

COUNCIL ON THE ARTS

MISSION

The New York State Council on the Arts (NYSCA) is an Executive Agency dedicated to preserving and expanding New York State's rich and diverse cultural resources and expanding access to arts and cultural institutions statewide. NYSCA has played a prominent role in increasing access to the performing and fine arts, preserving the State's cultural resources and promoting greater public awareness of New York's rich cultural heritage.

In prior years, the State has also provided funding for two small, arts-based public benefit corporations, the Empire State Plaza Performing Arts Center Corporation (The Egg) and the New York State Theatre Institute (NYSTI). The 2010-11 Executive Budget recommends eliminating State support for The Egg and NYSTI and transitioning them into self-supporting organizations.

ORGANIZATION AND STAFFING

The Council on the Arts is headed by a Chair and a Vice Chair and consists of 21 members nominated to 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. In 2010-11, the Council on the Arts will have a workforce of 34 for the review, processing and administration of grants to not-for-profit arts and cultural organizations.

The Empire State Plaza Performing Arts Center Corporation (The Egg) was established in 1979 as a public benefit corporation. The Egg is a performing arts venue located in the Nelson A. Rockefeller Empire State Plaza in Albany, NY. The Egg's Board of Directors is comprised of members appointed by the Governor, President of the Senate, Speaker of the Assembly, Minority Leaders of both houses, the Albany County Executive, the Albany Mayor, and the Commissioner of the Office of General Services (OGS). In prior years, The Egg has received a State subsidy totaling approximately 15 percent of its operating budget. The 2010-11 Executive Budget eliminates this subsidy. Instead, The Egg will continue to operate on a self-supporting basis. Although The Egg will not receive any State appropriations, it will continue to operate in the current facility, which is owned by OGS.

The New York State Theatre Institute (NYSTI) was established in 1974 and reconstituted in 1992 as a public benefit corporation. NYSTI is located on the Russell Sage Campus in Troy, NY and provides educational theatre experiences for children and families. NYSTI is governed by a board of directors comprised of 14 voting members and a non-voting chairperson representing the theatre, education and business communities. All members are appointed by the Governor. In prior years, NYSTI received a State subsidy totaling approximately 85 percent of its operating budget. The 2010-11 Executive Budget phases-out this subsidy and requires NYSTI to operate on a self-supporting basis. In 2010-11, \$1.5 million is provided for NYSTI to pay for certain obligations that have already been incurred and provide a short transition period so NYSTI can seek non-State funding sources to support its future operations.

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BUDGET HIGHLIGHTS

The 2010-11 Executive Budget recommends **\$44.2 million** (\$40.0 million General Fund; \$4.2 million Other Funds) for NYSCA and NYSTI. This is a decrease of **\$9.6 million** (\$7.1 million in General Fund and \$2.5 million in Other Funds) from the 2009-10 Final Enacted Budget. This net change primarily reflects the reduction in funding for grants to arts and cultural organizations, the reduction of staff at NYSCA, and the phase-out of State support for the Egg and NYSTI. The Executive Budget recommendation includes \$2.5 million in Federal funds. This amount represents a decrease of \$0.4 million from the 2009-10 Budget due to the phase-out of one-time funding for grants to arts and cultural organizations provided under the American Recovery and Reinvestment Act of 2009.

Major budget actions include:

- **Reduce Funding for NYSCA Grants:** The 2010-11 Executive Budget provides \$35.2 million in General Fund support for arts grants. This represents a decrease of \$6.5 million from the 2009-10 Final Enacted Budget.
- **Restructure NYSCA's staff to generate operational efficiencies:** The 2010-11 Executive Budget provides funding for 34 full-time employees at NYSCA. This represents a decrease of 10 from the 2009-10 authorized fill level. The agency intends to consolidate programmatic functions under fewer managerial positions in order to improve operational efficiency and achieve the savings required by the Governor's statewide directives to reduce spending on agency operations. These actions will generate approximately \$0.6 million in savings, which represents 12 percent of NYSCA's operating budget.
- **Eliminate State Funding for The Egg:** Currently, The Egg receives \$0.6 million annually in State funding, which represents approximately 15 percent of its operating budget. The remainder is comprised of receipts from ticket sales, private donations, and sales and lease of products and facilities. It is expected that The Egg will continue operating in 2010-11 using non-State revenue sources.
- **Phase-out State Funding for NYSTI:** The 2009-10 Budget provided \$3.1 million in State funding to support NYSTI. This amount represents approximately 85 percent of its operating budget; the remainder is comprised of receipts from ticket sales, private donations, and sales and lease of products and facilities. The 2010-11 Executive Budget provides \$1.5 million to support NYSTI; this amount represents a 50 percent decrease from the 2009-10 funding level, reflecting a phase-out of the State subsidy. It is expected that, beginning in 2011-12, NYSTI will be fully self-supporting through increased non-State revenue sources.

PROGRAM HIGHLIGHTS

Council on the Arts: Approximately 94 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 represent approximately 6 percent of 2010-11 funding. Grants to not-for-profit arts organizations represent approximately 88 percent of the projected expenditures of the Council. The remainder is used for the administration of grant programs and the statewide promotion and development of artistic and cultural programs.

Grant awards to not-for-profit 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 3,000 requests for funding each year from organizations throughout the State including symphony orchestras, museums, dance companies, theaters and libraries.

Empire State Plaza Performing Arts Center Corporation (The Egg): The Egg hosts approximately 300 events annually featuring dance, music, and theatre companies from across the State and around the world. The Center’s performing arts series has continued to evolve. Highlights of the past year included the “New Work, New York” project, which featured the commissioning of four new works to honor the Hudson River Quadricentennial involving music, film and spoken work and toured to four communities in New York State; the “Living Legacy” project, which explored “Jazz Dance” with mainstage performances and an extensive outreach tour; and “New York - The State of the Arts,” an original multimedia production that was staged for the second consecutive year and was performed in front of over 4,500 young people.

New York State Theatre Institute (NYSTI): In 2009-10, NYSTI served schools, teachers, interns and families across the State through its productions, educational programs, in-class preparations, Theatre Arts School, Summer Stage and Summer Theatre Institute programs. The Institute has certified high school units and college credits to high school seniors and college students who participate in its internship program. It is expected that the Board will explore opportunities to make NYSTI self-sufficient.

**ALL FUNDS
APPROPRIATIONS
(dollars)**

Category	Available 2009-10	Appropriations Recommended 2010-11	Change	Reappropriations Recommended 2010-11
State Operations	9,232,000	6,472,000	(2,760,000)	600,000
Aid To Localities	44,611,783	37,759,000	(6,852,783)	9,687,000
Capital Projects	0	0	0	0
Total	53,843,783	44,231,000	(9,612,783)	10,287,000

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

Full-Time Equivalent Positions (FTE)

Program	2009-10 Estimated FTEs 03/31/10	2010-11 Estimated FTEs 03/31/11	FTE Change
Administration			
General Fund	44	34	(10)
Total	44	34	(10)

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

<u>Fund Type</u>	<u>Available 2009-10</u>	<u>Recommended 2010-11</u>	<u>Change</u>
General Fund	5,482,000	4,838,000	(644,000)
Special Revenue Funds - Federal	100,000	100,000	0
Special Revenue Funds - Other	3,650,000	1,534,000	(2,116,000)
Total	<u>9,232,000</u>	<u>6,472,000</u>	<u>(2,760,000)</u>

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

<u>Program</u>	<u>Available 2009-10</u>	<u>Recommended 2010-11</u>	<u>Change</u>
Administration			
General Fund	5,482,000	4,838,000	(644,000)
Special Revenue Funds - Federal	100,000	100,000	0
Empire State Performing Arts Center Corporation			
Special Revenue Funds - Other	584,000	0	(584,000)
New York State Theatre Institute			
Special Revenue Funds - Other	3,066,000	1,534,000	(1,532,000)
Total	<u>9,232,000</u>	<u>6,472,000</u>	<u>(2,760,000)</u>

**STATE OPERATIONS - GENERAL FUND
SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES
2010-11 RECOMMENDED
(dollars)**

<u>Program</u>	<u>Total</u>		<u>Personal Service Regular (Annual Salaried)</u>	
	<u>Amount</u>	<u>Change</u>	<u>Amount</u>	<u>Change</u>
Administration	3,198,000	(520,000)	3,197,000	(520,000)
Total	<u>3,198,000</u>	<u>(520,000)</u>	<u>3,197,000</u>	<u>(520,000)</u>

<u>Program</u>	<u>Holiday/Overtime Pay (Annual Salaried)</u>	
	<u>Amount</u>	<u>Change</u>
Administration	1,000	0
Total	<u>1,000</u>	<u>0</u>

**STATE OPERATIONS - GENERAL FUND
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED
APPROPRIATIONS AND CHANGES
2010-11 RECOMMENDED
(dollars)**

<u>Program</u>	<u>Total</u>		<u>Supplies and Materials</u>	
	<u>Amount</u>	<u>Change</u>	<u>Amount</u>	<u>Change</u>
Administration	1,640,000	(124,000)	32,000	(5,000)
Total	<u>1,640,000</u>	<u>(124,000)</u>	<u>32,000</u>	<u>(5,000)</u>

<u>Program</u>	<u>Travel</u>		<u>Contractual Services</u>	
	<u>Amount</u>	<u>Change</u>	<u>Amount</u>	<u>Change</u>
Administration	64,000	(7,000)	1,480,000	(105,000)
Total	<u>64,000</u>	<u>(7,000)</u>	<u>1,480,000</u>	<u>(105,000)</u>

<u>Program</u>	<u>Equipment</u>	
	<u>Amount</u>	<u>Change</u>
Administration	64,000	(7,000)
Total	<u>64,000</u>	<u>(7,000)</u>

**STATE OPERATIONS - OTHER THAN GENERAL FUND
SUMMARY OF APPROPRIATIONS AND CHANGES
2010-11 RECOMMENDED
(dollars)**

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Administration	100,000	0	0	0
Empire State Performing Arts Center Corporation	0	(584,000)	0	(182,400)
New York State Theatre Institute	1,534,000	(1,532,000)	965,000	(830,000)
Total	1,634,000	(2,116,000)	965,000	(1,012,400)

Program	Nonpersonal Service	
	Amount	Change
Administration	100,000	0
Empire State Performing Arts Center Corporation	0	(401,600)
New York State Theatre Institute	569,000	(702,000)
Total	669,000	(1,103,600)

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

Fund Type	Available	Recommended	Change
	2009-10	2010-11	
General Fund	41,602,783	35,150,000	(6,452,783)
Special Revenue Funds - Federal	2,813,000	2,413,000	(400,000)
Special Revenue Funds - Other	196,000	196,000	0
Total	44,611,783	37,759,000	(6,852,783)

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

Program	Available	Recommended	Change
	2009-10	2010-11	
Administration			
General Fund	41,602,783	35,150,000	(6,452,783)
Special Revenue Funds - Federal	2,813,000	2,413,000	(400,000)
Special Revenue Funds - Other	196,000	196,000	0
Total	44,611,783	37,759,000	(6,852,783)