



ANNUAL REPORT:
for funds appropriated by the Minnesota
State Legislature and the Legacy Amendment
through the Minnesota State Arts Board

Fiscal Year 2016

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**Kate Fitzgerald
Chair**

**Robert DeArmond
Executive Director**

**THE ARROWHEAD REGIONAL ARTS COUNCIL
ANNUAL REPORT - FY2016
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The Annual Report of the Arrowhead Regional Arts Council (ARAC) contains the following information in accordance with rules adopted by the Regional Arts Council Forum and the Minnesota State Arts Board.

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Grant Guidelines:

Organizational grant programs which are funded all or in part, with Legacy and State General funds:

- Two-Year Operating Support Grant
- Art Project Grant
- Rural and Community Art Grant
- Art and Cultural Heritage Community Arts Learning Grant
- Quick Start Grant

Individual artist grants programs which are funded all or in part, with The McKnight Foundation, Legacy, or State General funds:

- Artist Fellowship Grant
- Career Development Grant
- Art and Cultural Heritage Community Arts Learning Grant
- Technology/Equipment Grant
- Quick Start Grant

All guidelines are available and can be viewed on the ARAC website: www.ARACouncil.org.

Attachment: FY2016 Annual Report

Programs and services offered by the Arrowhead Regional Arts Council are made possible through support from the Minnesota State Legislature; the Minnesota Arts and Cultural Heritage Fund as appropriated by the Minnesota State Legislature with money from the vote of the people of Minnesota on November 4, 2008; and The McKnight Foundation.

The Arrowhead Regional Arts Council
Year Ended June 30, 2016

Statement of Cash Flows

Cash flows provided by (used in) operating activities:	
Increase (decrease) in net assets	\$ (35,887)
Adjustments to reconcile increase (decrease) in net assets to net cash flow from operating activities: depreciation	\$ 181
Loss on disposal of assets	\$ 12,975
(Increase) decrease in prepaid expenses	\$ 0
Increase (decrease) in accounts payable/accruals	<u>\$ (14,491)</u>
Net cash flows from operating activities	<u>\$ (37,222)</u>
Cash flows provided by (used in) investing activities:	
Purchase of property and equipment	\$ (0)
Increase (decrease) in cash and cash equivalent	\$ (37,222)
Cash and cash equivalent, beginning of year	<u>\$ 136,911</u>
Cash and cash equivalent, end of year	<u>\$ 99,689</u>

Fiscal statement showing disbursement of State and McKnight funds
Statement of Functional Expenses years ended June 30, 2016 and 2015:

	Program	Fundraising	Management and General	2016 Total	2015 Total
Salaries	\$166,895	\$0	\$29,452	\$196,347	\$183,768
Payroll taxes	14,124	0	492	14,616	22,187
Employee benefits	10,575	0	1,866	12,441	12,260
Pension	8,261	0	918	9,179	7,082
Total Compensation	\$199,855	\$0	\$32,728	\$232,583	\$225,297
Accounting	\$0	\$0	\$4,325	\$4,325	\$4,350
Administrative	0	0	6,094	6,094	4,095
Advertising/Public Relations	0	0	9,468	9,468	4,462
Arrowhead Arts Awards	4,827	0	0	4,827	5,955
Bank charges	0	0	25	25	0
Board Technology Stipend	0	0	0	0	2,757
Contract Services	1,193	0	795	1,988	3,238
Council and staff travel	10,834	0	1,478	12,312	18,730
Creative MN Individual Study	750	0	0	750	0
Cultural Data Project	569	0	0	569	1,023
Depreciation	0	0	181	181	400
Dues	0	0	2,167	2,167	1,911
Equipment and repair	1,443	0	1,650	3,093	11,111
Foundant Technologies	0	0	0	0	8,500
Grants paid	556,000	0	0	556,000	612,376
Insurance	0	0	2,265	2,265	1,813
Miscellaneous	0	0	1,439	1,439	1,538
Moving expenses	0	0	3,939	3,939	0
Office rent	15,058	0	6,454	21,512	12,216
Postage	416	0	178	594	944
Printing	715	0	306	1,021	149
Rural Arts/Cultural Summit Scholarships	0	0	0	0	2,745
Supplies	2,682	0	1,150	3,832	6,864
Technical assistance	2,504	0	0	2,504	3,826
Telephone	1,588	0	681	2,269	3,111
Website redesign/maintenance	424	0	182	605	1,393
Total Expenses	<u>\$798,857</u>	<u>\$0</u>	<u>\$75,505</u>	<u>\$874,362</u>	<u>\$938,804</u>

Grants Paid: During the year ending June 30, 2016, the Council awarded total grant funds of \$556,000 to arts organizations and artists. Of this figure, ARAC paid out \$556,368 in awarded grant funds. Of this \$122,333 are grant funds encumbered from FY15 and \$117,565 of awarded grant funds in this fiscal year were encumbered to be paid in FY17. State disbursed grant funds amounted to \$364,611. The \$75,505 in general and administrative expenditures listed above come directly from ARAC's FY2016 year-end audit as does the \$242,857 in grant program and services expenses as defined in the fundamental issues accepted by the MSAB and Regional Arts Councils. ARAC's general administrative expenses for FY2016 were 9% of its total annual budget.

Statement of Financial Position Arising from Cash Transactions

Assets:	
Cash and cash equivalents	\$ 99,689
Prepaid expenses	<u>\$ 0</u>
Sub Total	\$ 99,689
Property and Equipment:	
Leasehold improvements	\$ 0
Office Equipment	\$ 33,995
Less Accumulated Depreciation	<u>\$ 33,946</u>
Net Property and Equipment	\$ 49
Total Assets	<u>\$ 99,738</u>
Liabilities and Net Assets:	
Accounts payable	\$ 0
Grants payable	\$ 117,565
Accrued payroll	\$ 2,240
Payroll taxes withheld	<u>\$ 4,663</u>
Total Current Liabilities	\$ 124,468
Net Assets:	
Unrestricted	\$ (24,730)
Temporary restricted	<u>\$ 0</u>
Total Net Assets	\$ (24,730)
Total Liabilities and Net Assets	<u>\$ 99,738</u>

Statement of Activities Arising from Cash Transaction:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Revenues:			
Minnesota State Arts Board Grants:			
Arts and Cultural Heritage Funds	\$ 0	\$ 582,152	\$ 582,152
General Fund Appropriation	\$ 0	\$ 161,303	\$ 161,303
The McKnight Foundation Grant	\$ 0	\$ 90,000	\$ 90,000
Interest income	\$ 419	\$ 0	\$ 419
Other Income	\$ 17,576	\$ 0	\$ 17,576
(Loss) on disposal of leasehold improvements	\$ (12,975)	\$ 0	\$ (12,975)
Net assets released from restrictions	\$ 833,455	\$ (833,455)	\$ 0
Total Revenue	<u>\$ 838,475</u>	<u>\$ 0</u>	<u>\$ 838,475</u>
Expenses:			
Program expenses	\$ 798,857	\$ 0	\$ 798,857
Management and general	<u>\$ 75,505</u>	<u>\$ 0</u>	<u>\$ 75,505</u>
Total Expenses	\$ 874,362	\$ 0	\$ 874,362
Increase (decrease) in net assets	\$ (35,887)	\$ 0	\$ (35,887)
Net assets, Beginning of Year	<u>\$ 11,157</u>	<u>\$ 0</u>	<u>\$ 11,157</u>
Net assets, End of Year	<u>\$ (24,730)</u>	<u>\$ 0</u>	<u>\$ (24,730)</u>

FY2016 Grant Programs and Sources of Funding

In FY2016, the Council continued to benefit from its staff restructuring and the online grant application process that was put in place two years ago. In December of 2015, the Council moved its offices from a location above Duluth into the city's emerging Downtown Arts District. This move has revitalized the Council's engagement in the Arrowhead Region.

Grant Programs for Arts Organizations:

- **Art Project Grants** support activities directly involved in the creation, performance, exhibition or publication of art or for the presentation of events by contracting for the services of another group or individual. This matching grant program is for all Duluth based organizations and regional arts groups with annual cash expenses of \$40,000 or more. In this matching grant program, an applicant organization can request up to \$5,000 per application, per grant round. This program had two deadlines in this fiscal year. (*Funding: Legacy and State General funds.*)
- **Rural and Community Art Grants** support community organizations or artist initiated arts activities that impact the group and/or the community it serves. Arts activities are defined as collaborative efforts between community groups, artists, and/or arts organizations. This matching grant program is for all regional arts groups outside of Duluth with annual cash expenses of \$40,000 or less. In this matching grant program, an applicant can request up to \$5,000 per application, per grant round. This program had two deadlines in this fiscal year. (*Funding: Legacy and State General funds.*)
- **Two-Year Operating Support Grants** support high quality, established arts organizations that:
 - produce, present, or exhibit works of art;
 - provide a broad range of services to artists; and/or
 - that make arts learning available to regional individuals of all ages and abilities.

The Two-Year Operating Support grant program offers two years of funding to qualified organizations to maintain their ongoing operating needs and services. This program recognizes that organizations with a record of programmatic service and administrative stability should have access to funds to support their organizational goals and objectives. In this matching grant program, an applicant can request up to \$15,000. This program had one deadline in this fiscal year. (*Funding: Legacy funds.*)

Grant Programs for Individual Artists:

- **Career Development Grants** support and assist regional artists from all cultural backgrounds at various stages in their careers. This non-matching grant program encourages artistic development by assisting artists to take advantage of an impending, concrete opportunity or to nurture artistic creativity through an artist generated opportunity. Applicants can request up to \$3,000 per application. This program had two deadlines in this fiscal year. (*Funding: Legacy and McKnight Foundation funds.*)
- **Fellowship Grants** recognize the contributions that individual artists make to the cultural environment of the Arrowhead Region. This non-matching grant program is open to artists working in contemporary or traditionally based visual, literary, media or performing arts. This program is designed to allow artists time to work to achieve specific career goals by purchasing supplies and materials; participating in advanced study, not related to a degree program; or pursuing other activities that will allow them to meet their artistic goals. The fellowship awards are \$7,000 each. This program had one deadline in this fiscal year. (*Funding: Legacy and McKnight Foundation funds.*)
- **Technology/Equipment Grants** support requests from regional artists to purchase technology, equipment, or pay for training and services that will help advance and/or sustain their work as an artist. Applicants can request up to \$2,000 per application in this matching grant program. This matching grant program had two deadlines in this fiscal year. (*Funding: Legacy, State General funds and McKnight Foundation funds.*)

Grant Programs for Individual Artists and Art Organizations:

- **Arts and Cultural Heritage Community Arts Learning Grants** support individual artists, arts organizations and/or arts groups to create high quality arts learning activities in any arts discipline. This matching grant program is intended to serve as a catalyst for innovative, participatory projects provide educational experiences that increase knowledge, skills, and understanding of the arts. Applicants can request up to \$6,000 per application, per grant round. This matching grant program had two deadlines

in this fiscal year. (*Funding: Legacy funds.*)

- **Quick Start Grants** provide non-matching grant support to artists and/or arts organizations for sudden, unanticipated opportunities. These grants are intended to enable applicants to take advantage of goal affirming arts activities. Applicants can request up to \$1,000, and the turnaround time for grant notification and payment is approximately 14 working days. This program had ongoing deadlines in this fiscal year. (*Funding: Legacy, State General funds and McKnight Foundation funds.*)

Summary of Applications Requested and Awarded during FY2015/16:

	FY2016	FY2015	In./Dec.
Total number of applications received from arts organizations	109	108	1%
Total number of applications from arts organizations funded	57*	82	-30%
<i>* More applications were funded in FY2015 because of a carryover of \$47,000 from FY2014.</i>			
Total number of <u>new</u> organizational applicants	30	16	88%
Total amount requested by arts organizations	\$614,875	\$506,696	21%
Total amount awarded to arts organizations	\$326,270	\$382,010	-15%
Total number of applications received from individual artists	206	215	-4%
Total number of applications from individual artists funded	97	118	-18%
<i>* More applications were funded in FY2015 because of a carryover of \$31,500 from FY2014.</i>			
Total number of <u>new</u> individual artist applicants	69	96	-28%
Total amount requested by individual artists	\$593,240	\$505,917	17%
Total amount awarded to individual artists	\$229,730	\$240,091	-4%

Summary of grants awarded, paid, and balance due for Fiscal Year 2016:

Organization/Artist Name	Awarded	Paid	Balance
Adam Booker	\$3,000.00	\$0.00	\$3,000.00
Adam McCauley	\$3,000.00	\$3,000.00	\$0.00
Alberto Serrano Rivera	\$3,000.00	\$3,000.00	\$0.00
Alisi Styles	\$3,000.00	\$0.00	\$3,000.00
All Black Zine	\$680.00	\$680.00	\$0.00
Andy Bennett	\$3,000.00	\$3,000.00	\$0.00
Andy Messerschmidt	\$2,000.00	\$2,000.00	\$0.00
Angie Frank	\$2,000.00	\$2,000.00	\$0.00
Anton Jimenez-Kloeckl	\$3,000.00	\$3,000.00	\$0.00
Arrowhead Chorale	\$5,000.00	\$5,000.00	\$0.00
Arrowhead Chorale	\$15,000.00	\$8,500.00	\$6,500.00
Avalon Educational Institute	\$6,000.00	\$6,000.00	\$0.00
Ben Cogger	\$3,000.00	\$3,000.00	\$0.00
Big Time Jazz Orchestra	\$15,000.00	\$9,000.00	\$6,000.00
Brent Kustermann	\$3,000.00	\$0.00	\$3,000.00
Brett Grandson	\$3,000.00	\$3,000.00	\$0.00
Brett Grandson	\$1,388.00	\$1,388.00	\$0.00
Brian Barber	\$1,850.00	\$1,850.00	\$0.00
Bryan Hansel	\$1,560.00	\$1,560.00	\$0.00
Carolyn S. Olson	\$990.00	\$990.00	\$0.00
Catherine Meier	\$1,000.00	\$1,000.00	\$0.00
Catherine Meier	\$2,000.00	\$2,000.00	\$0.00
Chalk.a.Lot	\$5,000.00	\$5,000.00	\$0.00
Chester Bowl Improvement Club	\$4,000.00	\$4,000.00	\$0.00
Chris Monroe	\$3,000.00	\$3,000.00	\$0.00
Chuck Haavik	\$1,000.00	\$1,000.00	\$0.00
City of Grand Rapids	\$3,330.00	\$3,330.00	\$0.00

Organization/Artist's Name (continued)	Awarded	Paid	Balance
Cole Perry	\$1,000.00	\$1,000.00	\$0.00
Corey Gice	\$2,545.00	\$0.00	\$2,545.00
Craig Blacklock	\$3,000.00	\$3,000.00	\$0.00
Dan Anderson	\$1,000.00	\$1,000.00	\$0.00
Dan Neff	\$2,000.00	\$2,000.00	\$0.00
David Moreira	\$1,000.00	\$1,000.00	\$0.00
David Moreira	\$2,000.00	\$2,000.00	\$0.00
Dawn LaPointe	\$862.00	\$862.00	\$0.00
Duluth Children's Museum	\$5,000.00	\$5,000.00	\$0.00
Duluth Superior Film Festival	\$5,000.00	\$5,000.00	\$0.00
ElderCircle	\$5,000.00	\$5,000.00	\$0.00
Elizabeth LaPensee	\$7,000.00	\$7,000.00	\$0.00
Elizabeth LaPensee	\$960.00	\$960.00	\$0.00
Ely ArtWalk	\$5,000.00	\$0.00	\$5,000.00
Ely Winter Festival	\$5,000.00	\$5,000.00	\$0.00
Emily Derke	\$7,000.00	\$7,000.00	\$0.00
Eric Dubnicka	\$1,460.00	\$0.00	\$1,460.00
Eric Edgin	\$1,000.00	\$1,000.00	\$0.00
Esther Piszczek	\$950.00	\$950.00	\$0.00
Eun-Kyung Suh	\$980.00	\$980.00	\$0.00
Free Range Film Festival	\$5,000.00	\$0.00	\$5,000.00
Friends of B'nai Abraham	\$3,100.00	\$3,100.00	\$0.00
Good Harbor Hill Players	\$4,500.00	\$0.00	\$4,500.00
Good Harbor Hill Players	\$5,000.00	\$5,000.00	\$0.00
Grand Marais Arts, Inc.	\$5,000.00	\$5,000.00	\$0.00
Grand Marais Arts, Inc.	\$15,000.00	\$7,500.00	\$7,500.00
Grand Rapids Area Male Chorus	\$5,000.00	\$5,000.00	\$0.00
Grand Rapids Arts	\$4,550.00	\$4,550.00	\$0.00
Grand Rapids Players	\$5,000.00	\$5,000.00	\$0.00
Homegrown Music Festival	\$15,000.00	\$7,500.00	\$7,500.00
Icebox Radio Theater	\$5,000.00	\$5,000.00	\$0.00
Itasca Choral Society/Itasca Community Chorus	\$3,700.00	\$3,700.00	\$0.00
Jakob Larson	\$2,000.00	\$2,000.00	\$0.00
Jamie Ness	\$3,000.00	\$3,000.00	\$0.00
Jamie Ness	\$800.00	\$800.00	\$0.00
Jason Page	\$2,000.00	\$2,000.00	\$0.00
Jean Sramek	\$3,000.00	\$3,000.00	\$0.00
Jean Sramek	\$830.00	\$830.00	\$0.00
Jeanette Cox	\$2,910.00	\$0.00	\$2,910.00
Jon Brophy	\$2,000.00	\$2,000.00	\$0.00
Jonathan Thunder	\$1,000.00	\$1,000.00	\$0.00
Joshua Bernstein	\$3,000.00	\$3,000.00	\$0.00
Judy Budreau	\$1,060.00	\$1,060.00	\$0.00
Julie Gard	\$1,660.00	\$1,660.00	\$0.00
Karen Owsley Nease	\$2,840.00	\$2,840.00	\$0.00
Katherine Sandnas	\$3,000.00	\$0.00	\$3,000.00
Kathleen McTavish	\$5,820.00	\$5,820.00	\$0.00
Kathleen McTavish	\$1,000.00	\$1,000.00	\$0.00
Kimberlie Dillon	\$7,000.00	\$7,000.00	\$0.00
Kip Praslowicz	\$7,000.00	\$7,000.00	\$0.00

Organization/Artist Name (continued)	Awarded	Paid	Balance
Kirsten Aune	\$3,000.00	\$3,000.00	\$0.00
Kirsten Aune	\$1,000.00	\$1,000.00	\$0.00
Kristen Kaas	\$2,545.00	\$2,545.00	\$0.00
Lake Superior Chamber Orchestra	\$5,000.00	\$5,000.00	\$0.00
Lake Superior Chamber Orchestra	\$5,000.00	\$0.00	\$5,000.00
Lake Superior Youth Chorus	\$5,000.00	\$5,000.00	\$0.00
Lake Superior Youth Chorus	\$6,000.00	\$6,000.00	\$0.00
Laura Sellner	\$3,000.00	\$0.00	\$3,000.00
Laura Sellner	\$1,970.00	\$1,970.00	\$0.00
Leah Yellowbird	\$7,000.00	\$7,000.00	\$0.00
Leah Yellowbird	\$1,000.00	\$1,000.00	\$0.00
Leif Brush	\$1,000.00	\$1,000.00	\$0.00
Lucie Amundsen	\$1,640.00	\$1,640.00	\$0.00
Lyric Opera of the North	\$5,000.00	\$5,000.00	\$0.00
Lyz Jaakola	\$3,920.00	\$3,920.00	\$0.00
Magic Smelt Puppet Troupe	\$5,000.00	\$0.00	\$5,000.00
Marc Gartman	\$3,000.00	\$3,000.00	\$0.00
Mary Bue	\$3,000.00	\$3,000.00	\$0.00
Mary Bue	\$990.00	\$990.00	\$0.00
Mary Plaster	\$6,000.00	\$6,000.00	\$0.00
Matinee Musicale	\$5,000.00	\$5,000.00	\$0.00
Matinee Musicale	\$5,000.00	\$0.00	\$5,000.00
Matt Wasmund	\$1,990.00	\$1,990.00	\$0.00
Matthew Mobley	\$1,700.00	\$1,700.00	\$0.00
Melissa Wickwire	\$1,000.00	\$1,000.00	\$0.00
Mesabi Community Orchestra d/b/a Mesabi Symphony Orchestra	\$5,000.00	\$5,000.00	\$0.00
Mesabi Community Orchestra d/b/a Mesabi Symphony Orchestra	\$1,000.00	\$1,000.00	\$0.00
Mesabi Musical Theatre	\$5,000.00	\$0.00	\$5,000.00
Michelle Matthees	\$1,400.00	\$1,400.00	\$0.00
Michelle Wegler	\$660.00	\$660.00	\$0.00
Mike Scholtz	\$1,000.00	\$1,000.00	\$0.00
Mike Scholtz	\$2,000.00	\$2,000.00	\$0.00
Minnesota State Old Time Fiddle Championships	\$5,000.00	\$5,000.00	\$0.00
Myers-Wilkins Community School Collaborative	\$6,000.00	\$6,000.00	\$0.00
Naomi Christenson	\$1,000.00	\$1,000.00	\$0.00
Nicholas Sundahl	\$3,000.00	\$3,000.00	\$0.00
North Shore Music Association	\$5,000.00	\$5,000.00	\$0.00
North Shore Music Association	\$5,000.00	\$5,000.00	\$0.00
North Shore Music Association	\$5,300.00	\$5,300.00	\$0.00
Northern Lakes Arts Association	\$5,000.00	\$0.00	\$5,000.00
Northern Lights Music Festival, Inc.	\$5,000.00	\$5,000.00	\$0.00
Patricia Canelake	\$1,870.00	\$1,870.00	\$0.00
Paul Losik	\$2,980.00	\$2,980.00	\$0.00
Paula Gudmundson	\$3,000.00	\$0.00	\$3,000.00
Paula Gudmundson	\$880.00	\$880.00	\$0.00
Paula Gudmundson	\$2,000.00	\$2,000.00	\$0.00
PK Pestalozzi	\$7,000.00	\$7,000.00	\$0.00
PK Pestalozzi	\$3,000.00	\$3,000.00	\$0.00

Rainy Lake Community Orchestra	\$5,000.00	\$5,000.00	\$0.00
Organization/Artist Name (continued)	Awarded	Paid	Balance
Reggie Asplund	\$950.00	\$950.00	\$0.00
Renegade Theater Company	\$5,000.00	\$5,000.00	\$0.00
Renegade Theater Company	\$5,000.00	\$5,000.00	\$0.00
Ressl Dance!	\$5,000.00	\$5,000.00	\$0.00
Robert Adams	\$3,000.00	\$3,000.00	\$0.00
Robert Adams	\$1,000.00	\$1,000.00	\$0.00
Robert LaMettry	\$400.00	\$400.00	\$0.00
Robin Bellanger	\$960.00	\$960.00	\$0.00
Shaunna Heckman	\$3,000.00	\$3,000.00	\$0.00
Sky Blue Jazz Ensemble	\$4,150.00	\$0.00	\$4,150.00
Spirit Lake Poetry Series	\$5,000.00	\$5,000.00	\$0.00
Stephanie Mirocha	\$850.00	\$850.00	\$0.00
The College of St. Scholastica	\$5,960.00	\$5,960.00	\$0.00
The College of St. Scholastica	\$6,000.00	\$6,000.00	\$0.00
The Ely Community Spring Musical	\$5,000.00	\$5,000.00	\$0.00
Tim Kaiser	\$900.00	\$900.00	\$0.00
Tim White	\$990.00	\$990.00	\$0.00
Troy Rogers	\$7,000.00	\$7,000.00	\$0.00
Troy Rogers	\$5,670.00	\$5,670.00	\$0.00
Troy Rogers	\$2,000.00	\$2,000.00	\$0.00
Twin Ports Choral Project	\$1,000.00	\$1,000.00	\$0.00
Twin Ports Choral Project	\$15,000.00	\$7,500.00	\$7,500.00
Valley Youth Center	\$1,000.00	\$1,000.00	\$0.00
Vernal Bogren Swift	\$1,000.00	\$1,000.00	\$0.00
VFW Post 1720	\$5,000.00	\$0.00	\$5,000.00
Wendy Savage	\$1,000.00	\$1,000.00	\$0.00
William Hurst	\$1,000.00	\$1,000.00	\$0.00
Zeitgeist Center for Arts and Community	\$15,000.00	\$10,000.00	\$5,000.00
Totals	\$556,000.00	\$442,435.00	\$113,565.00

Direct Programming Efforts

The following direct programming was executed by ARAC during FY2016:

1. Public Relations: ARAC produced and distributed a monthly e-newsletter and press releases by email and Constant Contact. The news and program specific press releases were also available online and by hard copy upon request. The Council continues to increase its use of email and the website to inform constituents of events of interest, programs, deadlines, and services. During FY2016, the Council worked with interns to manage its Facebook page and Twitter account. Having a paid internship program has given the Council an ongoing relationship with the colleges in the region and the interns have greatly contributed to ARAC's visibility on social media outlets.

ARAC currently has over 1,000 email contacts in its database. The following information is being distributed electronically and viewed on ARAC's website and Facebook page:

- upcoming deadlines for funding programs;
- information and changes to new and existing grant programs;
- notification of board openings, lobbying efforts, technical assistance, grant writing workshops, etc;
- recent grants awarded by the name of the arts organization or artist, the amount of the award, and a description of the project; and
- a link to ARAC's website.

This information is also available by hard copy, upon request.

2. Grant writing workshops: ARAC held sixteen grant writing workshops during FY2016. These

workshops were held by ARAC staff to familiarize constituents with the Council's programs and online application process. Staff is also available to assist artists and arts organizations in submitting grant applications. Eight grant writing workshops were held in the Council's offices and two at the American Indian Community Housing Organization in Duluth. ARAC offered program specific grant writing workshops two weeks prior to each program deadline. Staff also held grant writing workshops in the following regional communities: Aitkin, Bigfork, Hibbing, Moose Lake, and Virginia. ARAC also co-sponsored grant writing workshops by the following organizations from outside the region: Creativity Among Native American Artists Initiative (CANAA), Minnesota State Arts Board, and Springboard for the Arts.

3. Technical assistance for individual artists: ARAC offered the following grant programs for artists: Fellowship, Career Development, Quick Start, Technology/Equipment, and Arts and Cultural Heritage Community Arts Learning. In addition to the individual artists grant writing workshops offered prior to each program deadline, staff offered grant writing workshops in the following communities: Aitkin, American Indian Community Housing Organization (twice) - Duluth, Bigfork, Hibbing, Moose Lake, and Virginia. ARAC's website calendar of funded events posts artist funded events, when appropriate. Staff works with mnartists.org and has provided assistance to individual artists interested in using the site. The Council's expanded grant programming has increased the one-on-one in-person consultations, electronic communication, and interactions with regional artists.

4. The Annual Arrowhead Arts Awards: The Arrowhead Arts Awards were developed to recognize individuals who have made important contributions to the arts in the Arrowhead Region. Since 1998, the Arrowhead Regional Arts Council has made two awards each year to deserving individuals in the region. The 18th Annual Arrowhead Arts Award ceremony was held Friday, June 3, 2016, in the Ives Studio Theater at the Reif Performing Arts Center, Grand Rapids, Minnesota.

This year's **George Morrison Artist Award** recipient is sculptor **Jeff Savage**. Savage resides on the Fond du Lac Reservation and has become an internationally recognized artist for his sculptural forms.



Savage is an award-winning artist who has dedicated a majority of his artistic abilities to the continuation of traditional Chippewa art forms. As a twenty-first century Native artist, Savage is able to blend rich traditional art forms with his contemporary outlook.

Savage discovered his passion for shaping stone at an early age. His gifts have been fine-tuned with years of sculpting. Savage is a self-taught artist with his greatest artistic achievements being found in his carving of traditional pipestone pipes. He has researched his art forms for years by speaking with elders on many Reservations. He freely gives back to his community as director of the Fond du Lac Reservation Museum, assisting many in learning traditional Ojibwe arts and crafts. He has designed many art classes at the museum to keep traditional and contemporary arts alive in the community.

Savage has received numerous awards at the historical Santa Fe Indian Market and the Eiteljorg Indian Market. Savage's work appears in various public and private collections including the Smithsonian Museum and the Department of Interior Museum, Washington D.C. His pipes and sculptures are in collections in Germany, Switzerland, Netherlands, Ireland, Australia, Mexico, Japan, China, Estonia, and many Native American Nations. Throughout his 35-year career, he has done numerous demonstrations, classroom presentations, and lectures. His continually expanding body of traditional and contemporary artwork has made a significant contribution to the Arrowhead Region and around the world.

The **George Morrison Artist Award** is named after internationally acclaimed visual artist George Morrison (1919-2000), who was an important member of the second generation of American abstract expressionist artists. Morrison was heralded for successfully synthesizing American Indian themes with abstraction and surrealism. As a life-long member of the Grand Portage Chippewa, he resided and worked

for many years in the Arrowhead Region of Minnesota.



This year's **Maddie Simons Advocate Award** recipient is **Kathy Dodge**. Dodge is co-founder of Grand Rapids Arts, a non-profit dedicated to connecting artists and arts organizations to audiences in the Grand Rapids area, and is a founding member and Chair of the Grand Rapids Arts and Culture Commission.

For most of her career, she taught English at Grand Rapids High School. While there, she co-coordinated the Northern Minnesota Area Writing Project, Guthrie Theater field trips, and worked with the Illusion Theatre to implement Project Trust in the schools.

Dodge served as a Greater Minnesota, At-Large Board Member for Minnesota Citizens for the Arts and as the executive director of the Itasca Orchestra and Strings Program. She directed and acted in productions of the Grand Rapids Players and supervised several projects as a volunteer at MacRostie Art Center. She chaired the steering committee for the Minnesota Orchestra's first Common Chords Residency, and as an arts advocate, she worked with local environmental and arts groups to pass the Legacy Amendment.

She is currently chair of the Grand Rapids Arts and Culture Commission, which last year completed an arts and culture plan for the city. With a firm conviction that art can comfort those dealing with cancer, she serves on the Board of Directors of Project Lulu, based in Duluth.

Until recently, Kathy could be heard as a volunteer co-host Monday mornings, often covering the arts, on Northern Community Radio. In 2014, she received Northern Community Radio's Community Impact Award.

The **Maddie Simons Arts Advocate Award** is named for Madeline Simons, the first volunteer Chair of the Arrowhead Regional Arts Council Board. A long-time resident of Grand Marais, she owned a dance studio and helped start the Grand Marais Playhouse, the Lutsen Art Fair, and Minnesota Citizens for the Arts.

5. Scheduling/attending meetings by organizations from inside and outside the region: In FY2016, ARAC hosted or scheduled meetings by organizations from inside and outside the region aimed at addressing specific needs of our constituents. The following organizations held meetings in the region: Creativity Among Native American Artists Initiative (CANAA) at the American Indian Community Housing Organization (AICHO) in Duluth; the Minnesota State Arts Board, and Springboard for the Arts. The Bush Foundation, the Jerome Foundation, and The Minnesota Fringe Festival also held meetings in the region. ARAC's director and staff took part in the following activities on behalf of the arts community and our constituents:

- DeArmond, Executive Director, met with two University of Minnesota, Duluth, senior art seminar classes to discuss grants, the role of non-profits in the arts, and the regional arts community.
- DeArmond is an ongoing participant in Greater Duluth Downtown Council's discussions concerning the role of the arts in the future of Duluth.
- DeArmond continues to be a resource for Forecast Public Art as it works to develop a Municipal Arts and Culture Plan for Duluth.
- Kolka, grants manager, serves on the Duluth Public Arts Commission's Municipal Arts and Culture Plan steering committee.
- Kolka, Grants Manager, and a Board member attended Minnesota Compass' Arts and Culture Advisory Group in Minneapolis.
- Kolka attend the Racial Equity conference in Duluth
- Kolka, and Turner, Operations Manager, attended the annual Grant Makers in the Arts Conference.
- Turner attend the annual Foundant Conference.
- DeArmond serves on the Sib Adams Arts Fund for Duluth/Superior Area Community Foundation.

- 6. Board Retreat:** ARAC held a Board retreat in November, 2015. This retreat addressed issues related to staff and changes experienced during the last two years. The Board and staff developed six visioning elements and three strategies that it is working on with Board and Committee input. The strategies address refining and implementing Board and staff roles; executing a needs assessment to inform long-term planning; and positioning ARAC in the region and state.

Services Provided by the Arrowhead Regional Arts Council

The following services were provided by ARAC staff to artists, arts organizations and the public:

- 1. Information and Referral:** Emails, phone calls, and letters requesting information about arts related matters were answered directly or referred to appropriate sources. ARAC's 800 number, e-mail addresses, Facebook, and website make it easy for constituents to access the Council's programs and services.
- 2. Networking:** Artists and arts organizations received staff help in making local, regional, statewide, and national connections for needed resources.
- 3. Grants Writing Workshops:** Formal and informal sessions were held with artists and arts organizations to assist them in completing ARAC's online grant application process and in partnership with other statewide arts funding agencies.
- 4. Library of Resource Material:** ARAC maintained a resource library for artists and arts organizations which includes copies of the economic impact studies for both arts organizations and individual artists.
- 5. Data Collection:** ARAC maintained a database of regional arts organizations, artists, and other relevant information.
- 6. Technical Assistance to Arts Organizations:** Technical assistance provided ranged from ARAC staff assisting with brainstorming about fundraising, board development, etc. to helping select a consultant to fit a specific need. ARAC can assist group with information on how to file as a tax-exempt, non-profit incorporation.
- 7. Technical Assistance to Individual Artists:** Artists seeking career development options, grant writing, and/or resume preparation could request staff assistance. Staff also provided assistance to help artists get their work and career information onto The McKnight Foundation's statewide website, www.mnartists.org. Requests to access mnartists.org have gone down in the last few years.
- 8. Computer Assistance/Presence:** ARAC maintained a website (www.aracouncil.org) which includes information on the Council; its funding programs; the online grant application process; downloadable program guidelines and application forms; a list of recent grants awarded; a calendar of funded events; Council news; and other resources. ARAC's website also includes links to the Minnesota State Arts Board and The McKnight Foundation. ARAC maintains an active presence on Facebook and Twitter.

ARAC serves 22% of the State's land mass and has the fourth largest population of the eleven regional arts councils. The region contains many arts organizations which function at a very sophisticated level, both programmatically and organizationally, as well as numerous small, all-volunteer rural arts groups. The Council is careful to not become an arts producing organization. ARAC works hard to make sure that as much funding as possible is available to individual artists and arts organizations so that they can create, produce, or present art.

The Arrowhead Regional Arts Council - FY2016 Members List

County Representatives:

<p>Aitkin County Erling Ellison 2/2016 9 Fifth Avenue NW Aitkin, MN 56431</p>	<p>Carlton County Jeanne Doty 6/2018 800 Talbot Drive Moose Lake, MN 55767</p>	<p>Cook County Ann Russ 6/2016 413 Ct. Road 60 Grand Marais, MN 55604</p>
<p>Duluth Dana Mattice, Secretary 6/2016 230 West 7th Street Duluth, MN 55806</p>	<p>Itasca County Tara Makinen 6/2017 1114 NW 2nd Ave. Grand Rapids, MN 55744</p>	<p>Koochiching County <i>Vacant</i></p>

Lake County Michelle Ronning, Treasurer 6/2018 1203 Ronning Drive Two Harbors, MN 55616	St. Louis County Jan Carey 403 Highland Drive Hibbing, MN 55746	6/2017	Student Ad Hoc Moira Villiard 305 Ridge Road Cloquet, MN 55720	6/2016
At-Large Members John Gregor 2437 Hwy. 3 Two Harbors, MN 55616	Adam Guggemos 602 N. 6 th Ave. E., #A Duluth, MN 55805	6/2018	Candace LaCosse 8015 Congdon Blvd., #7 Duluth, MN 55804	6/2018
David Beard, Vice Chair 2011 Jefferson St., Lower Apt. Duluth, MN 55812	Ken Bloom 521 N. 19 ½ Avenue West Duluth, MN 55806	6/2016	Kate Fitzgerald, Chair 416 West 8 th Avenue Grand Marais, MN 55604	6/2018
Staff:				
Robert DeArmond, Exec. Director	Erin Turner, Operations Manager		Ashley Kolka, Grants Manager	
Steve Wick, Office Coordinator	Haliee Lange, Media Intern		Kellen Witschen, Media Intern	

Arts and Cultural Heritage Artist Fellowship Panel for FY2016

Ken Bloom, Panel Chair, Board member and Executive Director of the Tweed Museum of Art, University of Minnesota, Duluth
Erik Redix, Professor of American Indian Studies, University of Minnesota, Duluth
Karen Savage-Blue, visual artist, teacher, Cloquet
Christian McShane, musician, Aitkin
Amy Sharpe, writer and textile artist, Ripple River Gallery, Deerwood
Veda Zuponicic, musician, founder, and Artistic Director, Northern Lights Music Festival, Aurora

Narrative Summary of Goals and Objectives

In FY2016, ARAC implemented the following goals, objectives and tasks as describe in its Biennial plan. Below is an outline of ARAC’s goals, key measures, and measurement tools that were used. It is followed by a detailed explanation of the outcomes the Council achieved through its programs and services.

Assessment of Outcomes of ARAC’s Work:

VISION: Artists, arts organizations and arts activities thrive and contribute to the quality of life in the Arrowhead Region.		
Goal/Objectives	Key Measures for FY16/17	Measurement Tools
GOAL 1: To provide programming support for arts activities by arts organizations and artists in the Arrowhead Region. (Sustainability) a. ARAC grants have a direct impact on constituents’ ability to produce or host successful art projects that address their identified needs and/or reach their target audience.	1. 90% of grant recipients’ final reports indicate that the arts activities were successful, addressed their identified need, and/or reached their intended audience. 2. The Art Project, Rural and Community Arts, Career Development, and Quick Start grant programs are administered annually. 3. The grant programs are annually reviewed to ensure they are addressing the identified needs and impacting the regional arts community.	<ul style="list-style-type: none"> • Applicant feedback form • Final reports • Reports by staff and Board attending funded events • RAC data collection • Deadline, application review, and program administration statistics • Board, staff, and committee review
	b. ARAC grants have a direct impact on constituents’ ability to produce or sponsor artistically challenging projects for artists, arts organizations, and the audiences served.	1. 90% of grant recipients’ final reports indicate that the project was artistically successful and challenged the arts organization and audience served.

Goal/Objectives (Continued)	Key Measures for FY16/17	Measurement Tools
c. ARAC visibility throughout the region is increased.	<ol style="list-style-type: none"> 1. The promotional brochure is up to date and a 5% increase in distribution from FY15 level. 2. A 5% increase in the number of advertisements in regional arts publication from FY15 level. 3. At least one grant workshop or meeting is held in each of the seven counties in the region and a total of at least fourteen grant workshops annually. 4. Maintain public calendar of funded events on ARAC website. 	<ul style="list-style-type: none"> • Post event surveys • Staff tracking • Committee oversight
<p>GOAL 2: To develop support systems and services that advance sustainability for artists and arts organizations. (Sustainability)</p> <p>a. ARAC grants have a direct impact on arts organizations' ability to strengthen its operations and programming for the artists and/or target audience served.</p>	<ol style="list-style-type: none"> 1. 95% of grant recipients' reports indicate that the support has advanced the sustainability of their organization. 2. The Two-Year Operating Support grant program is administered annually. 3. The grant programs are annually reviewed to ensure they are addressing identified needs and impacting the regional arts community. 	<ul style="list-style-type: none"> • Applicant feedback form • Interim and final reports • RAC data collection • Application data • Board, staff, and committee review
b. ARAC grants have a direct impact on the strength and stability of the careers of individual artists.	<ol style="list-style-type: none"> 1. 85% of applicants report positive feedback of the grant programs' capacity to stabilize the artist's career. 2. The Career Development and Artist Fellowship grant programs are administered annually. 	<ul style="list-style-type: none"> • Applicant feedback form • Final reports • RAC data collection • Application data • Board, staff, and committee review • Deadline, application review, and program administration statistics
c. ARAC training programs have a direct impact on teaching sustainability to artists and arts organizations.	<ol style="list-style-type: none"> 1. At least three training or informational sessions by regional or statewide artists or arts organizations will be presented each year. 2. 85% of participants report positive feedback on the appropriateness of the information to help advance sustainability. 	<ul style="list-style-type: none"> • Post event surveys • Staff tracking • In person and informal feedback
<p>GOAL 3: To encourage artistic and cultural diversity in the Arrowhead Region. (Education)</p> <p>a. ARAC grants have a direct impact on artistic and cultural diversity in activities by arts groups, organizations, and community based arts groups in a vibrant arts community.</p>	<ol style="list-style-type: none"> 1. A 5% increase is reported in the number of applications for culturally diverse activities from FY15 level. 2. A 5% increase is reported in the number of new service users from culturally diverse communities from FY15 level. 3. At least two meetings will be held to reach out to communities of color and cultural diversity. 4. The Rural and Community Arts, Art Project, and Arts and Cultural Heritage Community Arts Learning grant programs are administered annually. 	<ul style="list-style-type: none"> • Applicant feedback form • Application data • Staff tracking • Post event surveys • In person and informal feedback • Direct contact with communities of cultural diversity • Deadline, application review, and program administration statistics

Goal/Objectives (Continued)	Key Measures for FY16/17	Measurement Tools
<p>GOAL 4: To work to provide leadership to individuals, arts organizations and communities in the Arrowhead Region. (Leadership/Access)</p> <p>a. ARAC staff actively promotes sustainable payments for artists.</p>	<ol style="list-style-type: none"> 1. A suggested payment of \$24 an hour to artists will be included in all of ARAC's project and individual artists grant guidelines. 2. At least 35 instances will be logged annually of advocating for sustainable payments to artists. 	<ul style="list-style-type: none"> • Applicant feedback form • Staff tracking • In person and informal feedback
<p>b. ARAC staff actively promotes sustainability for arts groups.</p>	<ol style="list-style-type: none"> 1. Assist at least 3 regional arts groups to fund a Creative Minnesota Economic Impact Study for their community, cities, or county. 2. Increase by at least 10% staffs' participation with arts groups and communities' presentations and consultations. 	<ul style="list-style-type: none"> • Staff tracking • Board and committee oversight • Applicant feedback form • In person and informal feedback
<p>c. ARAC contributes to public policy formulation and implementation.</p>	<ol style="list-style-type: none"> 1. Staff continues its current level of work with the MSAB, the Forum of Regional Arts Councils, and Minnesota Citizens for the Arts to further the arts in Minnesota. 2. Staff continues to provide leadership through disseminating research and consulting with groups throughout the region. 3. A 5% increase in staffs' participation in local and regional public policy formation and implementation from FY15 level. 	<ul style="list-style-type: none"> • Staff tracking • Board and committee oversight
<p>d. ARAC and its constituents are actively involved in advocacy efforts and have the tools they need to advocate for the arts.</p>	<ol style="list-style-type: none"> 1. A 5% increase in the number of staff and constituents interactions with legislators and other public officials from FY15 level. 	<ul style="list-style-type: none"> • Letters from grantees to legislators • Constituent, staff, and Board participation in Advocacy Day
<p>GOAL 5: To advocate for the arts as essential to the quality of life as well as to the economic and educational development of the region. (Cultural integration)</p> <p>a. ARAC support has a direct impact on fair market wages for artists and their ability to live and work in the region.</p>	<ol style="list-style-type: none"> 1. At least 35 instances will be logged annually of advocating that grant funding be used to support professional development and fair market wages for artists. 2. At least 35 instances will be logged in annually of advocating that grant funding support fair market wages for artists working with organizational applicants. 	<ul style="list-style-type: none"> • Staff tracking • Applicant feedback form • Final reports
<p>b. ARAC support has direct impact on economic stability and educational development as a vibrant part of the quality of life in the region.</p>	<ol style="list-style-type: none"> 1. The Two-Year Operating Support, Arts and Cultural Heritage Community Arts Learning, Career Development, Artist Fellowship, Technology/Equipment, and Quick Start grant programs are administered annually. 2. The Arts and Cultural Heritage Arrowhead Arts Award program that recognize the significant contributions of an individual artist and arts advocate in the Arrowhead Region is administered annually. 	<ul style="list-style-type: none"> • Applicant feedback form • Interim/final reports • RAC data collection • Application data • Staff tracking • Post event survey • Deadline, application review, and program administration statistics

Goal/Objectives (Continued)	Key Measures for FY16/17	Measurement Tools
c. ARAC supports has direct impact on increased promotional strategies for funded projects and activities increasing the visibility of the impact of the Legacy Amendment.	<ol style="list-style-type: none"> 1. Grant applications will include an appropriate promotional strategy for funded projects. 2. Press releases of funded grants will be distributed to statewide press, regional and statewide arts organizations, as well as on ARAC’s Facebook, social media, and web site. 	<ul style="list-style-type: none"> • Applicant feedback form • Final reports • Staff tracking • Committee oversight
<p>GOAL 6: To operate an office accountable to constituents and funding sources. <i>(Leadership/Access)</i></p> <p>a. ARAC complies with all reporting requirements mandated by its funders and in compliance with its 501(c)(3) status.</p>	<ol style="list-style-type: none"> 1. All required reports, spending plans, and audit will be annually filed with the appropriate agency and foundations. 2. All federal and state 501(c)(3) and non-profit regulations will complied with annually. 	<ul style="list-style-type: none"> • Board oversight • Executive Director tracking and oversight
b. ARAC maintains a physical office and staffing to administer its mission and goals.	<ol style="list-style-type: none"> 1. An office and meeting space will be rented. ARAC current office is at 1301 Rice Lake Road, Suite 120, Duluth, MN. 2. Staffing to administer the Council’s grants, programs, and services will be employed. 	<ul style="list-style-type: none"> • Board oversight • Executive Director tracking and oversight
c. ARAC administers and keeps records of the grant application process, activities of the Council, and maintains the necessary data and records of board decisions.	<ol style="list-style-type: none"> 1. At least ten board meetings and the required number of grant reviews will be held annually. 2. Records/data of the Council’s activities and decisions will be maintained. 3. Assessment of the Council’s grants, programs, and services will be reviewed annually to insure relevance. 4. The Foundant Grant Life Cycle management data system will continue to be used. 	<ul style="list-style-type: none"> • Board oversight • Executive Director tracking and oversight • Committee oversight

The following is a detailed explanation of the outcomes achieved through the Council’s programs and services.

GOAL 1: To provide programming support for arts activities by arts organizations and artists in the Arrowhead Region. (Sustainability)

Objectives and Tasks:

- a. ARAC grants have a direct impact on constituents’ ability to produce or host successful art projects that address their identified needs and/or reach their target audience.
 1. The final reports reviewed indicated that more than 90% of the funded art activities successfully addressed their identified needs and reached their intended audience.
 2. The **Art Project, Rural and Community Arts, Career Development, and Quick Start** grant programs were administered as scheduled for FY2016. The **Art Project** grant program awarded \$99,000 to arts organizations in the region; the **Rural and Community Art** grant program awarded \$95,000 to arts organizations outside of Duluth; and the **Career Development** grant program awarded \$90,000 to individual artists in the region. The **Art Project, Rural and Community Arts, and Career Development** grant programs had two deadlines each in FY2016. The **Quick Start** grant program for arts organizations and individual artists had ongoing deadlines. \$32,500 was available in this program. \$8,125 was awarded, on a first come, first served basis, each quarter of the year or until the funding runs out. The program was closed approximately two weeks prior to the end of each quarter due to more demand than the available funding. \$1,280 in additional funding was put into the program’s last deadline to fund all of the approved applications. This brought the total amount awarded in the **Quick Start**

grant program to \$33,780 for the year. In FY2016, ARAC funded 49% of the applications received in these programs. In FY2015, ARAC funded 66% of the applications received in these programs. More applications were funded in FY2015 because of a carryover of \$78,500 in unencumbered grant funds from FY2014.

- ARAC used the following process for soliciting and reviewing artist and organizational grant applications: informed constituents of upcoming grant program deadlines; provided technical assistance for project and application development; and conducted application reviews.
 - The staffing of grant applications included the following duties: preparing review materials for Council or panel consideration; researching applications; contacting applicants; scheduling and staffing grants review meetings; notifying applicants of action on their proposals; and issuing contracts and payments.
3. The Review Process/Planning Committee reviewed the **Art Project, Rural and Community Arts, Career Development, and Quick Start** grant programs to ensure that they adhered to the mandates in the Arts and Cultural Heritage Amendment, addressed the programs' identified needs, and impacted the regional arts community. The RP/P Committee used data provided by staff to determine the effectiveness of the programs. The data was prepared from information provided in applicant feedback forms, final reports, and reports by staff and Board members who attended events
- b. ARAC grants have a direct impact on constituents' ability to produce or sponsor artistically challenging projects for artists, arts organizations, and the audiences served.
 1. The final reports reviewed indicated that more than 90% of the recipients reported that their funded projects were artistically successful and challenged the artists, arts organizations, and/or audiences served.
 2. The program review criteria rewards projects that are artistically challenging for artists, arts organizations, and/or the audiences served.
 - c. ARAC visibility throughout the region was increased.
 1. ARAC's tri-fold promotional brochure was accurate and was redesigned for FY2017. Distribution of the brochure was increased by more than 20% over the FY2015 level by placing it in the hands of over 500 musicians, who took part in the 8 day Homegrown Music Festival and by distributing them to the studios of artists taking part in the annual Crossing Borders Tour.
 2. ARAC increased its visibility throughout the region by more than 5% over the FY2015 level by doing the following:
 - In FY2016, ARAC did not increase the number of print advertisements placed in regional arts publications by 5%. The Council placed one less print ad than had been run in FY2015. New, client focused, ads were designed to cater directly to the publication or organization. Seven print ads were purchased in FY2015 and six were purchased in FY2016.
 - The calendar of Council funded events on the web site was maintained and is more comprehensive than in FY2015.
 - Facebook likes increased by 674 in FY2016, bringing the total to 2,165. ARAC's use of Twitter expanded. ARAC also purchased Facebook ads to expand its public profile and for specific purposes, such as advertising Board openings.
 - The Arts and Cultural Heritage Logo and ARAC banners were prominently displayed at the Council's annual Arrowhead Arts Awards Ceremony in Grand Rapids and at grant writing workshops in the region.
 3. ARAC staff held 16 grant writing workshops (2 more than the proposed 14) in FY2016. They were held in Aitkin, Bigfork, Hibbing, Moose Lake, Silver Bay, Virginia, and Duluth. The Duluth workshops were held at the ARAC offices and the American Indian Community Housing Organization (twice). These workshops were attended by 125 individuals. Workshops were held in 5 of ARAC's seven counties. During fiscal years 2016 and 2017, staff will hold grant writing workshops in communities in every county in the region.
 4. A public calendar of funded events was maintained on ARAC website and procedures were introduced into the application process to solicit additional information from grantees to make the calendar more comprehensive.

GOAL 2: To develop support systems and services that advance sustainability for artists and arts organizations. (Sustainability)

Objectives and Tasks:

- a. ARAC grants have a direct impact on arts organizations' ability to strengthen its operations and programming for the artists and/or target audience served.
 1. The interim and final reports reviewed indicated that more than 95% of the recipients felt that the grant support helped to advance the sustainability of their organization.
 2. The **Two-Year Operating Support** grant program was administered as scheduled for FY2016. The program had one deadline in FY2016. This grant program awarded \$90,000 to six of eleven applicants, or 55% of the applications received.
 - The process for soliciting, reviewing, and staffing applications is the same as: **Goal 1, a, 2, bullet points.**
 3. The Review Process/Planning Committee reviewed the **Two-Year Operating Support** grant program to ensure that it adhered to the mandates in the Arts and Cultural Heritage Amendment, addressed the program's identified needs, and impacted the regional arts community. The RP/P Committee used data provided by staff to determine the effectiveness of the program. The data was prepared from information provided in applicant feedback forms, interim and final reports, and reports by staff and Board members who attended events.
- b. ARAC grants have a direct impact on the strength and stability of the careers of individual artists.
 1. The final reports and applicant feedback forms reviewed indicated that more than 85% of the recipients reported positive feedback on the grant programs' capacity to help stabilize their career.
 2. The **Career Development** and **Artist Fellowship** grant programs were administered as scheduled for FY2016. The **Career Development** grant program awarded \$90,000 and the **Artist Fellowship** grant program awarded \$49,000 to individual artists in the region. The **Career Development** grant program had two deadlines and the **Artist Fellowship** grant program had one deadline in FY2016. In FY2016, ARAC funded 21% of the **Artist Fellowship** applications received. In FY2015, ARAC funded 30% of the **Artist Fellowship** applications received. In FY2016, ARAC funded 65% of the **Career Development** applications received. In FY2015, ARAC funded 61% of the **Career Development** applications received. More applications were funded in FY2015 because of a carryover of \$31,500 in unencumbered grant funds from FY2014.
 - The process for soliciting, reviewing, and staffing applications is the same as: **Goal 1, a, 2, bullet points.**
- c. ARAC training programs have a direct impact on teaching sustainability to artists and arts organizations.
 1. During FY2016, ARAC presented the following three training and informational sessions: *Creativity Among Native American Artists Initiative (CANAA)*, Fargo/Moorhead; *Springboard for the Arts*, St. Paul; and *Minnesota State Arts Board*. The *Minnesota Fringe Festival*, Minneapolis, also held an informational meeting in the Arrowhead Region.
 2. Input from post event surveys, staff attending, and in person and informal feedback indicated that at least 85% of those attending believed the sessions were positive. The session by *Creativity Among Native American Artists Initiative (CANAA)* was the least successful. There was a misunderstanding of what was going to be presented. One artist in attendance did take the information presented, approached the Plains Art Museum, and was given an exhibition. ARAC brought in *Springboard for the Arts* to present four free sessions for individual artists. The Council partnered with the Duluth Art Institute and filled all four sessions with 20 individuals each, plus a waiting list. The feedback about these four sessions was very positive. At the *Minnesota State Arts Board* informational session, ARAC presented a brief overview of its grant programs and services. The feedback received from individuals who attended this session was also very positive.

GOAL 3: To encourage artistic and cultural diversity in the Arrowhead Region. (Education)

Objectives and Tasks:

- a. ARAC grants have a direct impact on artistic and cultural diversity in activities by arts groups, organizations, and community based arts groups in a vibrant arts community.
 1. In FY2015, 17% of the organizational applications funded had a multicultural focus and 15% of the individual artist applications were from minority/artist of color. In FY2016, approximately the same percentage of the organizational applications funded had a multicultural focus and 18% of the individual artist applications were from minority/artists of color. This is a 3% increase in the number of awarded applications received from minority/artists of color over the FY2015 level.
 2. Input from applicant feedback forms, application data, staff tracking, in person and informal feedback, and direct contact with communities of cultural diversity indicated that new service users from culturally diverse communities increased by more than 5% from FY2015 level.
 - Staff assisted applicants to improve their grant writing skills.
 - Staff encouraged applications that highlighted artistic and cultural diversity from arts organizations and community based arts groups.
 - Staff increase its engagement with ethnically diverse communities to encourage grant applications.
 3. In FY2016, ARAC held two grant writing workshops to reach out to communities of color. The two grant writing workshops were held at the *American Indian Community Housing Organization (AICHO)* in Duluth. Both were well attended and generated new applications from the Native American community. ARAC also brought in a presentation by *Creativity Among Native American Artists Initiative (CANAA)*, out of the Plains Art Museum in Fargo/Moorhead. This informational session presented statewide opportunities available to artists and communities of color.
 4. The **Rural and Community Arts, Art Project, and Arts and Cultural Heritage Community Arts Learning** grant programs were administered as scheduled for FY2016. The **Rural and Community Art, Art Project, and Arts and Cultural Heritage Community Arts Learning** grant programs awarded \$284,000 to arts organizations in the region. Approximately \$48,280 was awarded to organizations for multicultural projects. ARAC realized a larger increase in the amount of support awarded to minority and artists of color through the Council's individual artist and **Quick Start** grant programs. These grant programs awarded \$187,085 to individual artists in the region. Approximately \$33,675 was awarded to minority and artists of color.
 - The process for soliciting, reviewing, and staffing applications is the same as: **Goal 1, a, 2, bullet points.**

GOAL 4: To work to provide leadership to individuals, arts organizations and communities in the Arrowhead Region. (Leadership/Access)

Objectives and Tasks:

- a. ARAC staff actively promotes sustainable payments for artists.
 1. A suggested payment of \$24 an hour to artists was included in all of ARAC's project and individual artists grant guidelines.
 2. In excess of 40 instances were logged in by staff during the year in which they advocated for sustainable payments to artists.
- b. ARAC staff actively promotes sustainability for arts groups.
 1. In FY2016, ARAC assisted in the funding of the following Creative Minnesota Economic Impact Study in the region: the City of Duluth; Grand Marais and Cook County; Grand Rapids; and Virginia and the Quad Cities. These individual studies are available on the Creative Minnesota website: creativemn.org. These studies are being used by the groups to build more community support for the arts.
 2. With a new dedicated grants manager, ARAC has tripled staffs' participation in attending arts activities in the region. Staff supplied personal grant writing assistance to over 50% of the applicants in FY2016, and 73% of the applicants who were awarded funding receive staff assistance.
- c. In FY2016, ARAC contributed to public policy formulation and implementation in the following ways:

1. The Council continued to work with the MSAB and the Forum of Regional Arts Councils of Minnesota, Inc. in the development of an arts plan for the State of Minnesota.
2. The Council and staff worked with Minnesota Citizens for the Arts to foster the arts in Minnesota. ARAC staff actively solicited communities to commission individual Creative MN Economic Impact Studies for their cities and counties. Duluth, Grand Marais, Grand Rapids, and Virginia commissioned individual studies.
3. DeArmond and Board members disseminating this new, more focused, economic impact information and took part in the community presentations of this research.
- d. ARAC and its constituents are actively involved in advocacy efforts and the Council supplies the tools needed to advocate for the arts.
 1. Changes in the region has caused staff and constituents' interactions with legislators and other public officials to increase by well over 5% over the FY2015 level. In this last year, Duluth elected a new mayor who has begun a new push to establish a Historic Downtown District, anchored by the Norshor Theater. DeArmond and staff have attended meetings and assisted with a community arts plan.
 2. Grant Rapids completed a community arts plan, set up a city arts commission, and developed city support for arts programming. Community constituents and staff worked with local, county, and state officials to make this happen.
 3. ARAC and its constituents were actively involved in advocacy efforts.
 - Grantees were asked to send letters to legislators, the MSAB, and The McKnight Foundation, acknowledging their appreciation of the support they provide for the arts in the region.
 - Staff, Board members, and constituents participate annually in Arts Advocacy Day.
 4. The Council maintained memberships in regional, state, and national arts service organizations such as the Minnesota Council for Non-Profits and Minnesota Citizens for the Arts.
 5. In FY2016, staff participated as members, in the following organizations:
 - The Forum of Regional Arts Councils of Minnesota, Inc.
 - The Sib and John Adams Arts Fund Review Panel for the Duluth/Superior Area Community Foundation.
 - The Steering Committee for Duluth Public Arts Commission's Art Plan.
 - Other relevant local, regional, state, and national organizations upon request such as regional percent for art projects.

GOAL 5: To advocate for the arts as essential to the quality of life as well as to the economic and educational development of the region. (*Cultural integration*)

Objectives and Tasks:

- a. ARAC support has a direct impact on fair market wages for artists and their ability to live and work in the region.
 1. Staff tracking recorded in excess of 40 instances of advocating that grant funding be used to support professional development and fair market wages for artists.
 2. Staff tracking recorded in excess of 40 instances of advocating that grant funding support fair market wages for artists working with organizational applicants.
 - A suggested payment of \$24 an hour was included in all of ARAC's project and individual artists grant guidelines.
- b. ARAC support has direct impact on economic stability and educational development as a vibrant part of the quality of life in the region.
 1. The **Two-Year Operating Support, Arts and Cultural Heritage Community Arts Learning, Career Development, Artist Fellowship, Technology/Equipment, and Quick Start** grant programs were administered as scheduled for FY2016. The **Two-Year Operating Support** grant program awarded \$90,000 in operating support to six arts organizations, five in Duluth and one in Grand Marais. These two-year awards will increase the stability of two chorale groups, a jazz orchestra, a multi-venue music festival, an art colony, and an emerging arts and community center. These organizations are vital arts and cultural assets in their communities and contribute to the quality of life in the Arrowhead Region. The **Arts and Cultural Heritage Community Arts Learning** grant program awarded \$60,000 to seven arts organizations and four artists that presented a wide variety of experiences in the region that

educated community members about the arts and its cultural diversity. These projects will also educate the public on how the arts enhance the quality of life in the region. Awarded arts learning activities will be presented in eight locations in Duluth, Cloquet, Grand Rapids, and Grand Marais. These opportunities will include the opportunity to: learn about Afro-Brazilian movement and music; attend workshops by photographer Wing Young Huie; host an African Cultural Festival; involve elementary students in the creation of a public mural; invite a chorale composer to work with a regional youth chorus; produce a theater camp for intercity youth; present a weekend of bluegrass music workshops; form an Ojibwe Healing Circle on the Fond du Lac Reservation; create a digital lab and workshops for community members; produce public art activities exploring global harvest traditions through the use of large puppets; and present a two week musical robotics camp. The **Career Development, Artist Fellowship, Technology/ Equipment** grant programs awarded \$178,220 to 93 artists to assist them to take part in concrete opportunities, purchase equipment, or take part in training that will advance their careers. The Council believes that assisting artists to live and work in the Arrowhead Region has a direct impact on their contributing to the vibrancy of the regional arts scene. The **Quick Start** grant program awarded \$33,780 to 32 artists to assist them to take part in unexpected opportunities that will help them in their careers. Final reports and staff tracking predominately indicates that grantees are reaching their desired goals. ***Refer to the attached FY2016 Annual report for a complete listing of all grant recipients and descriptions of their projects.*

- The process for soliciting, reviewing, and staffing applications is the same as: **Goal 1, a, 2, bullet points.**
 - Staff advocated for increased support for arts professionalism and economic support.
 - ✓ Staff encourage arts organizations to apply to the **Two-Year Operating Support Grant** for activities that will increase their professionalism and economic stability.
 - ✓ Staff encourage artists to apply to the **McKnight/ARAC Career Development, Individual Artist Fellowship, Technology/Equipment, and Quick Start Grant** programs to support activities that will advance their professional and educational development.
 - ✓ Staff encourage artists to apply to the **Arts and Cultural Heritage Community Arts Learning Grant** program to support the development of educational activities in the region.
 - Staff advocated the importance of arts to the quality of life and economic vitality of the communities through workshops, community meetings, and release events.
 - Funded events included the *Legacy Amendment logo* on all printed and electronic materials related to their project or activity. Final reports and staff trafficking monitored that this was done.
2. The **18th Annual Arts and Cultural Heritage Arrowhead Arts Award** ceremony, that recognized the significant contributions of sculptor, Jeff Savage, and community arts advocate, Kathy Dodge, was held in Grand Rapids on June 3, 2016. Staff and public feedback indicated that the ceremony was very well received by the community and the award recipients. The awards ceremony also received local and regional press coverage.
- c. ARAC supports has direct impact on increased promotional strategies for funded projects and activities increasing the visibility of the impact of the Legacy Amendment.
1. Wording defining appropriate promotional strategies was included in all appropriate grant guidelines. Grant applications and final reports indicated that organizations had plans to appropriately promote their funded activities.
 2. Staff promoted the development of appropriate promotional strategies for their project when assisting applicants and during grant writing workshops.
 3. Press releases of funded grants were distributed to regional press, regional and statewide arts organizations, as well as being posted on Facebook, social media, and ARAC's web site: www.aracouncil.org. Funded activities were also posted in a calendar of funded events on the ARAC website.

GOAL 6: To operate an office accountable to constituents and funding sources.

(Leadership/Access)

- a. Under staff and Board oversight, ARAC complied with all reporting requirements mandated by its funders and in compliance with its 501(c)(3) status.
 1. All required reports, spending plans, and audit were filed with the appropriate agency and foundations.
 - ARAC prepared and filed all documents required by the Minnesota State Arts Board and The McKnight Foundation.
 - ARAC prepared and filed all final reports with the appropriate agency or foundation: the MSAB, The McKnight Foundation, Legislative Library, and the Regional Forum Archivist.
 - ARAC develop and file spending plans with the MSAB and The McKnight Foundation.
 - ARAC complied fully with all contracts entered into with all funding sources.
 2. All federal and state 501(c)(3) and non-profit regulations were complied with and filed on time.
 - ARAC maintained IRS 501(c)(3) status, employee records and payments in compliance with federal and state regulations.
 - ARAC maintained a financial accounting system in full compliance with State of Minnesota standards, including a yearly audit which is approved by the Board at its October, 2016, meeting.
- b. Under staff and Board oversight, ARAC maintains a physical office and staffing to administer its mission and goals.
 1. An office was leased at 1301 Rice Lake Road, Suite 120, Duluth, MN, through November 30, 2015. On December 1, 2015, ARAC leased office space to the Fitger's Building, Suite 404, 600 East Superior Street, Duluth, MN.
 2. ARAC maintained four full-time staff member to administer the Council's grants, programs, and services.
- c. Under staff, Board, and committee oversight, ARAC administered and kept records of the grant application process, activities of the Council, and maintained records of board decisions.
 1. ARAC held nine Board meeting and a two day Board retreat in FY2016.
 2. ARAC held twelve grant review panels in FY2016. ARAC recorded all activities and decisions by grant review panels and the Board. The online application process collects the required data to report to the committees, the MSAB, or other funders. The required data is also reported to Minnesota Citizens for the Arts for inclusion in advocacy efforts.
 3. The Review Process/Planning Committee reviewed the Council's grants, programs, and services to insure relevance.
 - The RP/P Committee evaluated all grants, programs, and services of the agency.
 - The RP/P Committee conducted a needs assessment in FY2016 to get feedback on the Council's grant programs and services and to learn how to better serve the arts in the Arrowhead Region. The Committee also reviewed data collected by other arts organizations about needs in the region.
 - Staff maintained grant data and audit trails.
 - Staff kept the ARAC website and social media up to date. The website comprises of organizational information, programs, guidelines, online application process, deadlines, grants awarded, and a funded events calendar. ARAC's social media presents notification of the Council's grant deadlines, grants awarded, meetings by outside organization in the region, announcements of funded events, and other articles of interest. The Council's Facebook page increased by 674 "likes" (45%) in the past year, bringing the total to 2,165 "likes."
 - ARAC maintained and expanded a computerized data base of regional arts organizations.
 3. Under staff oversight, the Council continued to use the Foundant Grant Management system.

The following is a narrative summary of the additional goals related to the receipt and stewardship of the Arts and Cultural Heritage Amendment funding.

Arts-in-Education - Goal: **To increase interaction between students, community members and professional artists.**

- a. To address this goal, ARAC administered the **Arts and Cultural Heritage Community Arts Learning** grant program. The **Art Project** and **Rural and Community Art** grant programs'

guidelines also allow grant funded activities to include involvement with students and community members.

Outcomes/Measurements:

- a. ARAC received 94 applications to the six grant deadlines for these three programs in FY2016. \$232,560 was awarded to 47 applicants, or 50%.
- b. Fifteen of the grantees, or 23% of the awarded applicants, did projects that interacted with students.
- c. Thirty six of the grantees, or 77% of the awarded applicants, did projects that interacted with community members ranging in age from children to adults.
- d. Twenty eight of the grantees, or 60% of the awarded applicants, did projects that interacted with a professional artist.
- e. Two **Quick Start** grants were awarded to arts organizations that interacted with children and students.
- f. Funded projects included interactive classes, demonstrations, theater/performances opportunities, mural painting, puppet construction, involvement in cultural festivals, and master classes.

Community Arts Development - Goal: Increase the connection of arts organizations and artists in all aspects of their community.

- a. The new online grant application process continued to enable the Council to appropriately articulate the differences between the **Arts and Cultural Heritage Community Arts Learning, Rural and Community Art, and Art Project** grant programs.

Outcomes/Measurements:

- a. The number of applications received that enhanced connections with their communities decreased by 33% over FY2015. This was partially due to two modifications made in FY2016: a \$37,000 decrease in the available funds in these three programs and an increase in the amount that could be requested, per application, in the **Arts and Cultural Heritage Community Arts Learning** grant program.
- b. The number of applications received from non-traditional arts organizations decreased by 25% over FY2015. This was partially due to a \$37,000 decrease in the available funds in these three programs.
- c. Funded projects in FY2016 included: arts activities connected to an existing community celebration; creating theatrical performance around a current community concern or event; visual arts exhibitions dealing with important issues to the community; community art and music camps; special arts events for underserved audiences; and performance/demonstrations in city parks.

Administrative Support - Goal: To support projects which directly address a group's administrative, organizational, and facility needs.

Outcomes/Measurements:

- a. The **Two-Year Operating Support** grant program received twelve applications and was able to fund six, or 50% of the applications. The number of applications received in FY2016 was the same as in FY2015. Less applications were funded because the amount that could be requested was raised from \$12,000 to \$15,000.
- b. Of the funded **Two-Year Operating Support** grant recipients, most indicated that the grant support was being requested for staffing and marketing efforts to stabilize their organization.
- c. 17% of the funded **Two-Year Operating Support** grant recipients reside outside of Duluth and two of the funded organizations were first time applicants.

Arrowhead Arts Awards - Goal: To recognize two individuals annually who have made important contributions to the arts in the Arrowhead Region.

This program is explained in detail in the Direct Programming Efforts section of this report.

Outcomes/Measurements:

- a. The 18th annual Arrowhead Arts Awards ceremony was attended by more than 75 individuals.
- b. The two award recipients were very pleased to be recognized for their contributions to the arts in the Arrowhead Region and beyond and gave very inspirational acceptance speeches.

- c. This year's award recipients receive framed ceramic tile awards made by Hovland artists Dan and Lee Ross.

Long Range Planning - Goal: To continue to involve the ARAC Board, constituents, and regional community members in planning for how the Legacy Amendment funding can transform their communities and the region over the next twenty five years.

- a. In November, 2015, the Board held a two day, facilitated planning retreat to evaluate the Council's current status and lay out a process for developing a two-year plan.
- b. Staff held sixteen grant writing and informational meetings in Duluth and communities the region which were attended by 125 individuals. Informal discussions with constituents were also done throughout the region during the year.
- c. The Review Process/Planning Committee met six times to review the existing programs and services; the online application process; the new staffing structure; and to prepare for a two day Board Retreat.

Outcomes/Measurements:

- a. The staff and the RP/P Committee continued to refine its existing grant programs and made changes in the amounts that could be requested in three of the grant programs.
- b. In FY2016, ARAC received a total of 315 applications. This was 9 less applications than was received in FY2015. The total amount of funding requested in FY2016 was \$1,208,115. This was an increased of \$195,502 over the total amount requested in FY2015.

Number of people participating in and served by Council funded programs.

The Legacy Tax Amendment continues to be a major portion of ARAC's annual budget. Legacy funding has stabilized the Council's programs and services at a level that was out of its reach prior to the passage of the amendment. With Legacy funding, ARAC has expanded its programs and services to address previously underserved needs in the regional arts community. The new amendment funding has strengthened ARAC's ability to serve communities and the arts throughout the Arrowhead Region.

In FY2016, ARAC reviewed **109** applications to its five grant programs for arts organizations, made possible with funding from the State General Fund and the Arts and Cultural Heritage Amendment Fund. In FY2016, ARAC reviewed **206** applications to its five grant programs for individual artists, made possible with funding from the State General Fund, the Arts and Cultural Heritage Fund, and an allocation from The McKnight Foundation. ARAC reviewed a total of **315** applications in all of its granting programs. This is **8** less applications than were reviewed in FY2015.

In FY2016, ARAC awarded **57**, or **52%**, of the applications in its five grant programs for arts organizations. **28%** of the applications received were from new organizations. In FY2016, ARAC awarded **97**, or **47%**, of the applications to its five grant programs for individual artists. **33%** of the applications received were from new artists. ARAC awarded a total of **154** applications in all of its granting programs. This represents a **23%** decrease in the number of applications awarded in FY2015. More applications were funded in FY2015 because of a carryover of \$78,500 from FY2014.

It is estimated that FY2016 funded projects by arts organizations will service **3,382** artists and reach an audience of **144,736** individuals through **314** performances. This represents an increase of **36%** in the number of artists served, an increase of **79%** in the number of audience members reached, and a **41%** increase in the number of performances than funded in FY2015. It is estimated that FY2016 funded grants to individual artists will service **732** artists and reach an audience of **124,745** individuals through **120** opportunities. This represents an increase of **110%** in the number of artists served, a **65%** decrease in the number of audience members reached, and there was no change in the number of performances funded in FY2015. ARAC awarded a total of **\$475,538** in State General Fund and Arts and Cultural Heritage Fund in its eight grant programs in FY2016, a decrease of **13%** from FY2015. More grant funding was available in FY2015 because of a carryover of \$78,500 from FY2014.

The Arts and Cultural Heritage funding has enabled ARAC to award grants to artists and arts organizations in each of the seven counties it serves and in most of the legislative district in the Arrowhead Region.

Prior to the passage of the Legacy Tax Amendment, small and rural arts organizations were struggling and unable to take chances in their programming. The uncertain climate in the region's economy makes ARAC's support of regional artists and arts organizations critical to the vibrant arts scene in the Arrowhead Region. In the recent **Creative MN** studies, the economic impact of the artists and arts

organizations in the Arrowhead were found to be second only to the Metro region. The Legacy Amendment funding has enabled ARAC to award larger grants and assist arts organizations to expand their offerings in the region.

Technical assistance was provided by the executive director and staff to individual artists and arts organizations upon request. **115**, or **75%**, of the funded applicants received staff assistance in preparing their application. **37**, or **24%**, of the funded applications, came from new applicants.

ARAC received more than 1,500 calls requiring information or assistance in areas ranging from "how can I find out the value of this painting?" to "what kinds of grants are there for individuals in the visual arts?" or "is there a publication listing community theaters in Minnesota which tour?" to "how do I enter arts fairs in the region?" Organizations also called for information on how to apply for a 501(c)(3) federal, non-profit designation status and for resources that might help them develop their organization.

Summary in Support of the 10% for Children Legislation

During FY2016, the Council reviewed **109** applications to programs for arts organizations which included State funds and awarded funding to **57**. The primary focus of **11** of the funded applications was children and **23** other funded applications encourage youth involvement as either a participant or audience member. This number of applications represents **21%** of the total applications received and **40%** of the applications funded. State funded applicants estimated that their activities will reach **52,112** children.

Activities funded which focus primarily on children include children's theater productions and pageants; a youth chorus; a youth orchestra; a classical music camp; and participating as audience members at theater productions, dance concerts, chamber music concerts, poetry readings, etc.

Summary of the Monitoring and Evaluating of Grants

The Council monitors and evaluates all approved grants by means of final reports. Final reports are reviewed in the following three step process:

- 1st - Staff reviews, logs and files all reports.
- 2nd - If there is a problem, staff contacts the applicant and attempts to resolve the situation.
- 3rd - If the problem is not resolved, staff brings the report to the Executive Committee which makes a recommendation to the full Council.

All final reports are available to Council members for inspection at any time. During FY2016, staff reviewed the financial and program information on the final reports of all completed grants.

The ARAC grant programs and services are made possible through appropriations from the Minnesota State Legislature, the Legacy Amendment, and The McKnight Foundation.

The ARAC expresses its appreciation for the support from the Minnesota Arts and Cultural Heritage Fund as appropriated by the State Legislature with money from the vote of the people of Minnesota on November 4, 2008.