



Ohio Arts Council FY 2016-2017 Budget Overview *February 2015 Edition (Governor's Budget Recommendations/As Introduced)*

The Ohio Arts Council (OAC) funds and supports quality arts experiences to strengthen Ohio communities culturally, educationally, and economically and provides leadership and voice for the arts to transform people and communities.

The OAC works through four strategic focal points – investment, engagement, innovation, and leadership – to benefit all Ohioans.

The Arts: A Sound and Innovative Investment

- **Ohio's arts infrastructure generates economic benefits.** The arts are a proven economic driver. They attract new business, support tourism, create and retain jobs, and produce tax revenue. Arts communities are crucial to the financial health and vitality of their surrounding regions.
 - Recent research shows that Ohio's creative industries **support nearly 231,000 jobs, contribute more than \$31.8 billion to the state's economy, and generate approximately \$3.4 billion in annual tax revenues** (federal, state, and local combined). The National Endowment for the Arts (NEA) found that **additional investment in the arts sector would comparatively generate more jobs in Ohio than all but three other states in the nation.**
- **The arts play a central role in economic development and job creation in Ohio.** In addition to anchoring communities, the arts and cultural industries:
 - are **fast-growing, dynamic** clusters of economic activity that aid the growth of other businesses
 - are **internationally competitive export industries** closely connected to tourism
 - produce **resilient, entrepreneurial jobs** suited to making mature industries more competitive
 - aid in the **retention and development of an innovative and skilled workforce** and the transformation of local economies into **innovation centers**
 - spur **strong public-private partnerships that catalyze community revitalization** in urban and rural areas alike
- **The arts strengthen education.** The arts aid success inside and outside the classroom. The arts prepare students to succeed in an economy driven by innovation and creativity. Ongoing research confirms **a positive relationship between arts education and improved academics** for all students. An education that includes the arts helps to **train our workforce and produce creative, critical thinkers and problem-solvers that are attractive to employers.**
- **The arts are an investment in creative capital that ripples throughout Ohio's communities.** Innovative enterprises employ accountants, engineers, and laborers in addition to performers, curators, artists, and others. They buy from local businesses and make communities better places to live, work, play, and raise families.
- **The arts are a magnet for talent and one of our state's greatest selling points.** They attract businesses that want to offer their employees a vibrant, livable community.
- **Ohioans know their tax dollars are invested in the arts—and strongly support their continued investment.** According to a recent OAC statewide public survey:
 - **91.2% of Ohioans believe public funds should be invested in the arts** and **82.8% know that public funds support the arts in Ohio.**

- **The arts are at the center of a community's vitality.** Engagement in the arts creates an authentic and lasting shared identity, while demonstrating public pride stokes both ownership and investment in today as well as vision for the future. Incorporating the arts into sustainability initiatives—like housing, transportation, health, parks and open spaces, and schools—improves the impact of other state policies and services. The arts sector brings unique assets to the table like the ability to **connect people across socioeconomic, cultural, and geographic lines.**

State Appropriations

- This year marks **50 years of public funding for the arts** in cities, townships, and villages across Ohio.
- The OAC is grateful that Governor John Kasich has recommended GRF appropriations of \$24.4 million for FY 2016-2017, a modest but meaningful increase from the last biennium. The OAC's budget still constitutes less than 0.04% of the state's total GRF appropriations.
 - Through public investment, **the OAC leverages a high match ratio** from its grantees. **\$53 in local and private funding matches every one OAC dollar.**
 - **Grant requests routinely exceed the OAC's available resources.** In the last grant cycle, the OAC met 40% of the need demonstrated by the state's creative industries.
- In addition to the OAC's primary role of investing in Ohio's arts and cultural sector, during the next biennium **the OAC will expand its capacity and capabilities to offer arts resources beyond grants.** Through its new focus on technology improvements and innovation, the OAC will engage, connect, and promote arts organizations throughout Ohio, while remaining a prudent and efficient steward of state dollars.

Federal Appropriations

- **For five years running, the OAC has earned the second-largest federal grant** from the NEA for state arts agencies in the nation, exceeded only by California due to its larger population. NEA grants typically total around \$2 million biennially, and **100% of the agency's federal funding is invested in individuals and organizations via grants.**

OAC Administration and Cost Savings

- The OAC has aggressively implemented **cost-saving measures** that will continue through the next biennium. For example, the agency has:
 - reduced its staff by more than half since FY 2008, now employing an efficient team of 16 professionals, even as grant application numbers remain steady
 - lengthened its grant cycles and streamlined procedures, reducing administrative burdens on both grantees and the agency, while decreasing panel review expenses
 - developed strategic partnerships in the public, private, and nonprofit sectors to save state dollars on program, administrative, and technology costs
 - operated efficiently on a modest administrative budget and **reduced by 2% the portion of its budget that goes toward payroll expenses** compared to last biennium

FY	GRANTS	ADMINISTRATION	GRF TOTAL	GRF BIENNIAL TOTAL
2017*	\$10,700,000	\$1,772,050	\$12,472,050	\$24,444,100
2016*	\$10,200,000	\$1,772,050	\$11,972,050	
2015	\$9,700,000	\$1,649,204	\$11,349,204	\$22,698,408
2014	\$9,700,000	\$1,649,204	\$11,349,204	

**Note: Figures for FY 2016 and FY 2017 reflect the governor's recommendations.*