state employees. Health insurance and retirement costs are constantly increasing. State employees are grateful for assistance with escalating costs.
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How would the use of these funds be evaluated? What specific outcome or performance measures would be used to assess the effectiveness of this program?

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FORM B – PROGRAM REVISION REQUEST

DECISION PACKAGE	9989
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Provide the decision package number issued by the PBF system ("Governor's Request").

TITLE	Wallace Account
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Provide a brief, descriptive title for this request.

AMOUNT	-75,000.00
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What is the net change in requested appropriations for FY 2017-18? This amount should correspond to the decision package's total in PBF across all funding sources.

ENABLING AUTHORITY	<p>SC Code of Laws Title 60, Chapter 15 SECTION 60-15-70. Powers of commission. The Commission is hereby authorized to hold public or private hearings; to enter into contracts, within the amount made available by appropriation therefor, with individuals, organizations and institutions for services furthering the educational objectives of the Commission's programs; to enter into contracts, within the amount made available by appropriation therefor, with local and regional associations for cooperative endeavors furthering the educational objectives of the Commission's programs; to accept gifts, contributions and bequests of an unrestricted nature from individuals, foundations, corporations and other organizations or institutions for the purpose of furthering the educational objectives of the Commission's programs; to purchase and own property, both real and personal; to make and sign any agreements and to do and perform any acts that may be necessary, desirable or proper to carry out the purposes of this chapter. The Commission may request and shall receive from any department or agency of the State such assistance and data as will enable it to carry out its power and duties.</p>
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What specific state or federal statutory, regulatory, and/or administrative authority established this program? Is this decision package prompted by the establishment of or a revision to that authority? Please avoid citing general provisions of law where possible, and instead cite to the most specific legal authority supporting the request.

FACTORS ASSOCIATED WITH THE REQUEST	Mark "X" for all that apply:
	<input type="checkbox"/> (Base Adjustment) Allocation of statewide employee benefits.
	<input type="checkbox"/> (Base Adjustment) Realignment within existing programs and lines.
	<input type="checkbox"/> (Base Adjustment) Restructuring of agency programs – <i>requires pre-approval.</i>
	<input type="checkbox"/> IT Technology/Security related
	<input type="checkbox"/> Consulted DTO during development
	<input type="checkbox"/> Related to a Non-Recurring request – If so, Decision Package # _____
	<input type="checkbox"/> Change in cost of providing current services to existing program audience.
	<input type="checkbox"/> Change in case load / enrollment under existing program guidelines.
<input type="checkbox"/> Non-mandated change in eligibility / enrollment for existing program.	

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	<input type="checkbox"/>	Non-mandated program change in service levels or areas.
	<input type="checkbox"/>	Proposed establishment of a new program or initiative.
	<input type="checkbox"/>	Loss of federal or other external financial support for existing program.
	<input checked="" type="checkbox"/>	Exhaustion of fund balances previously used to support program.

RECIPIENTS OF FUNDS	Grantees
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What individuals or entities would receive these funds (contractors, vendors, grantees, individual beneficiaries, etc.)? How would these funds be allocated – using an existing formula, through a competitive process, based upon predetermined eligibility criteria?

ACCOUNTABILITY OF FUNDS	N/A
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What specific agency objective, as outlined in the agency's accountability report, does this funding request support? How would this request advance that objective?

POTENTIAL OFFSETS	N/A
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For decision packages that request non-mandatory funding increases to programs or initiatives, please identify a potential offset within an existing lower priority or ineffective program(s).

MATCHING FUNDS	N/A
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Would these funds be matched by federal, institutional, philanthropic, or other resources? If so, identify the source, amount, and terms of the match requirement.

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FUNDING ALTERNATIVES	N/A
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What other possible funding sources were considered? Could this request be met in whole or in part with the use of other resources, including fund balances? If so, please comment on the sustainability of such an approach.

SUMMARY	The Arts Commission will have exhausted all funding provided by the Wallace Account in FY 16-17. This particular program has allowed the agency to provide grants and Pay expenditures in accordance with the award.
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Using as much detail as necessary to make an informed decision regarding this request, provide a summary of the rationale for the decision package. Why has it been requested? How specifically would the requested funds be used? If the request is related to information security or information technology, explain its relationship to the agency's security or technology plan.

METHOD OF CALCULATION	N/A
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How was the amount of the request calculated? List the per unit or per FTE costs of implementation. What factors could cause deviations between the request and the amount that could ultimately be required in order to perform the underlying work?

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FUTURE IMPACT	N/A
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Will the state incur any maintenance-of-effort or other obligations by adopting this decision package? What impact will there be on future capital and/or operating budgets if this request is or is not honored? Has a source of any such funds been identified and/or obtained by your agency?

PRIORITIZATION	
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If no or insufficient new funds are available in order to meet this need, how would the agency prefer to proceed? By using fund balances, generating new revenue, cutting other programs, or deferring action on this request in FY 2017-18? Please be specific.

INTENDED IMPACT	
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What impact is this decision package intended to have on service delivery and program outcomes, and over what period of time?

PROGRAM EVALUATION	
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How would the use of these funds be evaluated? What specific outcome or performance

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measures would be used to assess the effectiveness of this program?

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FORM B – PROGRAM REVISION REQUEST

DECISION PACKAGE	10339
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Provide the decision package number issued by the PBF system (“Governor’s Request”).

TITLE	Grant Funds to Support Statewide Community Arts Development
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Provide a brief, descriptive title for this request.

AMOUNT	\$750,000, Recurring
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What is the net change in requested appropriations for FY 2017-18? This amount should correspond to the decision package’s total in PBF across all funding sources.

ENABLING AUTHORITY	<p>SC Code of Laws Title 60, Chapter 15</p> <p>SECTION 60-15-10. Legislative declaration of policy It is hereby declared to be the policy of the State to join with private patrons and with institutions and professional organizations concerned with the arts to insure that the role of the arts in the life of our communities will continue to grow and play an ever more significant part in the welfare and educational experience of our citizens.</p> <p>SECTION 60-15-60. Duties of commission. The duties of the Commission shall include but not be limited to the following:</p> <ul style="list-style-type: none"> (1) To stimulate and encourage throughout the State the study and presentation of the performing and fine arts and public interest and participation therein; (2) To make such studies as may be deemed advisable of public and private institutions engaged within the State in artistic and cultural activities, including but not limited to music, theater, dance, painting, sculpture, architecture and allied arts and crafts, and to make recommendations concerning appropriate methods to encourage participation in and appreciation of the arts to meet the legitimate needs and aspirations of persons in all parts of the State; (3) To take such steps as may be necessary and appropriate to encourage public interest in the cultural heritage of the State of South Carolina and to expand the State’s cultural resources; and (4) To do such other things as may be necessary to carry out the provisions of this chapter. <p>SECTION 60-15-70. Powers of commission. The Commission is hereby authorized to hold public or private hearings; to enter into contracts, within the amount made available by appropriation therefor, with individuals, organizations and institutions for services furthering the educational objectives of the Commission’s programs; to enter into contracts, within the amount made available by appropriation therefor, with local and regional associations for cooperative endeavors furthering the educational objectives of the Commission’s programs; to accept gifts, contributions and bequests of an unrestricted nature from individuals, foundations, corporations and other organizations or institutions for the purpose of furthering the educational objectives of the Commission’s programs; to purchase and own property, both real and personal; to make and sign any agreements and to do and perform any acts that may be necessary, desirable or proper to carry out the purposes of this chapter. The Commission may request and shall receive from any</p>
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department or agency of the State such assistance and data as will enable it to carry out its power and duties.
2016-2017 Appropriations Bill-H. 5001 Part 1B
Section 28.4. (ARTS: Grants) The Arts Commission must expend seventy percent of appropriated state funds on grants to support the statewide improvement of learning and enrichment opportunities for children and communities through educational and cultural programs with proven research based strategies. (In FY2015-2016 the Arts Commission expended 78% of its appropriated state funds on grants)

What specific state or federal statutory, regulatory, and/or administrative authority established this program? Is this decision package prompted by the establishment of or a revision to that authority? Please avoid citing general provisions of law where possible, and instead cite to the most specific legal authority supporting the request.

FACTORS ASSOCIATED WITH THE REQUEST	Mark "X" for all that apply:
	<input type="checkbox"/> (Base Adjustment) Allocation of statewide employee benefits.
	<input type="checkbox"/> (Base Adjustment) Realignment within existing programs and lines.
	<input type="checkbox"/> (Base Adjustment) Restructuring of agency programs – <i>requires pre-approval.</i>
	<input type="checkbox"/> IT Technology/Security related
	<input type="checkbox"/> Consulted DTO during development
	<input type="checkbox"/> Related to a Non-Recurring request – If so, Decision Package # _____
	<input type="checkbox"/> Change in cost of providing current services to existing program audience.
	<input checked="" type="checkbox"/> Change in case load / enrollment under existing program guidelines.
	<input type="checkbox"/> Non-mandated change in eligibility / enrollment for existing program.
	<input checked="" type="checkbox"/> Non-mandated program change in service levels or areas.
	<input checked="" type="checkbox"/> Proposed establishment of a new program or initiative.
<input type="checkbox"/> Loss of federal or other external financial support for existing program.	
<input type="checkbox"/> Exhaustion of fund balances previously used to support program.	

RECIPIENTS OF FUNDS
 Funds will be distributed to grantees using existing competitive program processes and newly designed processes. Grantees will include local arts organizations, non-profit community organizations, faith organizations, local government entities such as recreation departments and libraries, and statewide service organizations.

What individuals or entities would receive these funds (contractors, vendors, grantees, individual beneficiaries, etc.)? How would these funds be allocated – using an existing formula, through a competitive process, based upon predetermined eligibility criteria?

ACCOUNTABILITY OF FUNDS
Goal 1: S.C. citizens and visitors have diverse opportunities for relevant and rewarding arts experiences, with emphasis on rural, high poverty and minority communities
 Strategy 1.1.1 Provide direct staff services in 7 opportunity counties
 Strategy 1.1.2 Focused planning work in the designated Federal Promise Zone
 Strategy 1.3.1 Increase utilization of Horizon Grants and other low-barrier access to small grants for opportunity counties

Goal 4: S.C. arts providers have the capacity and resources to deliver quality arts experiences to citizens and visitors
 Strategy 4.3.1 Support local and statewide arts providers through grant making to local governments and nonprofits: operating support, projects support
 Strategy 4.1.3 Implement training and professional learning opportunities for arts

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POTENTIAL OFFSETS	<p>organization staff and volunteers</p> <p>Grant funding and professional development materially support the organizational health and staff capacity of arts providers statewide.</p>
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What specific agency objective, as outlined in the agency's accountability report, does this funding request support? How would this request advance that objective?

POTENTIAL OFFSETS	<p>There is no practical or appropriate offset of this scale in our current operating budget. Any such offset would undermine the very services that we seek to strengthen through this request.</p>
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For decision packages that request non-mandatory funding increases to programs or initiatives, please identify a potential offset within an existing lower priority or ineffective program(s).

MATCHING FUNDS	<p>Operating Support grants require a minimum of 2-3 local dollars for every grant dollar awarded by the Arts Commission, but are routinely overmatched. The Arts Commission also receives funds that are designated for "Arts in Underserved Communities" (\$122,500 for the current fiscal year) as part of the general Partnership Agreement grant received annually from the National Endowment for the Arts. A one-to-one match is required for the total amount of the Partnership award (\$801,300), but the underserved component does not have to be matched specifically by funds for the same purpose.</p>
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Would these funds be matched by federal, institutional, philanthropic, or other resources? If so, identify the source, amount, and terms of the match requirement.

FUNDING ALTERNATIVES	<p>There is no sustainable source of which we are aware that will consistently provide funds for this purpose at this level.</p>
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What other possible funding sources were considered? Could this request be met in whole or in part with the use of other resources, including fund balances? If so, please comment on the sustainability of such an approach.

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SUMMARY

The most fundamental goal of the SC Arts Commission is to make it possible for **all SC citizens and communities to benefit from the arts**. One of the most important ways that we accomplish this goal is through our support of the statewide network of local arts providers. To that end, we are requesting new, recurring funds for grants to 1) increase investment in local arts organizations through Operating Support grants; 2) increase funds available for promising new approaches to grassroots arts development in economically distressed rural areas; and 3) provide support for professional development for staff and boards of arts organizations and career development and business training for artists.

Operating Support

For community arts organizations of all types, we offer Operating Support grants, which provide flexible, unrestricted funding to help with ongoing operations and programming. These grants allow the organizations to focus on *their* mission and goals, rather than the shifting priorities of funders. Operating Support grantees provide over 6 million individual arts experiences for SC citizens and visitors annually.

SCAC awards two types of operating grants: General Operating Support (GOS) and Operating Support for Small Organizations (OSS), which require minimum local matching funds at a ratio of \$3:\$1 (local:state) and \$2:\$1, respectively. Awards are determined by a rigorous, comprehensive review of operations and programming by a peer panel. For FY2017, SCAC received 25 new applications for operating support (out of a total of 153 awards), resulting from increased efforts to engage all counties and communities (there were 14 new applicants for FY2016). With the same amount of funding available for operating grants in FY2017 as in the previous fiscal year (\$1.4 million), the average award fell from \$10,063 to \$9,274. The requested funds will allow us to reverse this negative trend and accommodate expected new applications.

New Approaches

For several years the Arts Commission has targeted “Opportunity Counties”—defined as counties that have received less than one grant, on average, during the previous three years. We began with a list of 11 counties and have pared the list down to 7. These are predominately high-poverty, rural counties with little established arts infrastructure that face many challenges—economic, educational, health, leadership, etc.

In summer 2016 the Arts Commission launched a new project called *The Art of Community: Rural SC*, which is a systematic effort to support grassroots cultural asset identification and development in the 6 counties of the federally designated Promise Zone in the SC Lowcountry: Allendale, Bamberg, Barnwell, Colleton, Hampton, and Jasper. We are working with local teams in each county, who will identify an opportunity to expand or develop arts assets in their communities. The Arts Commission is providing grant funding to support these projects. This new approach is showing great promise, and the requested funds will allow us to continue this work in these counties and expand to other parts of the state that face similar challenges. The Arts Commission has secured start-up funding for this project from the US Department of Agriculture, but we need recurring funds to sustain and expand our efforts. The next target area will be in the Pee Dee region.

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Professional Development	<p>Professional Development</p> <p>SC arts organizations, like most small businesses in our state, have very small staffs that are called upon to manage all aspects of their work. Of the organizations currently receiving Operating Support grants, only 58% have one or more full-time staff positions. Among those that do, the average number of full-time employees is 5, and the median number is 3. Only 6% of Operating Support grantees report more than 10 full-time employees. More organizations—79%—have part-time employees.</p> <p>Most of these employees do not have degrees or specialized training in arts management or business administration. Like many small business people, most of their training has been “on the job,” but they are expected to function at a high professional level in multiple job functions.</p> <p>There is a wave of Baby Boomer retirements that is just beginning to break in the state’s arts community. Remaining staff and new staff filling vacancies will be in particular need of in-service learning opportunities to ensure continuity of operations.</p> <p>The Arts Commission has an opportunity to partner with the Donnelley Foundation (Lowcountry) and the SC Arts Alliance (statewide) to create a series of affordable, accessible learning opportunities for arts leaders on topics such as finance and capitalization, fundraising and grant-writing, marketing and community engagement, planning and evaluation, etc. A portion of the requested funds will support this effort.</p> <p>The Arts Commission currently provides start-up grants for artist-driven businesses (Artists Ventures) and career development workshops and coaching for artists (Artists U). Currently, funding for start-ups is limited to 4 per year, and Artists U is supported on a small scale by a non-renewable private grant. Requested funds will allow expansion and continuity for these programs.</p>
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Using as much detail as necessary to make an informed decision regarding this request, provide a summary of the rationale for the decision package. Why has it been requested? How specifically would the requested funds be used? If the request is related to information security or information technology, explain its relationship to the agency’s security or technology plan.

METHOD OF CALCULATION	<p>Operating Support grant awards are calculated by a formula that sets a maximum award, based on budget size of the applicant organization, adjusted by a percentage determined by peer panel rating. If budget is insufficient to fully fund the formula, awards are reduced by a standard percentage across the board. The requested amount would allow us to 1) fully fund the current formula, bringing the average award to approximately \$11,000, and accommodate anticipated growth in requests for operating support (\$550,000); 2) sustain current efforts in the six Promise Zone counties and expand this new approach to another cluster of distressed rural counties, most likely in the Pee Dee region (\$150,000); 3) support a new program of professional development for arts professionals (\$50,000).</p>
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How was the amount of the request calculated? List the per unit or per FTE costs of implementation. What factors could cause deviations between the request and the amount that could ultimately be required in order to perform the underlying work?

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FUTURE IMPACT	<p>We are requesting recurring funds, which represent an on-going commitment, but there are no further requirements associated with this request. Without these funds, we will either have to spread existing resources even thinner or fail to respond to identified needs. We have not identified or secured any other sustainable source to support this work at this time.</p>
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Will the state incur any maintenance-of-effort or other obligations by adopting this decision package? What impact will there be on future capital and/or operating budgets if this request is or is not honored? Has a source of any such funds been identified and/or obtained by your agency?

PRIORITIZATION	<p>As applications for Operating Support increase, we will have to continue to spread reductions across the grantee pool. We might also divert some funds from that pool to at least maintain a level of support for the <i>Art of Community</i> initiative, which we consider to be mission-critical. While other potential sources of funding are unlikely to be sustainable over the long term, we will also continue to explore other public and private resources.</p>
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If no or insufficient new funds are available in order to meet this need, how would the agency prefer to proceed? By using fund balances, generating new revenue, cutting other programs, or deferring action on this request in FY 2017-18? Please be specific.

INTENDED IMPACT	<p>There is consistent evidence that increased Operating Support awards leverage increased matching funds at the local level and increased numbers of services provided to citizens and visitors (from grantee final reports). Investment in underserved rural communities is helping us cultivate new relationships and develop new networks that will yield increased arts services for citizens in these areas. The intent of this effort is also to help these communities identify and develop assets that will improve quality of life, potentially attract visitors, and support economic development. Investment in learning by arts professionals will build local capacity to manage and provide arts services to the public and support artists in their efforts to build sustainable, economically viable careers in our state.</p>
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What impact is this decision package intended to have on service delivery and program outcomes, and over what period of time?

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PROGRAM EVALUATION	<p>The Arts Commission collects extensive data from grantees via applications and final reporting, including information on organizational structure, financial performance, program impact, public participation, and geographic reach. We use this information as a basis for grant award decisions and for sector trend analysis. We also closely monitor patterns of distribution, which we use to target efforts toward underserved communities. In these underserved areas, such as the Promise Zone counties, the intended outcome is sustained local arts activity that increases opportunity for local citizens and merits grant support. The specific measures for professional training will vary, depending on the subject matter, but the general outcome will be local arts organizations that improve their financial health, program offerings, and public engagement. One indicator will be improved performance in Operating Support application peer panel reviews. We track financial performance of funded Artists Ventures projects and survey participants in Artists U for impact at intervals after training and consultations.</p>
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How would the use of these funds be evaluated? What specific outcome or performance measures would be used to assess the effectiveness of this program?

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FORM B – PROGRAM REVISION REQUEST

DECISION PACKAGE	10108
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Provide the decision package number issued by the PBF system ("Governor's Request").

TITLE	To Realign State Appropriated Salaries due to future Annual Leave Payouts And Salary Adjustment
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Provide a brief, descriptive title for this request.

AMOUNT	0
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What is the net change in requested appropriations for FY 2017-18? This amount should correspond to the decision package's total in PBF across all funding sources.

ENABLING AUTHORITY	<p>SC Code of Laws Title 60, Chapter 15 SECTION 60-15-50. Commission may employ and remove officers and other employees. The Commission may employ, and at its pleasure remove, such officers, experts or other employees as may be needed and shall fix their compensation within the amount appropriated therefor.</p>
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What specific state or federal statutory, regulatory, and/or administrative authority established this program? Is this decision package prompted by the establishment of or a revision to that authority? Please avoid citing general provisions of law where possible, and instead cite to the most specific legal authority supporting the request.

FACTORS ASSOCIATED WITH THE REQUEST	Mark "X" for all that apply:
	<input type="checkbox"/> (Base Adjustment) Allocation of statewide employee benefits.
	<input checked="" type="checkbox"/> (Base Adjustment) Realignment within existing programs and lines.
	<input type="checkbox"/> (Base Adjustment) Restructuring of agency programs – <i>requires pre-approval.</i>
	<input type="checkbox"/> IT Technology/Security related
	<input type="checkbox"/> Consulted DTO during development
	<input type="checkbox"/> Related to a Non-Recurring request – If so, Decision Package # _____
	<input type="checkbox"/> Change in cost of providing current services to existing program audience.
	<input type="checkbox"/> Change in case load / enrollment under existing program guidelines.
	<input type="checkbox"/> Non-mandated change in eligibility / enrollment for existing program.
	<input type="checkbox"/> Non-mandated program change in service levels or areas.
	<input type="checkbox"/> Proposed establishment of a new program or initiative.
<input type="checkbox"/> Loss of federal or other external financial support for existing program.	
<input type="checkbox"/> Exhaustion of fund balances previously used to support program.	

RECIPIENTS OF FUNDS	Employees paid with state appropriations
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What individuals or entities would receive these funds (contractors, vendors, grantees, individual beneficiaries, etc.)? How would these funds be allocated – using an existing formula, through a competitive process, based upon predetermined eligibility criteria?

AGENCY NAME:	Arts Commission		
AGENCY CODE:	H910	SECTION:	28

ACCOUNTABILITY OF FUNDS	<p>Goal 1: S.C. citizens and visitors have diverse opportunities for relevant and rewarding arts experiences, with emphasis on rural, high poverty and minority communities Strategy 1.1 SCAC staff assistance</p> <p>Goal 2: SC's artists have opportunities to practice their art forms and develop sustainable careers Strategy 2.1 SCAC staff assistance</p> <p>Goal 3: Students receive a comprehensive education in the arts that develops their creativity, problem solving and collaborative skills, and prepares them for a lifetime of engagement with the arts and productive citizenship Strategy 3.1 SCAC staff assistance</p> <p>Goal 4: SC arts providers have the capacity and resources to deliver relevant, high quality arts experiences to citizens and visitors Strategy 4.1 SCAC staff assistance</p> <p>Goal 5: There is broad recognition of the value and contributions of the arts in South Carolina Strategy 5.1 SCAC staff assistance</p> <p>Goal 6: SC Arts Commission programs, systems and staffing are sligned to address the agency's strategic and long-range goals Strategy 6.3 Support staff capacity to deliver programs and services</p>
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What specific agency objective, as outlined in the agency's accountability report, does this funding request support? How would this request advance that objective?

POTENTIAL OFFSETS	N/A
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For decision packages that request non-mandatory funding increases to programs or initiatives, please identify a potential offset within an existing lower priority or ineffective program(s).

MATCHING FUNDS	N/A
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Would these funds be matched by federal, institutional, philanthropic, or other resources? If so, identify the source, amount, and terms of the match requirement.

AGENCY NAME:	Arts Commission		
AGENCY CODE:	H910	SECTION:	28

FUNDING ALTERNATIVES	N/A
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What other possible funding sources were considered? Could this request be met in whole or in part with the use of other resources, including fund balances? If so, please comment on the sustainability of such an approach.

SUMMARY	This is a Realignment of Salary Expenditures due to Employees ending their TERRI Program and Annual Leave Payouts are Due.
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Using as much detail as necessary to make an informed decision regarding this request, provide a summary of the rationale for the decision package. Why has it been requested? How specifically would the requested funds be used? If the request is related to information security or information technology, explain its relationship to the agency's security or technology plan.

METHOD OF CALCULATION	Annual Leave Payouts based on 45 Days Annual Leave.
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How was the amount of the request calculated? List the per unit or per FTE costs of implementation. What factors could cause deviations between the request and the amount that could ultimately be required in order to perform the underlying work?

AGENCY NAME:	Arts Commission		
AGENCY CODE:	H910	SECTION:	28

FUTURE IMPACT	The state will not incur any costs. This is a realignment of funds
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Will the state incur any maintenance-of-effort or other obligations by adopting this decision package? What impact will there be on future capital and/or operating budgets if this request is or is not honored? Has a source of any such funds been identified and/or obtained by your agency?

PRIORITIZATION	N/A
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If no or insufficient new funds are available in order to meet this need, how would the agency prefer to proceed? By using fund balances, generating new revenue, cutting other programs, or deferring action on this request in FY 2017-18? Please be specific.

INTENDED IMPACT	N/A
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What impact is this decision package intended to have on service delivery and program outcomes, and over what period of time?

PROGRAM EVALUATION	N/A
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How would the use of these funds be evaluated? What specific outcome or performance measures would be used to assess the effectiveness of this program?

AGENCY NAME:	Arts Commission		
AGENCY CODE:	H910	SECTION:	28.5

FORM D – PROVISO REVISION REQUEST

NUMBER	28.5
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Cite the proviso according to the renumbered list for FY 2017-18 (or mark "NEW").

TITLE	Arts: Distribution to Subdivisions
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Provide the title from the FY 2016-17 Appropriations Act or suggest a short title for any new request.

BUDGET PROGRAM	Statewide Arts-General Funds-Earmarked Funds-Restricted Funds and Federal Funds
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Identify the associated budget program(s) by name and budget section.

DECISION PACKAGE	no
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Is this request associated with a decision package you have submitted for FY 2017-18? If so, cite it here.

REQUESTED ACTION	Amend
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Choose from: Add, Delete, Amend, or Codify.

OTHER AGENCIES AFFECTED	N/A
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Which other agencies would be affected by the recommended action? How?

SUMMARY	The current proviso details specific dollar amounts that are to be spent in each Aid/Allocations to Subdivisions category in the coming fiscal year to which the proviso applies.
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Summarize the existing proviso. If requesting a new proviso, describe the current state of affairs without it.

AGENCY NAME:	Arts Commission		
AGENCY CODE:	H910	SECTION:	28.5

EXPLANATION	<p>The amounts detailed in the current proviso are estimates based on previous year's expenditures, and they must be updated annually, but they apply to future expenditures that cannot be predicted accurately more than a year in advance, because of changes in numbers and types of applications received, how those applications fare in the application review process, and the amount of funds available for distribution. We propose a change in the proviso that would require timely reporting, providing accurate information on actual expenditures for the most recently completed fiscal year to the General Assembly prior to its budget deliberations for the coming year.</p>
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Explain the need for your requested action. For deletion requests due to recent codification, please identify SC Code section where language now appears.

FISCAL IMPACT	<p>No fiscal impact.</p>
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Provide estimates of any fiscal impacts associated with this proviso, whether for state, federal, or other funds. Explain the method of calculation.

AGENCY NAME:	Arts Commission		
AGENCY CODE:	H910	SECTION:	28.5

PROPOSED PROVISO TEXT	<p>28.5. (ARTS: Distribution to Subdivisions) Of the funds appropriated and/or authorized to the Arts Commission for Distribution to Subdivisions, the following amounts shall be distributed in the same manner as the funds were distributed in the prior fiscal year, subject to requests received and availability of funds: \$65,000 for Alloc Mun Restricted; \$34,012 for Alloc Cnty Restricted; \$928,569 for Alloc School Dist; \$40,000 for Alloc Other State Agencies; \$459,026 for Alloc Private Sector; \$42,750 for Alloc Private Sector; \$75,449 for Aid Mun Restricted; \$41,155 for Aid Cnty Restricted; \$243,241 for Aid School Districts; \$389,171 for Aid Other State Agencies; \$1,580,603 for Aid To Private Sector; \$45,221 for Aid To Private Sector Reportable; and 3,750 for Aid to County Libraries. <u>No later than December 1, of each year, the Arts Commission must report to the House Ways and Means Committee and the Senate Finance Committee the exact amount of aid/allocations distributed to subdivisions during the most recently completed fiscal year, detailed by specific subdivisions.</u></p>
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Paste FY 2016-17 text above, then bold and underline insertions and strikethrough deletions. For new proviso requests, enter requested text above.

AGENCY NAME:	Arts Commission		
AGENCY CODE:	H910	SECTION:	28

FORM E – 3% GENERAL FUND REDUCTION

DECISION PACKAGE	General Fund Reduction 10105
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Provide the decision package number issued by the PBF system ("Governor's Request").

TITLE	Agency General Fund Reduction Analysis 3% General Fund Reduction
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Provide a brief, descriptive title for this request.

AMOUNT	\$90,241
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What is the General Fund reduction amount (minimum based on the FY 2016-17 recurring appropriations)? This amount should correspond to the decision package's total in PBF.

METHOD OF CALCULATION	3% of General Funds Appropriations of \$3,008,041
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Describe the method of calculation for determining the reduction in General Funds.

ASSOCIATED FTE REDUCTIONS	0
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How many FTEs would be reduced in association with this General Fund reduction?

PROGRAM/ACTIVITY IMPACT	Statewide Arts Services are supported by General Funds. Distribution to subdivisions Grants would realize a cut of \$87,534 and operating costs would realize a cut of \$2707 due to proposed cuts in general funds.
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What programs or activities are supported by the General Funds identified?

AGENCY NAME:	Arts Commission		
AGENCY CODE:	H910	SECTION:	28

SUMMARY

The 3% budget cut in the amount of \$90,241.00 would have an impact on the amount of grants the agency could award with state appropriations. Operating costs would also realize a reduction .

Please provide a detailed summary of service delivery impact caused by a reduction in General Fund Appropriations.