

CITY OF OAKLAND
Cultural Affairs Commission
A G E N D A R E P O R T

TO: Cultural Affairs Commission
ATTN: Lori Zook, Acting Chair
FROM: Cultural Funding Program, Cultural Arts & Marketing Division
DATE: July 27, 2009

RE: Approval of Funding Advisory Committee Recommendations of Fiscal Year 2009-2010 Awards Totaling \$1,089,838.51 in the Funding Categories of Project Support for Organizations and Individuals, Art in the Schools, and the Second of a Two-Year Award in the Funding Category of Organizational Assistance

SUMMARY

The purpose of this report is to:

- 1) Describe the process used to review funding proposals submitted by nonprofit organizations and artists in the Fiscal Year 2009-10 Cultural Funding Program grant cycle;
- 2) Request approval from the Cultural Affairs Commission and Oakland City Council of the subsequent funding recommendations for Fiscal Year 2009-2010 Project Support for Individuals, Organizations, and Art in the Schools; and
- 3) Request approval from the Cultural Affairs Commission and Oakland City Council of the second year of funding for the two-year Organizational Assistance Program awardees. (FY 2009-10 represents the second of a two-year Organizational Assistance Program grant.)

Every year the Cultural Funding Program distributes applications and guidelines to the public for support of arts and cultural programming within Oakland. Panels of artists, nonprofit arts managers, and other citizens with expertise in the arts are convened to review and make funding recommendations on applications submitted for programs and projects.

A total of 70 new awards to 63 organizations and individual artists (some applicants are recommended for funding in two programs) that produce dance, music, theater, media, visual or literary arts events, or providing art services, are recommended for funding in FY 2009-10. City funding will support the projects, ongoing programs and operating expenses of these organizations and artists (see Attachment A for Cultural Funding Program descriptions).

FISCAL IMPACTS

FY 2009-10 funds for the Cultural Funding Program (CFP) are budgeted as follows: \$1,089,838.51 in Non-Departmental (organization 90523), General Purpose Fund (1010).

BACKGROUND

Creation of the Cultural Funding Program

Prior to 1985 no formal procedure or criteria existed for evaluating and making funding awards to Oakland-based nonprofit organizations providing arts and cultural programs. However, a few arts organizations aware of the City's annual budgeting process and procedures successfully lobbied the City Council and received funding. The arts community galvanized and requested that City Council create a process that would provide equal access to City funds for all organizations. The arts

community also requested that the City establish an office to manage City funding of the arts and provide support for the growth of, and access to, the arts within Oakland. In response, City Council charged the former Oakland Arts Council with developing a fair and equitable way to distribute public funds for community promotions (the City's General Fund) and public funds from the Oakland Redevelopment Agency (ORA).

In 1985, the first funding policies and procedures were adopted, establishing the Cultural Funding Program as the City's and ORA's funding mechanism to support Oakland-based nonprofit arts and cultural organizations. As such, policies and review procedures were created and a panel system of evaluating applications established to ensure public trust in the distribution of public funds.

Brief History of the City Council's Budget Allocation to the Cultural Funding Program (CFP)

From FY 1985-86 to FY 1992-93, City of Oakland and ORA funding to the nonprofit arts community increased dramatically (from \$295,000 to \$1,600,000). The impact of this increase to Oakland was the development of numerous new arts and cultural projects occurring in the Central District, the creation of new arts organizations, a surge in new artist residencies in Oakland public schools, and leveraging by nonprofit organizations of more than \$8,000,000 per year in contributed and earned income.

However, due to recurring City and ORA budget reductions, support to the Cultural Funding Program decreased by more than \$500,000 between FY 1995-96 and FY 1998-99. In FY 1997-98 the ORA discontinued its support of the Cultural Funding Program. In FY 2002-03 the City's annual allocation to the Program, including administrative expenses, was \$1,729,867. This was the total of \$1,377,574 in Non-Departmental funding combined with \$352,293 in Cultural Arts and Marketing Department (CAM) augmentation funds. The CAM augmentations were the only increases to the CFP budget in the past seven years, with the exception of a nine percent (9%) Non-Departmental increase to the arts education program in FY 2001-02 and 2002-03.

Although the FY 2002-03 total CFP budget originally supported seven funding categories plus administrative costs (exclusive of staff salaries), it was reduced mid-Fiscal Year (January 2003), eliminating two non-core programs (New Works/Creative Partnerships and the Young Artist Program). In response to the City's 2003 budget deficit, the Cultural Funding Program's FY 2003-05 budget cycle allocations were further reduced to support only four core funding programs, with annual program allocations for FY 2004-05 at \$1,306,517.

In FY 2005-06 the grant budget was decreased by another 10%, making the annual program allocation \$1,180,261.96. This figure did not include administrative expenses. During the FY 2007-08 budget development process a further reduction of 2.5% was imposed, resulting in a total of \$1,144,838.51 budgeted for grants in FY 2007-08. The FY 2008-09 grant budget was identical. In the City's FY 2009-10 budget, City Council has reduced the grant budget by \$55,000, from \$1,144,838.51 to \$1,089,838.51. The amount of \$55,000 was used to restore the Cultural Funding Coordinator position to full-time after it had been reduced by Council to half-time in an October, 2008 midyear budget adjustment.

PROGRAM DESCRIPTION

Mission and Goals of the Cultural Funding Program

The City of Oakland Cultural Funding Program funds Oakland-based art and cultural activities that reflect the diversity of the city for the citizens of and visitors to Oakland.

The CFP focuses on three key areas of support:

1. General Support
2. Neighborhood Arts
3. Arts Education

The Program's broad goals are:

Goal I: To provide access to financial support—through a competitive process—to a wide range of Oakland-based artists and nonprofit organizations providing arts and cultural services in Oakland.

Goal II: To infuse Oakland's neighborhoods with arts and cultural activities that improve exposure to, understanding of and respect for diverse cultural heritages, and to support arts activities that engage the community.

Goal III: To support arts education activities in Oakland's schools and among Oakland youth.

Application and Review Process

The Cultural Funding Program application and review process consists of ten key steps:

1. Guidelines and application materials are distributed to artists, arts organizations, and other interested parties.
2. Applicant workshops are conducted.
3. Organizations and individual artists submit applications by deadline.
4. Staff reviews applications for completeness and eligibility, forwarding complete and eligible applications to panelists.
5. A panel orientation is conducted to answer any questions the panelists might have, and to provide a framework for how applicants are reviewed and how the panel meetings are facilitated. Applications are distributed to the appropriate review panels.
6. Organizational Assistance panelists conduct applicant site visits.
7. Panels convene in open meetings to discuss and evaluate applications, and to allocate funds based on applicant score and rank and available funds.
8. The Funding Advisory Committee reviews panel recommendations and hears applicant appeals if necessary.
9. Staff presents panel recommendations and the City Administrator's budget directives to the Cultural Affairs Commission for review. Funding recommendations are then forwarded to the Life Enrichment Committee of Oakland City Council.
10. The City Council reviews and takes action on the funding recommendations.

Evaluation of Organizations

Several steps are taken to monitor the performance of organizations and artists funded by the City. Staff conducts site visits, and attends programs, events and classes provided by those receiving funding. Each organization is required to submit a year-end final report stating how they met the terms of their cultural services agreement, describing audience participation, and explaining any budget or program discrepancies. Staff thoroughly reviews final reports against the organization's/artist's contract for services to ensure that all contractual obligations have been met. In the event that a final report shows significant shortcomings relative to the services that an organization/artist provided to the City (i.e., major decrease in number of events or not reaching projected revenues or audiences), or through site visits the staff notes an alarming discrepancy, the organization/artist is notified and

provided consultation by CFP staff. There have been some instances when a recipient has paid back or not claimed funds for failure to provide the contracted services. Also, there have been occasions when a recipient was required to provide a free public benefit (e.g., free concert or dance performance, free classes, etc.) in lieu of the stated contracted services. In such a case, the organization/artist must submit a formal request to the Cultural Affairs Commission for approval.

KEY ISSUES & IMPACTS

Applications Received for FY 2009-10

The following table provides information on the number of applications received for FY 2009-10, and the subsequent panel recommendations:

	Total # of applications received	# of new* applications	# of applications forwarded to panels**	# of applications recommended for funding
Individual Artist Project Support	50	8	48	22
Organization Project Support	26	3	26	19
Art in the Schools	25	3	25	15
Organizational Assistance*** Two-Year Program 08-09 AND 09-10	32	21	31	21
TOTAL:	133	35	130	77

* “New” is defined as an applicant that has never applied to this and/or any specific funding category.

** Applications not forwarded to panels for review were either ineligible or incomplete, and were returned to the applicants.

***The Organizational Assistance Program is a two-year program commencing in FY 2009-10. Fiscal year 2009-10 is the second year of this funding cycle.

In summary, 59% of all Individual Artist, Organizational Project, Art in the Schools, and Organizational Assistance applications forwarded to the panel were recommended for funding. 50% of all applications received were either new applicants to the Cultural Funding Program, or new to a specific funding category. (See Attachment B for Cultural Funding Program 2009-10 Award Recommendations. See Attachment C for audience information and for further Art in the Schools Data.)

Panel Review Process

In March 2009, three panels thoroughly evaluated proposals from the arts community for the FY 2009-10 funding cycle for the Individual Artist Project Support, Organizational Project and Art in the Schools programs. Panelists are drawn from a pool of names approved by the Funding Advisory Committee. Every year the selected panelists have diverse artistic experience, knowledge of Oakland

and its arts and cultural communities, and skills in nonprofit and project management. Panelists are often recruited from Bay Area cities other than Oakland in an effort to avoid conflict of interest. A panelist orientation was conducted in February 2009 to ensure that panelists understood their duties, their role and the review process, and had ample time to prepare.

A minimum of four and a maximum of eight panelists served on each program review panel. In March a total of 15 panelists reviewed 99 applications. Each funding category has comprehensive criteria specific to the category, but in broad terms, the panels based their review on (1) the soundness of the applicant's artistic description of the program or project and the quality of the artistic product, (2) management ability of the personnel and fiscal soundness of the program/project, (3) the applicant's ability to implement the proposed activities and identify and market to potential audiences, and (4) the extent to which the applicant's activities fulfill the goals and objectives of the CFP.

Panelists thoroughly discussed, evaluated and scored each proposal based on the above noted-areas of established criteria. Upon completion of the review process and ranking of the applications, panelists were charged with determining a cut-off for awards and the allocation of funds. Applicants receiving an average score lower than 70 (from a possible 104 points) were automatically disqualified for funding, as 70 is the minimum fundable score per Program policy. In most cases, applicant requests are reduced due to the variance between the sum of requests and available dollars. However, requests recommended for funding under \$5,000 were not eligible for reductions.

Applicant Notification

Applicants were notified in writing of their appointed panel dates and times of the public review process. After the panel review meetings, all applicants were notified in writing of the panel recommendations. Each applicant received a letter indicating their final score and whether or not they were recommended for funding. If recommended for funding, the recommended award amount was included. All applicants also received information regarding the appeals process. Additionally, applicants received consolidated panelists' written comments (anonymous). The motivation for providing all of this information is two-fold: (1) panelist comments serve as a good source for technical assistance to the applicant, and (2) staff discloses as much information as possible about the panel process, and the results of that process, to foster a spirit of openness and perception of integrity around the Cultural Funding Program.

Appeals Process

The Cultural Funding Program has established a process whereby an applicant may request an appeal to have their funding application reconsidered if the applicant can prove that the panel's review of the application was faulty. Applicants may not appeal based on the panel score or panel comments. Appeals are based strictly on the following criteria:

- Material/information distributed from the Cultural Arts & Marketing Department to the applicant and/or panelists (as documented) was incomplete or incorrect. It should be noted that staff is not responsible for incomplete applications or support documentation submitted by the applicant to the CFP.
- The applicant has sufficient evidence (as determined by the Funding Advisory Committee) that a conflict of interest existed on the panel that caused an unfair evaluation of its application to occur.

Applicants must submit appeals in writing, presenting all evidence supporting their case. Eligible appeals were to be heard by the Funding Advisory Committee (FAC). For FY 2009-10 there were no

requests for an appeal. The Funding Advisory Committee unanimously accepted the funding recommendations on July 8, 2009 and forwarded them to the Cultural Affairs Commission and City Council for approval.

SUSTAINABLE OPPORTUNITIES

- Environmental: There are no environmental opportunities or benefits resulting from any action outlined in this report.
- Economic: Community oriented arts activities bolster the cultural arts identity of Oakland, fortifying the city as a destination, and creating positive publicity resulting in varying levels of economic return.
- Social Equity: The organizations and activities being recommended for funding add to existing economic and educational opportunities, thereby increasing the quality of life for all Oaklanders and visitors to the city.

DISABILITY AND SENIOR CITIZEN ACCESS

The only impacts and benefits to the disabled and senior citizen communities resulting from actions outlined in this report would be from the proposed activities for the applicants being recommended for funding. There are, among the applicants recommended for funding, a number of organizations that specifically serve disabled and senior communities.

RECOMMENDATION & RATIONALE

The Funding Advisory Committee recommends that the Cultural Affairs Commission and City Council accept this report and approve the FY 2009-10 panel-recommended awards for the Individual Artist Project Support, Organization Project Support, Art in the Schools, and approve the second-year of the Organizational Assistance Program's two-year funding cycle, for a total amount of \$1,089,838.51 in grant awards.

Paying thoughtful attention to the mandate to uphold the public trust in the distribution of City funds for arts and cultural programs, the Cultural Funding Program has conducted an extensive application and panel review process. As a result of that process, hundreds of opportunities for the public to participate in arts and cultural activities will be provided, and numerous Oakland public schools will benefit from arts activities provided through the Art in the Schools program.

Respectfully submitted,

Kathy Littles, Ph.D.
Cultural Funding Coordinator