

COUNCIL ON THE ARTS

MISSION

The primary responsibility for oversight and administration of the State's artistic and cultural resources is assigned to three existing entities — the Council on the Arts, the Empire State Plaza Performing Arts Center Corporation and the New York State Theatre Institute. The 2003-04 Executive Budget proposes the establishment of the New York Institute for Cultural Education to administer a variety of statewide cultural education programs and important cultural institutions. Working together, these agencies expand access to the performing and fine arts, preserve the State's cultural resources and promote greater public awareness of New York's rich cultural heritage.

ORGANIZATION AND STAFFING

The Council on the Arts is headed by a Chair and a Vice Chair and consists of 20 members nominated for 5-year terms by the Governor with confirmation by the Senate. The Council's staff, headed by an Executive Director, is organized into an Administrative Division and a Program Division, both located in New York City. The Council has expertise in several major artistic disciplines (including dance, theater and music) and provides advisory services and financial assistance to New York's arts community. During 2003-04, the Council on the Arts will have a workforce of 52 for the review, processing and administration of arts grants and loans to nonprofit organizations.

The Empire State Plaza Performing Arts Center Corporation (the "Egg") was established in 1979 as a public benefit corporation to administer a performing arts center in Albany that offers a diverse array of cultural and artistic programming. An 18-member Board of Directors — consisting of the Commissioner of General Services and members appointed by the Governor, leaders of the Legislature, as well as the Mayor and County Executive of Albany — provides policy direction for the Corporation and appoints its Executive Director. The Chair of the Board is selected by the Governor. The Corporation has a full-time staff of eight.

The New York State Theatre Institute (NYSTI) was established in 1974 and reconstituted in 1992 as a public benefit corporation to provide educational theater experiences for children and families across the State. The Governor appoints the Chair of the Board of Directors whose 15 members are selected by the Governor and legislative leaders. The Chief Executive Officer of the Institute is its Producing Artistic Director, who is appointed by the Board. The Institute's staff of 33 is based in Troy, where its office, production and instructional facilities are located.

To promote increased recognition and visibility of the important cultural programs administered by the State Museum, the State Library and the State Archives, a transfer of these functions from the State Education Department (SED) is recommended to establish a new entity — the New York Institute for Cultural Education (NYICE) — which will have as its sole focus the promotion of New York's cultural resources. The 2003-04 Executive Budget proposes to implement this functional transfer by October 1, 2003 and provides for the related transfer of programs, facilities and staff.

A 15-member Board will oversee this new Institute with members nominated for 5-year terms by the Governor, legislative leaders and the Board of Regents. The Chair of the Board will be designated by the Governor from among its members; and the Institute's Chief Executive Officer will be appointed by the Board. The operations of NYICE will be funded primarily by an existing surcharge for the recording, indexing and certifying of documents by county clerks.

FISCAL BACKGROUND AND BUDGET HIGHLIGHTS

Most (97 percent) of the funding for the Council on the Arts is provided by the State's General Fund. Federal grants from the National Endowment for the Arts are projected to

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represent approximately 2 percent of 2003-04 disbursements. One Fiduciary Fund account provides funding for short-term loans to arts organizations for acquisition of expensive musical instruments and for capital improvements. A second Fiduciary Fund, established in 1999-2000, enables the Council to receive and expend funds available through donations and gifts.

Grants to not-for-profit arts organizations represent nearly 88 percent of the projected expenditures of the Council. The remainder is used for the administration of grant programs and the statewide advocacy, promotion and development of artistic and cultural programs. The 2003-04 Executive Budget includes funding of: \$5.1 million for administration of the Council's programs; and \$37.4 million for arts grants which will support general arts grants, decentralization grants and the Empire State Partnership initiative.

Funding of \$567,000 is provided for the Egg and \$1.6 million for NYSTI. Receipts from ticket sales, private donations, and sales and lease of products and facilities will supplement State funds provided to these organizations.

The Executive Budget provides \$12 million from dedicated revenues for NYICE, representing six month funding for the new Institute for the period of October 1, 2003 to March 31, 2004. Separate transitional funding is provided in SED to support these cultural education programs until the date of their transfer to NYICE on October 1, 2003.

PROGRAM HIGHLIGHTS

Council on the Arts. Since April 1995, the Council has distributed approximately 20,000 grants totaling over \$300 million to more than 2,000 cultural organizations. Grant awards to nonprofit arts organizations are approved through a multi-step review process, which ensures fair and equitable treatment of all applicants. Program audits are also conducted to promote accountability by monitoring program quality and contractual compliance.

The Council receives approximately 2,800 requests for funding each year from organizations throughout the State including symphony orchestras, museums, dance companies, theaters and libraries. To recognize program excellence and promote regional diversity, the Council devotes half of its State grant funding to organizations that have recognized standing in the field, and guarantees that each county receives a minimum base grant tied to its population.

Performing Arts Center Corporation (the "Egg"). During the 2001-02 season, the Egg presented 53 events that featured the finest dance, music and theatre companies from New York State and around the world, generating a total audience of 35,380. The facility was in use over 300 days, serving an additional 45,396 individuals attending performances, meetings, arts classes and other events sponsored by a variety of civic, social, corporate and educational organizations. The Egg is also home to the Ellen Sinopoli Dance Company, providing administrative services to the company as well as a location for its programs, classes, rehearsals, collaborative projects and performances.

New York State Theatre Institute. More than 65,000 children, teachers and parents attended NYSTI's six productions in 2001-02 in Troy and 31,000 children attended performances in other locations across the State. The Institute certified 90 high school units and 160 college credits to 65 high school seniors and college students who participated in its internship program. The Institute received an Emmy in 1984, the Silver Award from Worldfest for *A Tale of Cinderella* in 1996, the National American Alliance for Theater and Education award for artistic achievement in 1999, an Audie Award in 2000 for its production of *Sherlock's Secret Life*, and a Benjamin Franklin Award for *The Snow Queen* in 2002.

The New York Institute for Cultural Education. In its new role to oversee the administration of a variety of statewide cultural education programs and important cultural institutions, NYICE will:

- Provide effective leadership for the development of the State's cultural resources in partnership with local governments, nonprofit organizations and the private sector;
- Transform the State Museum into a more vibrant and attractive resource to showcase New York's heritage using state-of-the-art technology; and

- Increase the opportunities for the State Library and the State Archives to emerge as world-class cultural information centers.

**ALL FUNDS
APPROPRIATIONS
(dollars)**

Category	Available 2002-03	Appropriations Recommended 2003-04	Change	Reappropriations Recommended 2003-04
State Operations	8,412,500	20,454,700	12,042,200	541,400
Aid To Localities	44,385,000	37,785,000	(6,600,000)	415,000
Capital Projects	0	0	0	0
Total	52,797,500	58,239,700	5,442,200	956,400

**ALL FUND TYPES
PROJECTED LEVELS OF EMPLOYMENT BY PROGRAM
FILLED ANNUAL SALARIED POSITIONS**

Full-Time Equivalent Positions (FTE)

Program	2002-03 Estimated FTEs 03/31/03	2003-04 Estimated FTEs 03/31/04	FTE Change
Administration			
General Fund	47	43	(4)
Special Revenue Funds - Federal	9	9	0
Total	56	52	(4)

**STATE OPERATIONS
ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE
APPROPRIATIONS
(dollars)**

Fund Type	Available 2002-03	Recommended 2003-04	Change
General Fund	7,473,500	7,277,500	(196,000)
Special Revenue Funds - Federal	539,000	777,200	238,200
Fiduciary Funds	400,000	12,400,000	12,000,000
Total	8,412,500	20,454,700	12,042,200

**STATE OPERATIONS
ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM
APPROPRIATIONS
(dollars)**

Program	Available 2002-03	Recommended 2003-04	Change
Administration			
General Fund	5,296,000	5,100,000	(196,000)
Special Revenue Funds - Federal	539,000	777,200	238,200
Fiduciary Funds	400,000	400,000	0
Empire State Performing Arts Center Corporation			
General Fund	567,000	567,000	0
New York State Theatre Institute			
General Fund	1,610,500	1,610,500	0
New York Institute for Cultural Education			
Fiduciary Funds	0	12,000,000	12,000,000
Total	8,412,500	20,454,700	12,042,200

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**STATE OPERATIONS - GENERAL FUND
SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES
2003-04 RECOMMENDED
(dollars)**

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Administration	3,315,000	(14,000)	3,189,000	(5,000)
Total	3,315,000	(14,000)	3,189,000	(5,000)

Program	Temporary Service (Nonannual Salaried)		Holiday/Overtime Pay (Annual Salaried)	
	Amount	Change	Amount	Change
Administration	122,000	(5,000)	4,000	(4,000)
Total	122,000	(5,000)	4,000	(4,000)

**STATE OPERATIONS - GENERAL FUND
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED
APPROPRIATIONS AND CHANGES
2003-04 RECOMMENDED
(dollars)**

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Administration	1,785,000	(182,000)	111,400	(10,000)
Empire State Performing Arts Center Corporation	567,000	0	0	0
New York State Theatre Institute	1,610,500	0	0	0
Total	3,962,500	(182,000)	111,400	(10,000)

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Administration	189,200	(62,000)	1,403,000	(100,000)
Empire State Performing Arts Center Corporation	0	0	0	0
New York State Theatre Institute	0	0	0	0
Total	189,200	(62,000)	1,403,000	(100,000)

Program	Equipment		Maintenance Undistributed	
	Amount	Change	Amount	Change
Administration	81,400	(10,000)	0	0
Empire State Performing Arts Center Corporation	0	0	567,000	0
New York State Theatre Institute	0	0	1,610,500	0
Total	81,400	(10,000)	2,177,500	0

**STATE OPERATIONS - OTHER THAN GENERAL FUND
SUMMARY OF APPROPRIATIONS AND CHANGES
2003-04 RECOMMENDED
(dollars)**

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Administration	1,177,200	238,200	510,900	157,200
New York Institute for Cultural Education	12,000,000	12,000,000	0	0
Total	13,177,200	12,238,200	510,900	157,200

Program	Nonpersonal Service		Maintenance Undistributed	
	Amount	Change	Amount	Change
Administration	266,300	81,000	400,000	0
New York Institute for Cultural Education	0	0	12,000,000	12,000,000
Total	266,300	81,000	12,400,000	12,000,000

**AID TO LOCALITIES
ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE
APPROPRIATIONS
(dollars)**

Fund Type	Available 2002-03	Recommended 2003-04	Change
General Fund	44,000,000	37,400,000	(6,600,000)
Special Revenue Funds - Federal	185,000	185,000	0
Fiduciary Funds	200,000	200,000	0
Total	<u>44,385,000</u>	<u>37,785,000</u>	<u>(6,600,000)</u>

**AID TO LOCALITIES
ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM
APPROPRIATIONS
(dollars)**

Program	Available 2002-03	Recommended 2003-04	Change
Administration			
General Fund	44,000,000	37,400,000	(6,600,000)
Special Revenue Funds - Federal	185,000	185,000	0
Fiduciary Funds	200,000	200,000	0
Total	<u>44,385,000</u>	<u>37,785,000</u>	<u>(6,600,000)</u>