

North Dakota Council on the Arts, Agency 709*House Appropriations - Human Resources Sub-Committee**Testimony by Kim Konikow, Executive Director*March 10, 2021**INTRODUCTION: SLIDE LOGO**

Mr. Chairman and members of the House Appropriations, Human Resources Sub-Committee - Good Morning.

My name is Kim Konikow, Executive Director of the North Dakota Council on the Arts. I am joined by our Fiscal Officer/Grants Administrator, Robin Bosch.

Three years ago, I began work at NDCA; it has been quite an adventure. I am proud to be here today and share our agency's accomplishments, present the agency's FY2021-23 budget request and to answer any questions you may have. This has been a very tough year for everyone, and I am fully aware of the budget constraints we face in ND.

There's a lot happening during the 67th Legislative Session, but while you are here, I encourage you to stop in the Governor's staff offices to see amazing photographs of our Master Apprentice program, taken by Folklorist Troyd Geist. There is also an astounding representation of COVID in ND, by Pieper Bloomquist, to look at closely. And up on the 18th floor is a wonderful exhibit by Native artist Bill Brien; NDCA is thrilled to be curating this space in partnership with Capitol Facilities.

BACKGROUND:

The North Dakota Council on the Arts is citizen-led and professionally staffed through a nine-member appointed Board that provides oversight to the staff of five FTE's and one part-time temp. We were established by state statute in 1967 *"to ensure that the role of the arts in the life of our communities will continue to grow and will play an evermore significant part in the welfare and educational experience of our citizens."*

WE BELIEVE

ART SHOULD BE FOR THE COMMUNITY

BY THE COMMUNITY

TO TRANSFORM PUBLIC SPACES AND INDIVIDUAL LIVES

ART HAS

THE POWER TO HEAL + THE POWER TO UNITE

BUT IT IS NEVER SILENT AND CANNOT BE IGNORED BECAUSE IT ALWAYS

TELLS A STORY

— AND WHEN TOLD WELL IT CAN LIGHT DARK CORNERS —
BECAUSE IT GETS BEHIND THE SURFACE TO CHANGE MINDS AND ULTIMATELY

CHANGES EVERYTHING

WE BELIEVE ART IGNITES CHANGE

City of Minnetonka
MuralArtsProgram

North Dakota's commitment to arts and culture ensures healthy people, creates vibrant communities, and supports a 21st century state economy. Our purpose is to bring that commitment to life.

Revised during NDCA's 2019 strategic planning process, our mission is *to strengthen the creative capacity of North Dakota for all who live or visit here: honoring our cultural traditions, empowering excellence and innovation, inspiring arts and culture opportunities for all.*

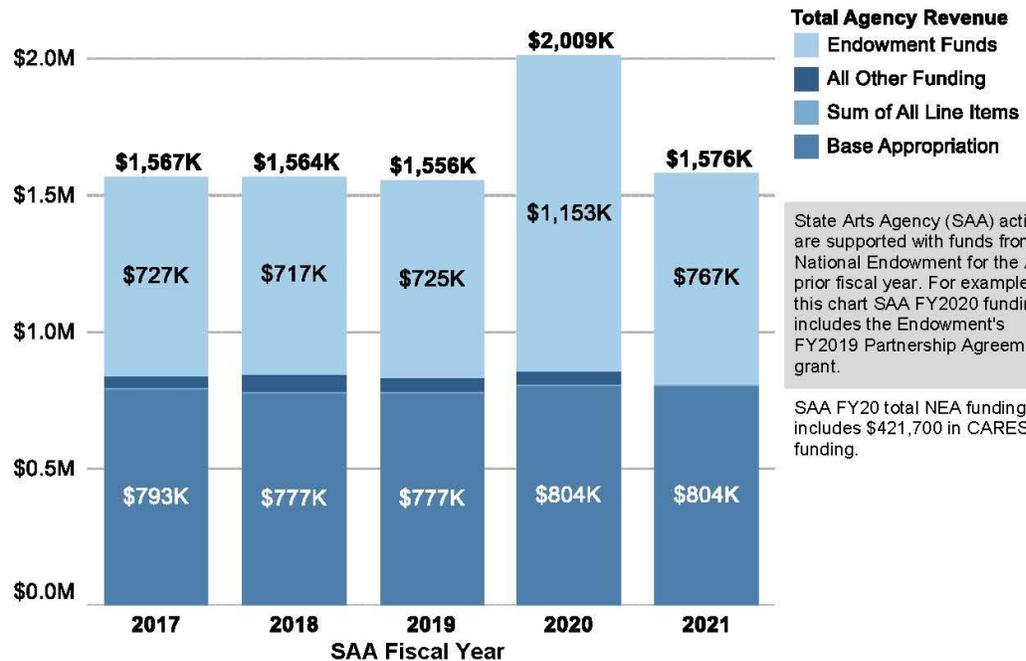
We grant federal and state appropriated funds to North Dakota communities, schools, individuals, and organizations. NDCA also convenes, educates, and partners with individuals across the state to seed new ideas and activity and build resilient capacity for the long-term. Bringing these pieces together, we are pursuing a North Dakota in which all can experience arts and culture; all can participate; all are welcome; and arts and culture thrive.

VALUE AND IMPACT:

North Dakota Council on the Arts

Kim Konikow, Executive Director
Searle Swedlund, Chair
Independent Agency

STATE ARTS AGENCY FUNDING HISTORY



State Arts Agency (SAA) activities are supported with funds from the National Endowment for the Arts's prior fiscal year. For example, in this chart SAA FY2020 funding includes the Endowment's FY2019 Partnership Agreement grant.

SAA FY20 total NEA funding includes \$421,700 in CARES Act funding.

STATE FUNDING DETAILS

FY2021 Base Appropriation:	\$804,342
FY2021 Line Item Appropriations:	\$5,000
FY2021 Total Legislative Appropriation (base + line items):	\$809,342
FY2021 Per Capita Legislative Appropriation:	\$1.06
Total Appropriation Change FY2017 to FY2021:	1.4%
Total Legislative Appropriation as a Percentage of General Fund Expenditures (FY2020 data available):	0.033%

NATIONAL ENDOWMENT FOR THE ARTS FUNDING DETAILS

FY2020 Partnership Agreement Grant:	\$766,800
FY2020 Other Endowment Funding:	\$0
FY2020 Total Endowment Funding:	\$766,800

All FY2021 legislative appropriations figures are current as of August 2020 unless otherwise noted above.

Base Appropriation: State legislative funds allocated to the state arts agency. Excludes funds transferred from other state departments/accounts and other sources of nonstate or non-Endowment revenue.

Line Item Appropriations: State funds designated for specific organizations but passed through a state arts agency's budget.

All Other Funding: Includes state funds beyond appropriations as well as earned income, private contributions, non-Endowment federal funds, and any other private or miscellaneous funds. Data not available for FY2021.

Total Agency Revenue: Includes the base appropriation, line items, Endowment funding and all other funding.

General Fund Expenditures: State general funds support the general operation of state government and consist of revenues accrued from broad-based taxes, fees, interest earnings and other sources.

Partnership Agreement Grant: This Endowment grant supports agency activities that align with the Endowment-approved state plan, with allocations for Poetry Out Loud, Arts Education, Arts in Underserved Communities, and Folk and Traditional Arts Partnership (optional). Poetry Out Loud and Arts Education allocations include Endowment program funds beyond the 40% designated by law for state and regional agencies.

Other Endowment Funding: Includes restricted funds such as grants for disaster relief or other designated purposes.

North Dakota Council on the Arts

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STATE DEMOGRAPHIC PROFILE

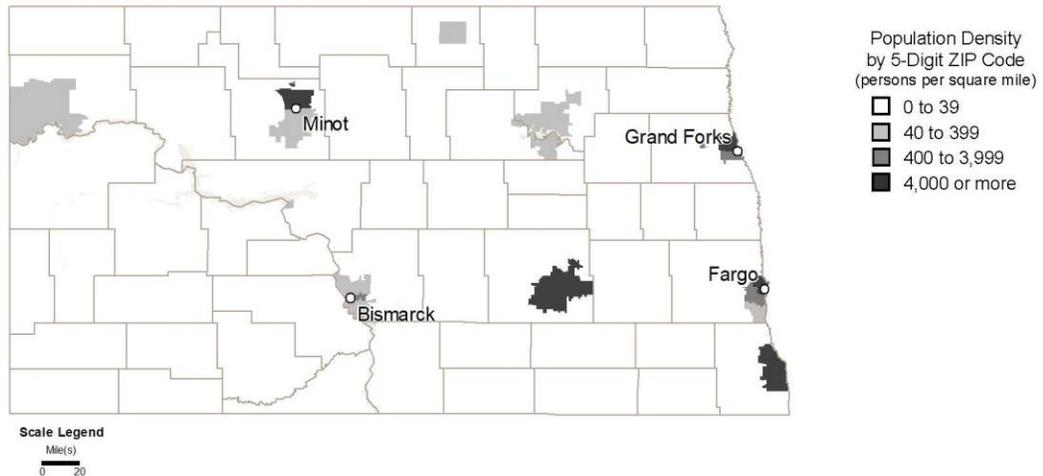
North Dakota – “The Peace Garden State”

State population: **762,062**
 Population rank (out of 50 states): **48**
 5-year population change: **1.1%**

State senate districts: **47**
 State house districts: **94**
 Congressional districts: **1**

Capital city: **Bismarck** (pop. 73,529)
 Largest city: **Fargo** (pop. 124,662)
 Number of counties: **53**
 Land area: **69,001 square miles**
 Land area rank (out of 50 states): **17**

Number of school districts: **221**
 Number of public schools: **522**
 Number of students (preK-12): **111,658**



STATE CHARACTERISTICS

	ND	U.S.		ND	U.S.
Median annual household income:	\$63,473	\$60,293	Population by Age:		
Population below poverty line:	10.9%	14.1%	School-aged (5-17 years):	16.1%	16.5%
Unemployment rate:	9.1%	13.3%	Senior citizen (65+ years):	14.6%	15.6%
Arts and cultural employment:	3.1%	3.4%	Population by Race/Origin:		
Arts and cultural share of GDP:	2.8%	4.5%	Asian:	1.4%	5.4%
Households with primary language other than English:	6.1%	21.5%	Black/African American:	2.7%	12.7%
Veteran population:	8.1%	7.5%	Native American/Alaska Native:	5.2%	0.8%
Urban population:	50.5%	86.0%	Pacific Islander:	0.1%	0.2%
Rural population:	49.5%	14.0%	White/Caucasian:	85.0%	61.1%
Population with a disability:	10.8%	12.6%	Hispanic/Latino origin*:	3.5%	18.7%

* *Hispanic/Latino*, which the U.S. Census considers an ethnicity and not a race, refers to persons with origins in Latin American or other Spanish cultures. Persons identifying as Hispanic/Latino may be of any race.

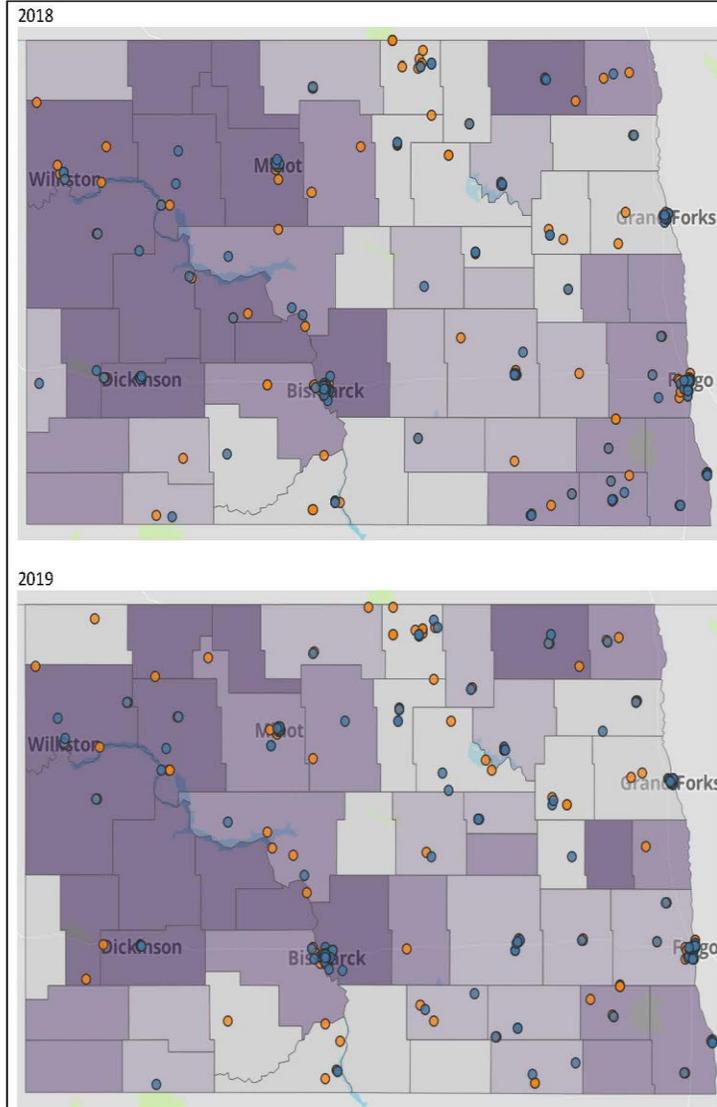
Data Sources: Legislative appropriations and revenue data are drawn from standardized budget surveys submitted annually to NASAA by each state. Demographic figures are drawn from the U.S. Census Bureau, U.S. Department of Agriculture, U.S. Bureau of Economic Analysis, U.S. Bureau of Labor Statistics, National Endowment for the Arts, National Center for Education Statistics, National Association of State Budget Officers, The Council of State Governments and The World Bank. Data is the most recently available from each data source. All was data collected between July and August 2020.

NDCA thanks the legislature for the immense and positive impact your many decades of support has had on citizens throughout the state. As you consider our budget request, please know that you are funding the valuable work the arts do toward addressing state priorities. This has been especially evident during the last year, while COVID restrictions wreaked havoc on everyday life.

NDCA's budget is comprised of appropriations for salaries, operating expenses, and grants. On average, nearly two-thirds of that budget is redirected across North Dakota through our grant programs and partnerships. When you fund NDCA, you are providing financial support for communities and citizens across the state – your constituents!

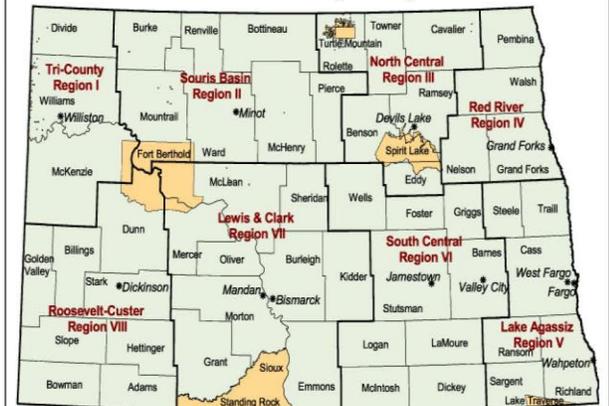
In the first 18 months of the current biennium, Individuals and organizations in 71 communities received grant funding with impact often reaching beyond community borders. We have distributed over \$1,784,676 to date through 396 unique grants across 35 counties. This includes nearly 25 partnership grants that have a regional or statewide reach.

NDCA's Geographic Reach

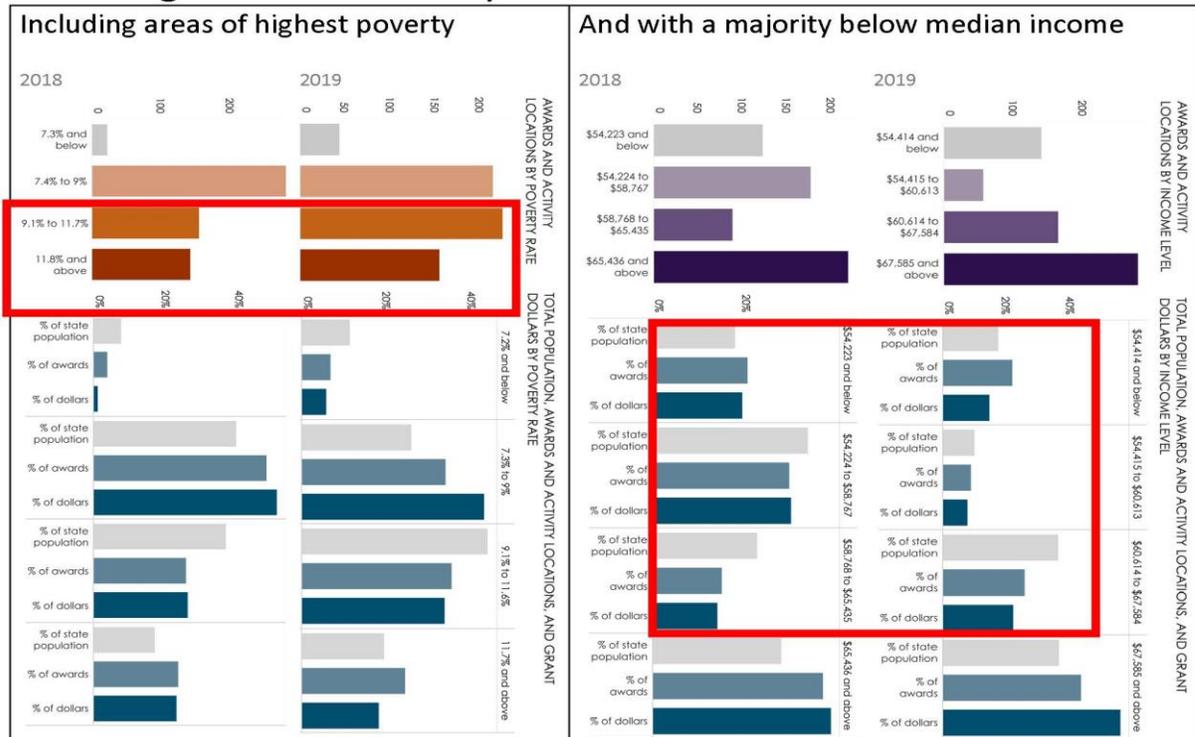


NDCA's grants reach deep into each of North Dakota's economic development regions, such that any 2-3 year window reaches all but a handful of its counties.

North Dakota's Counties & Economic Development Regions



NDCA's grants reach every economic strata of the state



In addition to state appropriations, we are federally funded by the National Endowment for the Arts.

This federal funding approximately doubles the state appropriation; in fact, it cannot do more than that because the state must match the federal commitment in order to receive it at all. As our federal funding has increased over recent years – positively impacting the agency’s ability to serve the citizens of the state – we have come closer than is comfortable to losing it. If federal funding continues to rise and state funding decreases, our state appropriation will fall below the level of our federal grant. We would not be able to meet the required match.

Reductions in our general fund appropriation result in a lower percentage of state funds going to the arts. Following you will find data that demonstrates how North Dakota compares to other states both in the Midwest and nationally, as well as the relationship of arts funding to economic impact.

NDCA is an exceptional steward of state dollars. We have budgeted carefully, expended funds judiciously, and expect to have little, if any, turnback.



WHY THE ARTS MATTER IN NORTH DAKOTA

As of 3/27/2020



NATIONAL ARTS FACTS

ARTS & CULTURE SECTOR'S PERCENTAGE OF U.S. ECONOMY (Artists, University Arts, Commercial & Nonprofit Arts Organizations Combined)

GDP & JOBS

ARTS & CULTURE SECTOR REPRESENTS 4.5% OF NATION'S GDP & 5.1 MILLION JOBS

The U.S. Bureau of Economic Analysis reports that nationally the arts and culture sector is a **\$878 billion industry**, representing 4.5% of the nation's GDP—a larger share of the economy than construction or education services.

Source: U.S. Bureau of Economic Analysis, 2017.



BONUS: U.S. exports generate a \$29.7 billion arts trade SURPLUS.

NORTH DAKOTA ARTS FACTS

ND ARTS & CULTURE SECTOR REPRESENTS 2.8% OF STATE'S GDP & 14,035 JOBS

The U.S. Bureau of Economic Analysis reports that the arts and culture sector contributes **\$1.45 billion** to North Dakota's economy representing 2.8% of the state's GDP—a larger share than some other industries in the state.

Source: U.S. Bureau of Economic Analysis, 2017.



BONUS: In 2017, ND arts and culture compensation grew by 3.57%.

NUMBER OF ARTS-RELATED BUSINESSES AND JOBS (Commercial & Nonprofit Arts Organizations Combined)

BUSINESSES

Nationally **673,656 businesses** employ **3.48 million people** who are involved in the creation or distribution of the arts. Based on Dun & Bradstreet data, this means that 3.9% of all businesses and 1.9% of all employees are connected to the creative industries.

Source: Americans for the Arts, *Creative Industries*, 2017.



In North Dakota, **1,267 Arts-Related Businesses** employ **6,000 people**.

- In Burleigh County, **212 Arts-Related Businesses** employ **1,249 people**.
- In Cass County, **360 Arts-Related Businesses** employ **2,071 people**.
- In Grand Forks, **129 Arts-Related Businesses** employ **815 people**.

Source: Americans for the Arts, *Creative Industries*, North Dakota report, 2017.



ECONOMIC IMPACT OF NONPROFIT ARTS ORGANIZATIONS & THEIR AUDIENCES

ECONOMICS

Nationally, the nonprofit arts industry alone generates **\$166.3 billion in economic activity** annually that supports **4.6 million jobs** and generates **\$275 billion** in federal, state, and local government revenue.

- Spending by arts audiences generated **\$102.5 billion** to local businesses.

Source: Americans for the Arts, *Arts & Economic Prosperity 5*, 2017.



In 2015, nonprofit arts organizations in the state generated **\$110.1 million in economic activity** annually that supported **3,861 jobs** and generated **\$9.6 million** in state and local government revenue.

- In the **Bismarck-Mandan Region**, nonprofit arts groups generated **\$22.1 million** in economic activity. Audiences of 783,606 people added another **\$19.1 million** in related spending for a total of **\$41.2 million** for the region in 2015, and this generated **\$3.5 b** in local and state government revenues.

Source: Americans for the Arts, *Arts & Economic Prosperity 5*, Bismarck-Mandan Region and ND reports, 2017.



PUBLIC INVESTMENT IN GRANTS TO NONPROFIT ARTS ORGANIZATIONS & ARTISTS

FUNDING

Q So how much is the federal government investing in the National Endowment for the Arts (NEA)?

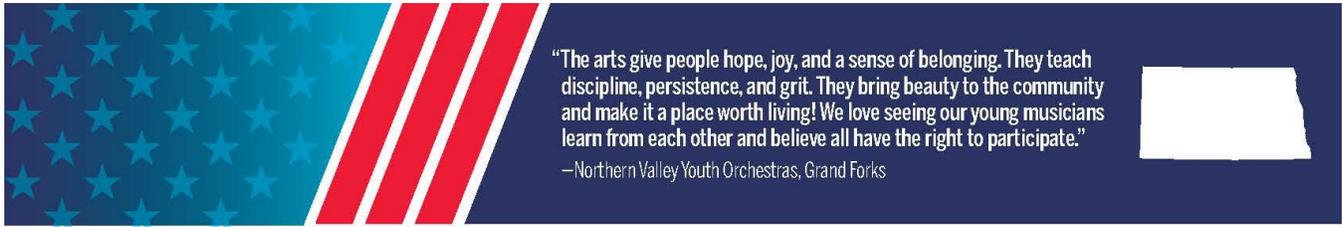
A Congress has proposed allocating **\$162.25 million** to the NEA in FY 2020, which has been relatively level for the last several years. This amounts to just **49¢** per capita, yet the nonprofit arts industry generates over **\$13 billion** in federal tax revenue back to the treasury. Imagine what nonprofit arts groups could generate with **\$1 per capita!**

Source: Americans for the Arts Action Fund, 2020.
Read: "Funding The Arts Is Good For the Nation," *The Hill*, 2015.

Q What about North Dakota—how much does state government budget to the North Dakota Council on the Arts (NDCA) each year?

A In FY 2020, the state allocated **\$809,342** to NDCA. The Council also received **\$731,200** in federal NEA funds, which they re-granted funds to dozens of cultural organizations throughout the state. Another 3 nonprofit arts organizations received direct grants from the NEA totaling **\$130,000**.

Source: NEA and NASAA, 2020.
Read: "National Study Finds ND Arts a Strong Economic Driver," Kaley Schwab, *My ND Now*, 2017. The article is based on [this economic impact study](#) that shows the arts mean business!



NORTH DAKOTA ARTS FACTS

THE ARTS UNITE US AND ENHANCE THE VITALITY OF NORTH DAKOTA, THE PEACE GARDEN STATE

The Art for Life Program seeks to improve the emotional and physical health and wellness of elders in care facilities, as well as those living independently, through intensive art and artist interaction.

NORTH DAKOTA COUNCIL ON THE ARTS

The North Dakota State Legislature created the North Dakota Council on the Arts (NDCA) "to ensure that the role of the arts in the life of our communities will continue to grow and will play an even more significant part in the welfare and educational experience of our citizens." As stated in their [strategic plan](#): "Our purpose is to bring that commitment to life. We strengthen the creative capacity of North Dakota for all who live or visit here: honoring our cultural traditions, empowering excellence and innovation, and inspiring arts and culture opportunities for all."

> Learn more [here](#).

MEET SOME NORTH DAKOTA ARTS ADVOCATES

- **Justin Anderson** is Executive Director of Minot Area Council on the Arts. [>More](#)
- **Dayna Del Val** is the President & CEO of The Arts Partnership, which is an arts organizational awardee from the Governor's Awards for the Arts 2017. [> More](#)
- **Kim Konikow** is Executive Director of the North Dakota Council on the Arts. [>More](#)
- **Paul Noot** is the Co-Director of the Bismarck Downtown Artist Cooperative, 2017 awardee of the Governor's Awards for the Arts in the category of arts in education. [>More](#)
- **Jessie Veeder** is a Plains singer/songwriter and the Program Director of the Long X Arts Foundation as well as an Individual awardee of the Governor's Awards for the Arts 2019. [>More](#)

ART IN NORTH DAKOTA

- The Department of Tourism can introduce you to North Dakota's vibrant Art Scene [here](#).
- NDCA highlights the partnership between the arts and state government in five critical areas. See the video [here](#).
- The Guide to North Dakota Art and Cultural Destinations was compiled by the North Dakota Council on the Arts providing a comprehensive listing of arts organizations, cultural centers, galleries, and artist studios that you may easily access and add to your vacation plans [here](#).

NORTH DAKOTA ART ORGANIZATIONS

- Dakota West Arts Council artscapital.org
- Empire Arts Center empireartscenter.com
- Long X Art Foundation longxarts.com
- Minot Area Council on the Arts minotarts.org
- North Dakota Council on the Arts nd.gov/arts
- The Arts Partnership, Fargo theartspartnership.net

THE ARTS ARE EVERYWHERE!

- Start a cultural tour of the state in **Fargo**, where the Plains Art Museum features regional contemporary artwork, American Modernism, and Native American works. And visit Aptitude, The Arts Partnership's amazing artist studios in West Acres Mall!
- Head west on Interstate 94 to **Jamestown** for the National Buffalo Museum and the Arts Center for its art exhibitions that change monthly, including a summer series in the square along with a farmer's market.
- Continue west to the Belle Mehus Auditorium in **Bismarck** for Broadway shows, concerts, rodeos, and comedy, the Capital Gallery and the Bismarck Art Gallery & Gallery Association.
- In **New Rockford**, you can go to the Dakota Prairie Regional Center for the Arts for high quality theater.
- Out west in **Watford City** is the Long X Art Foundation in the brand-new Roughrider Center, which also houses the high school.
- The James Memorial Preservation Society in **Williston** has art exhibits and classes. The town is also known for its Dakota Prairie Quilt Guild and its Woodworkers Club.
- Straddling the border between ND and Canada the **International Peace Garden** offers the International Music Camp Summer School of Fine Arts that attracts students of all ages for classes in Dance, Creative Writing, Painting, Drawing, Theater, and Music.

To View the Top 10 Reasons to Support the Arts, [Click Here](#).

NORTH DAKOTA ARTS NEED YOU!

JOIN THE ARTS ACTION FUND FOR FREE TODAY!

E-MAIL US: ArtsActionFund@artsusa.org

VISIT US: ArtsActionFund.org/join

CALL US: 202.371.2830 x2067

FOLLOW US: [f](#) Arts Action Fund | [t](#) @ArtsActionFund | [#ArtsVote](#)



To download this fact sheet, "Why the Arts Matter in North Dakota," with corresponding resource links, visit www.ArtsActionFund.org/StateFactsheets.

3/27/2020

Our Core

Mission

The North Dakota State Legislature created the North Dakota Council on the Arts “to ensure that the role of the arts in the life of our communities will continue to grow and will play an evermore significant part in the welfare and educational experience of our citizens.” Our purpose is to bring that commitment to life.

We strengthen the creative capacity of North Dakota for all who live or visit here:
 honoring our cultural traditions,
 empowering excellence and innovation,
 inspiring arts and culture opportunities for all.

What We Do

As a state arts agency, our role is to support creators, art providers, and participants. We use grants, convening, education, and partnerships to:

- Seed new ideas and activity
- Build resilient capacity for the long-term

To do this well, we must balance our investments:

- With organizations, artists, educators, and communities
- For broad geographic reach with deep engagement
- That sustain ongoing work and build new capacity
- For flexible response to ongoing and emerging needs

Beliefs & Values

Inspiring our mission are these deeply held beliefs:

- Art tells our stories – individually and as a state
- Art, culture and creativity, by and for the community, have the power to:
 - Inspire and enhance lives
 - Build community and transform its spaces
 - Lift up, heal, and unite across divides
- Everyone deserves equal access to a full, vibrant creative life, which is essential to a healthy and democratic society

We hold ourselves accountable to the people of North Dakota and the trust placed in us. Because of this we:

- Pursue excellence and innovation in all things
- Pursue cultural equity throughout the state
- Engage our state through fair and transparent processes

Vision 2030

A North Dakota in which all can experience arts and culture. All can participate; all are welcome; and arts and culture thrive.

Strategic Direction

Art & Creative Process for All

Goal 1 Working toward a North Dakota in which all can experience arts and culture – diversity of tradition, of genre, of exposure. All can participate. All are welcome.

Vibrant Communities

Goal 2 Regions, cities, communities, and networks across the state appreciate the power of the arts. They use that power to enhance the vitality of North Dakota. They celebrate the vibrant communities that result, each with arts, creativity and culture at their core.

Thriving Arts Ecosystem

Goal 3 NDCA, communities, organizations, artists, and educators thrive in an interdependent, mutually supported, system. Each has resilient capacity aligned for impact.

Excellence & Innovation

Goal 4 NDCA models excellence and innovation for the field. It sustains its gains through self-reflection, evaluation and continuous improvement. Its innovative partnerships open doors to greater influence and impact, increase its efficiency, and leverage its resources.

MAJOR FY 2019-21 ACCOMPLISHMENTS:

1. In 2019 we developed a comprehensive statewide strategic plan that reinvents the role of the arts in state government, expanded our reach, pursues a new vision for the arts in North Dakota, and sustains federal investment in our state.
 - a) The process included 1,100 individuals across 25+ cities, 20+ counties, 8 regions, and 2 reservations.
 - b) Our new strategic direction articulates 4 long-term goals and 3 mid-term priorities toward our vision of a North Dakota in which all can experience arts and culture. All can participate; all are welcome; and arts and culture thrive.

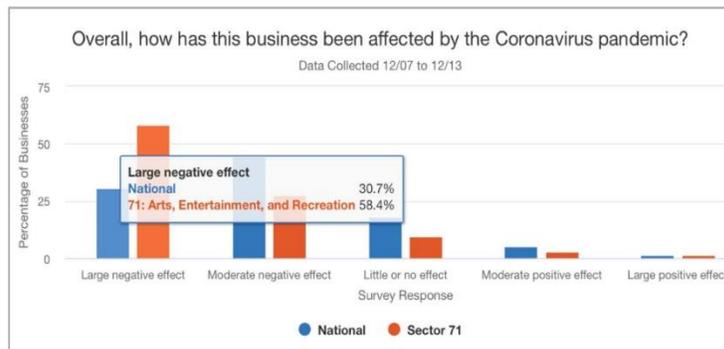
2. We reacted quickly and nimbly in response to COVID-19.
 - a) We supported teachers, students and the general public as they pivoted to online arts activities.
 - b) We supported safe programs at senior care facilities throughout the state and brought music to online church services and outdoor venues.
 - c) We convened diverse arts groups to listen, share and learn about potential solutions and resources.
 - d) We collected data to gauge economic impact.
 - e) We provided a myriad of resources available online for all citizens of the state.
 - f) We administered and facilitated grant funds for 197 individuals and 149 organizations through National, Regional and State CARES ACT Funds from four separate funders. *I cannot emphasize enough that we developed, launched, and implemented new grant programs to quickly disseminate new, covid-relief funding – almost the equivalent of an entire biennium.* {NEA \$371,700, Arts Midwest \$76,368, The Bush Foundation \$55,000, and ND/OMB \$751,790} for a total of \$1,248,864 above prior appropriations. At the same time, we had to contract with outside consultants in order to turn around the \$800,000 in year-end CARES Act funding from ND.

COVID-19 Check in – Fall 2020

Arts & Culture is at risk across the country.

The economic impact of Covid-19 on the arts and culture sector is devastating, across the country. It is one of the hardest hit sectors overall.

Small Business Pulse Survey: Arts & Entertainment Sector,
portal.census.gov/pulse/data/



North Dakota’s arts and culture sector has been hit hard.

Organizations have lost revenue. That loss among 48 grantees exceeded \$3.8 million (up from \$1.4 million in June). Approximately 2/3 of this amount has been absorbed by program cuts, but long-term operations are also affected and causing staff cuts. *“We must re-program, and be creative for lack of better words, to continue being self-sustainable and bring the income to needed to stay open and meet our goals. Bills still need to be pay and staff needs to get paid.”* (NDCA Grantee)

The sector has and may continue to lose jobs.

Nationally we see sustained rise in sector unemployment.
www.arts.gov/sites/default/files/COVID-Outlook-Week-of-1.4.2021.pdf

We know North Dakota’s sector will lose jobs. Early studies of the pandemic estimated 91% at risk.
covid-tracker.mckinsey.com/vulnerable-jobs/industry-occupation

Arts, Entertainment, and Recreation:
Total employment: 5,346
Sector jobs at risk: 4,868
% of sector jobs at risk: 91%

Now we see select grantees projecting those losses.

Projected Staffing Levels >	Full time	Part time
FYE 2019	109	209
FYE 2020	100	159
FYE 2021	75	124
Resulting Losses Expected >	9-34 lost	50-85 lost

Table 2: Artist Labor Force, Quarter III (July–September) 2019 and 2020.

Artist Labor Force ^a	2019	2020
Total, 16 Years of Age and Older		
Employment	158,226	146,504
Unemployment	5,377	13,670
Unemployment Rate	3.3%	8.5%
All Artists		
Employment	2,483	2,260
Unemployment	95	-
Unemployment Rate	3.7%	-
Art Directors, Fine Artists, Animators		
Employment	242	249
Unemployment	5	25
Unemployment Rate	2.1%	9.3%
Actors		
Employment	34	26
Unemployment	11	28
Unemployment Rate	24.7%	52.3%
Dancers and Choreographers		
Employment	24	6
Unemployment	3	8
Unemployment Rate	10.7%	54.6%
Musicians, Singers, and Related Workers		
Employment	236	151
Unemployment	3	56
Unemployment Rate	1.1%	27.1%

^a Employment and unemployment measured in thousands. Source: Bureau of Labor Statistics. Current Population Survey. Analysis by the National Endowment for the Arts.

The risk to their survival is real, and they are anxious to get back to normal.

When asked about their plans for 2021 and the cash flow available to survive the year, many speak of maintaining current levels of work or even returning to pre-covid activity. But, their cash position and flow underscore that this is what they have to have to survive whether realistic or not.

Plans for the coming year	Available cash to continue at current flow			
	0-3 months	3-6m	6-12m	> 12m
• Merging with or otherwise combining with another organization	1			
• Further reducing from current level of activity		2	3	
• Maintaining current level of activity	3	6	7	2
• Returning to pre-covid activity	6	4	9	5

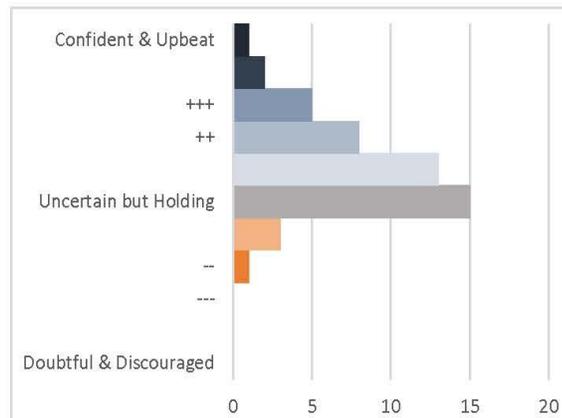
“I am certainly concerned about the long-term ramifications of this situation on audience numbers. Will people return to the theater, how long will it take to return to pre-covid numbers, etc?” (NDCA Grantee)

The ND arts sector is indefatigable, remaining confident in the face of uncertainty.

When asked about morale and their hopes for the future, grantees remain on the positive side of the spectrum

“We are moving forward with plans for both winter and summer programming. Winter programming will be virtual while summer program is being planned to be done in person. Hoping for the best!” (NDCA Grantee)

“My goal is to continue to be a working artist in ND. I have always been able to support myself as a business owner and artist but Covid has hit us all so hard. Mentally it is super tough because jobs don’t exist. They literally shut down our theaters. I make sure I write, create and work on my original show every day to keep moving forward: however, This is not a hobby to me, it is a career. ND is a wealthy state and has funds for times of emergency. This IS an emergency. Somehow they should support us!” (NDCA Grantee)



And they credit NDCA and CARES act funding as important supports.

Arts and culture leaders are grateful for NDCA’s support during the covid-crisis. In the words of grantees:

“NDCA has stood up for artists in this difficult time. For that I am grateful as a minority artist.”

“Thank you for all of your support to the organizations you work with!”

“The arts are still vitally needed, but it is really difficult to do them in isolation.”

“Thanks to the CARE act program funds through the NDCA.”

These organizations are small businesses in cities and towns across the state – in all 8 regions. They represent all arts and culture disciplines – visual, music, museum, theater, literary, opera, dance, and multidisciplinary.

3. Since approving our new strategic plan
 - a) NDCA became a full partner with Commerce in the 2020 Main Street Summit.
 - b) We developed partnerships with the Native American Development Corporation, First Peoples Fund (SD), and ND Department of Transportation.
 - c) We deepened relationships with Parks & Recreation, the Heritage Center, Commerce, Humanities ND, Prairie Public and United Tribes.
 - d) We launched a statewide effort (Creative Placemaking – Joining ND’s Eight Regions) that will result in public art projects tied to the particular cultural heritage of North Dakota’s eight regions while promoting art-driven economic development, and tourism in an extensive partnership with ND Department of Transportation – this is actually a national model.
 - e) We made significant progress toward cultural equity, accessibility, inclusion, and reaching communities traditionally underserved by the arts using policy statements, a conference on accessibility, resources for Veterans arts, and national visibility in the Smithsonian Institution’s *Folklife Magazine* on ND’s COVID-19 response.

Northern Plains:
Folk balladeer
Chuck Suchy

African musician
Hamzat Koriko

Prairie Wind:
A Choral Project
by **Tom Porter**

The Kennedy Center

Arts Across America
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FY 23-25 LEGISLATIVE TESTIMONY 9



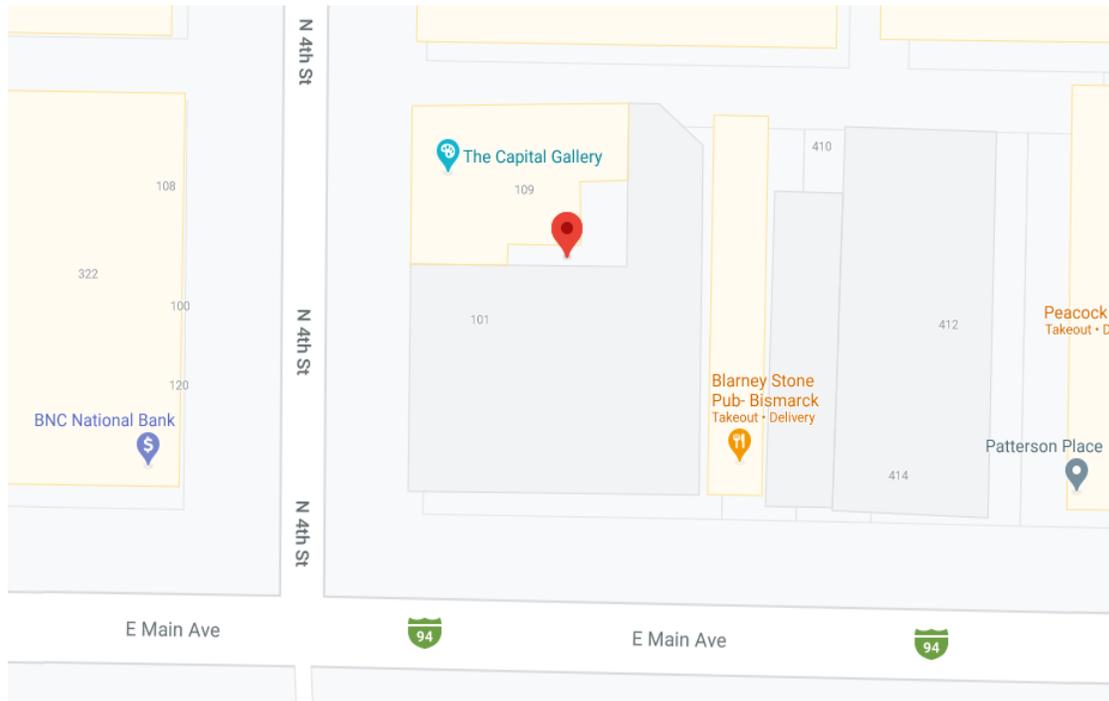
2. We expanded capacity for Arts in Education with:

- Partnership with Central Region Education Association (CREA) to support Arts Programs for Juvenile Justice and Behavioral Health Initiatives.
- “Beat the Odds”. This evidence-based and trauma-informed group drumming strategy is proven to build core strengths, in response to Senate Bill 2265 Section 21, partnering with CREA.
- New Afterschool Arts Mini-Grants in partnership with the ND Afterschool Network.
- Pivoting Poetry Out Loud to an online format while retaining a consistent number of participating schools.

3. Finally, we reinvented ourselves as an agency.

- Shifting internal workflows and systems to better accommodate rhythms of grantees.
- Launching a new, more user-friendly grants management system that will facilitate data-gathering and sharing.

- Converting to telework in response to COVID-19 and making plans for office accessibility and visibility. NDCA moved downtown Bismarck on February 1, to a more accessible space, providing visibility for the State Art Collection while helping to develop Main Street in a great private-public partnership, and at low cost.



- Creatively stretching staff capacity while providing hands-on education and experiences for UMary and Carnegie Mellon students, including telework and COVID-19 responses.

A FEW ITEMS IN RESPONSE TO APPROPRIATIONS COMMITTEE QUESTIONS:

1) BUDGETED EXPENSES:

A) NDCA's budget consists of salaries and operating expenses that are largely fixed, and our grant programs.

B) In order to meet Governor Burgum's budget guidelines, we proposed deductions to operations that largely represented new efficiencies or costs that will not be applicable in the coming biennium. However, we also made cuts to grant programs that will have a direct impact on ND communities and potentially to our federal funding. (Again, prior biennium reductions have left the agency with very little wiggle room.)

C) an item that is included in the Governor's recommendation is that \$8,000 (rounded to \$7,970 in IBARS) of federal funds be permanently moved to support our Part-time temp position. This avoids further visits to the Emergency Commission for this purpose.

2) BUDGETED FUNDS

a) FEDERAL FUNDS SPENDING AUTHORITY : NDCA's actual income has increased over time, and projections continue to rise. Our base is currently \$1,675,407.

b) SPECIAL FUNDS SPENDING AUTHORITY: \$63,515 has historically been in the budget; the purpose is to help fund NDCA projects that generate additional funds in saleable items. This has been reduced to \$10,000 in the FY21-23 proposed budget.

OPTIONAL REQUEST:

Changes NDCA is Requesting the Legislature Make to the Executive Recommendation

Provide a one-page itemized listing of the changes your agency is requesting the committee to make to the executive recommendation.

1) Restore Cuts Made to Grants Line Needed to Meet Budget Submission Guidelines - \$69,842

Restore Special Projects grant program (\$50,000) and reduction to Community Arts Access grant program (\$19,842) made to meet 5% general fund reduction required.

2) Add FTE and funding for an Administrative Assistant - \$92,325

Add one FTE (bringing NDCA's total from 5 to 6) and \$92,325 of general funds so that NDCA can move its long-time part-time temp to a full-time, regular position.

If approved, NDCA would give up its temporary position and combine the additional funding with its current part-time temp funds to hire a full-time Administrative Assistant II.

POL Transfer Note:

NDCA has received Emergency Commission approval to move \$8,000 (\$7,970 rounded up) of Poetry Out Loud (POL) funds, from the National Endowment for the Arts, grants to salaries to support its PT-Temp position.

To eliminate further visits the Emergency Commission for this purpose, **NDCA included** the transfer in its 21-23 base budget request, and **Gov. Burgum included** it in his Executive Recommendation. This is included in the base payroll change.

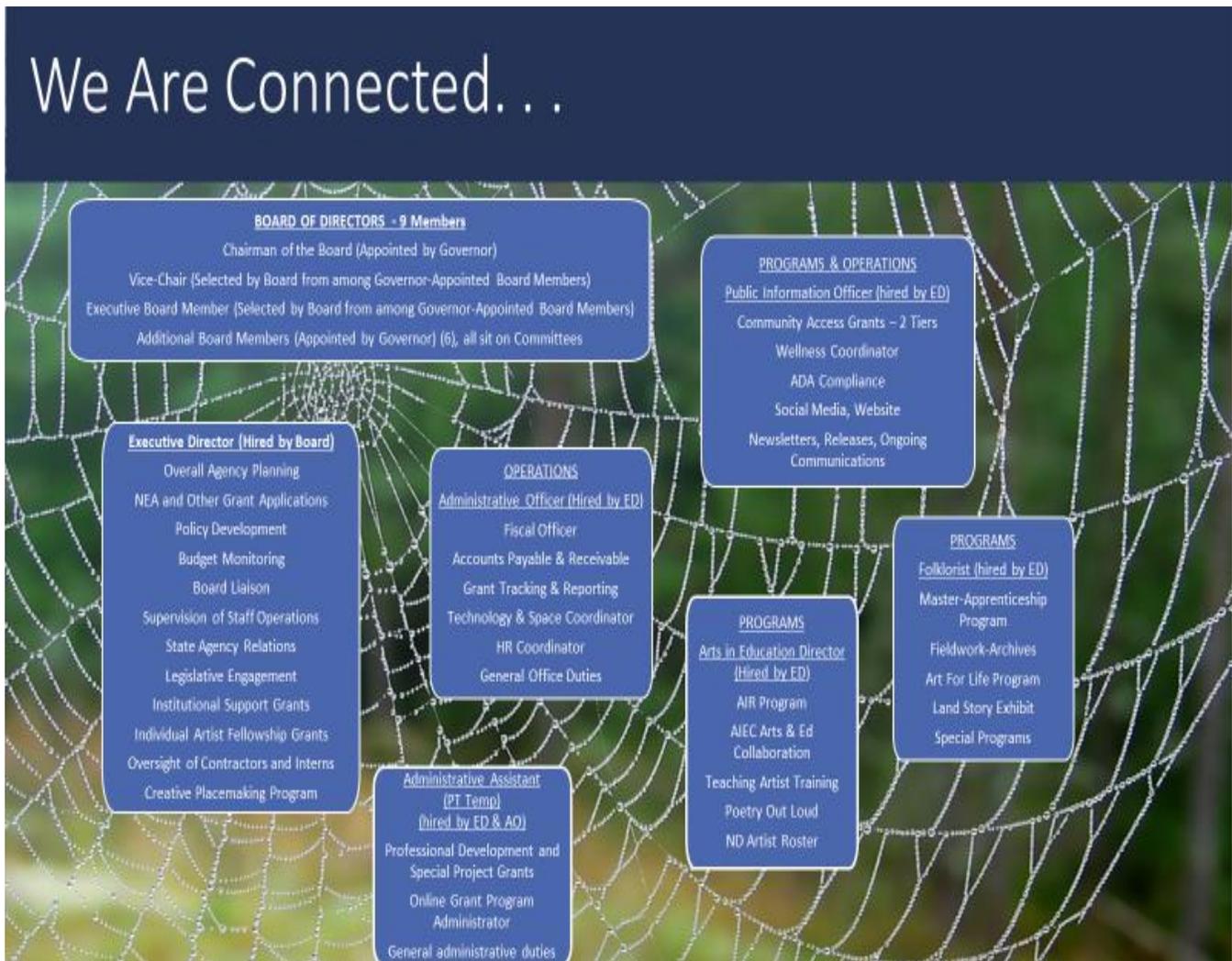
Ensuring it is included in the budget passed by the Legislature will save time and effort for both the Council and the Emergency Commission.

NDCA submitted four Optional Requests for the coming biennium. With respect to Governor Burgum, NDCA asks the Legislature to consider only two of these requests.

The first is to restore the \$69,842 grant funds that were cut of the total \$90,000 NDCA submitted to meet the 5% general fund reduction required. This may not sound like a large number relative to our grants overall, however, it represents as much as 47 grants to over 30 communities in support of special projects and community-based cultural activities. An immediate concern is the resulting negative impact to grantees and their communities – mostly rural citizens of this state. And again, as an NEA partner agency, NDCA generates significant funds for the State – nearly \$1.5 million per biennium and rising – that positively impacts the agency’s ability to serve all state citizens. A 5% cut to State funding of NDCA in FY21-23 may bring support below the NEA match requirement, jeopardizing dollar to dollar revenue. To be clear, that funding requires NDCA:

- be financially supported by its State government;
- match NEA dollars at least 1:1; the Legislature has matched Federal funds for the last three sessions, and it is appreciated. The workload has increased, based on Agency changes to be more than just a funder. NDCA, like all other state agencies across the Country, need to be providing Professional Development and Technical Assistance, train our grantees in development strategies, and be a stronger partner. The innovative undertakings that NDCA is currently involved in are statewide in reach – but our staff hasn’t grown to accommodate this. We have managed with what we have, wearing multiple hats, but doing administrative work that takes away from our work in programs.
- not use NEA dollars to supplant non-federal funds with the intention or effect of reducing North Dakota financial support for NDCA.

The 2nd-4th Optional Requests, all related to staff, were submitted to increase NDCA’s ability to successfully manage an ever-growing workload. We would like to focus on only one of these requests; a Regular Full-Time administrative assistant.



This is a critical time for NDCA to make this request for one new FTE. First, we are an extremely productive state agency in which each staff member does an exceptional job. However, the duties of each position include responsibilities that would be met by more than one position in other agencies. Second, our commitment to expanding the reach, direct citizen engagement, and impact of the agency, in line with expanded federal investment and our strategic plan, requires time and energy. Third, this requires investment in the full agency, not just in program dollars, but in staff.

Unlike most ND agencies, NDCA has never had a full-time administrative assistant. A dedicated position will permit legislative dollars to be more wisely spent, as the duties within the agency would be divided to allow the skills and workweek of each employee to serve the citizens of ND in the manner for which their positions were designed. A culture of innovation and efficiency could – and should - occur.

DATA TO SUPPORT ADMINISTRATIVE ASSISTANT II FTE

LAST FTE CHANGE, COVID:

NDCA has operated with five FTE for the past 20 years. (Prior to that, NDCA had more employees at 5.5 FTE.) COVID brought about additional CARES funds for NDCA to distribute, over \$1.2 million dollars; contractors are necessary to fill the gaps, some at a very high cost. This should be handled in-house.

KEY DUTIES PROPOSED:

An Administrative Assistant II for NDCA will be responsible to:

- Be knowledgeable about all NDCA grant programs and communicate with the public via phone, email, and in person.
- Administer grant cycles in NDCA's online grants system and work with grant applicants on accessing the online system and understanding the online applications.
- Follow-up with applicants and grantees about applications and final reports concerning missing or overdue data, accuracy of budgets, location of grant activities, beneficiary information, etc.
- Assist in arranging grant review panels and providing them access to the online grants system.
- Prepare correspondence to grantees, including award letters, Grant-at-a-Glance documents, etc., as well as other business correspondence.
- Maintain NDCA's grants database by recording data necessary for annual reporting to the federal government recording required information about grant activities, awards, and payments.
- Assist with mailings, mail merges, and group emails, including keeping group lists up to date.
- Assist with agency events.
- Assist with NDCA records management and retention duties.
- Cover the many administrative duties that the current staff takes care of.
- **Necessary application and documentation tracking related to CARES distribution of funds.**

OPERATIONAL IMPACT:

NDCA is one of a very few agencies that does not have an administrative support professional. The addition of an Administrative Assistant would allow existing NDCA staff to work more efficiently in their areas of expertise. For instance, staff will be able to better:

- **Research** the best ways the arts can serve the citizens of our state.
- **Develop** innovative programs such as NDCA's Art for Life program.
- **Aid** those in the state as they implement new and creative ideas to address local concerns.
- **Identify** and foster new partnership opportunities through site visits throughout the state.
- **Serve** North Dakotans with special needs, including underserved and those with disabilities.
- **Document** and foster the folk and traditional arts that once flourished in our state.
- **Refocus** NDCA's website in a clear, well-designed and easy-to-navigate format, to reflect NDCA's goals and energy.
- **Manage** NDCA's financial resources to have the greatest impact.
- **Ensure** continued compliance with state and federal guidelines.
- **Implement** NDCA's Strategic Plan, which is being created with input across the state.
- **Facilitate** CARES Relief Funds for ND citizens.

An Administrative Assistant II, as NDCA included in its Optional Request, would cost \$122,325 for FY21-23 biennium. We have had a temporary position for over ten years. **Regarding this request, we propose a compromise that NDCA could contribute to by** utilizing its current part-time temporary position funding and

increasing it to one FTE, **for a total of \$92,325, which is less than the original optional asks presented in past biennium.** This would take our FTE total from 5 to 6.

The Senate approved both these items and we ask the House to do the same.

ECONOMIC IMPACT OF COVID-19:

The arts have been a huge part of holding communities together throughout the pandemic. COVID-19 has had a dramatic effect on the arts and culture community. In the first few months of the COVID-19 crisis, North Dakota arts and culture lost millions of dollars. In addition, national studies show that as many as 91% of North Dakota's arts and culture sector jobs and 35% of its organizations may be at risk of closure. NDCA has been the calm in the storm for this sector, connecting and listening to constituents, assisting with ND Smart ReStart, and providing over \$1.2 million of pass-through funds to individuals and organizations in the arts and culture sector specifically in response to COVID-19 losses – funds the state could not have managed without NDCA.



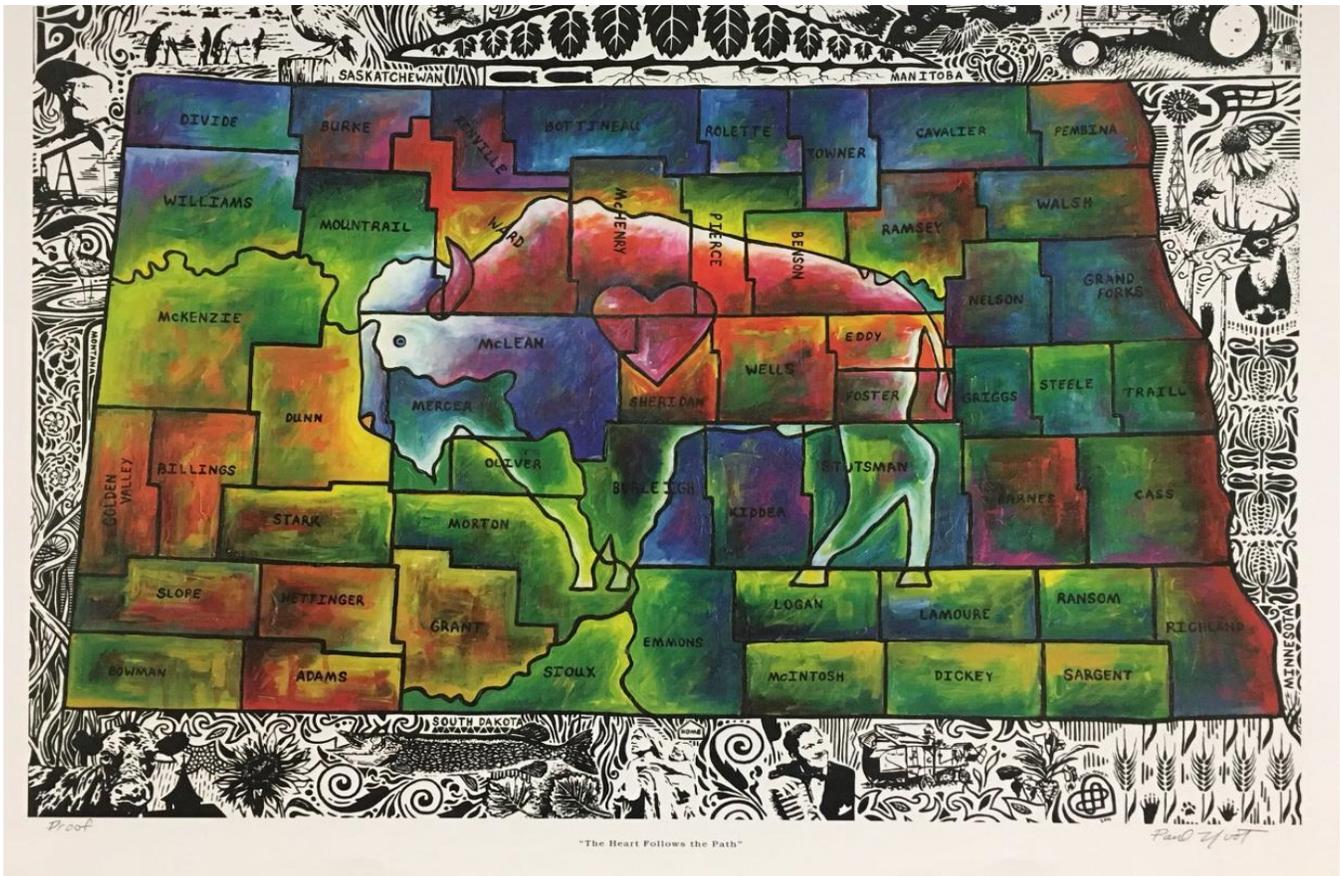
A vision of North Dakota; mosaic created by artist Molly McLain, from participant's post-it notes and drawings at the 2019 Statewide Arts Convening.

THE FUTURE:

The agency is poised for growth and reinvention but constrained by low operating and salary funding. While some have placed a low value or relevance on arts and cultural activity in the past, the pandemic has made clear its place as critical infrastructure for North Dakota communities. It is time that the state takes its rightful place as a leader among others across the Nation and share the wealth of art and culture that exist in North Dakota. For the agency to strategically move forward, to continue to bring critical funding into the state, and to support our communities in the way they deserve, additional funds are a necessity.

NDCA GOALS AS AN AGENCY:

With proper legislative support, NDCA can be the best at what it does – the “go to” organization for arts and culture information; operating with efficiency, and always getting the work done, with an empowered staff; constantly reinventing itself with active, strategic planning; able to produce clear data to show a return on Legislative investment; visionary in its programs that are recognized Nationally and replicated; known for quality work; excelling at partnerships that are strong and diverse; in touch with all artists and arts organizations via a strong online and in-person presence throughout the state regularly; involved in every school/district in the State in some way; cultivating Arts for Life programs around the State, connecting to programs that utilize the arts as a means of transformative healing; increasing revenues through public/private partnerships that are not in competition with our constituents; and led by an invested, active Board that acts on behalf of NDCA.



NDCA'S VISION OF NORTH DAKOTA:

If we are supported, then North Dakota can be a place where artists are valued as members of their communities and encouraged in their creative expression; the arts are recognized as an essential educational tool; artistic quality is honored and valued for its role as diverse community members add richness and excitement to the lives of all citizens; a network exists through which citizens from all walks of life are made aware of the availability of arts opportunities and benefits; and the arts are recognized as a valuable partner in building the state's economy and enhancing daily life by other state agencies, businesses, organizations, and the general public.

Every state in our nation funds the arts, and we in North Dakota are extremely grateful for the funding that comes from you, our legislators. ***The arts are a nonpartisan issue***; what we do at NDCA improves the impact of other state agencies and services. NDCA works to reach the goals that are important to our state: improved economic development, better education for our youth, enhanced wellness for our citizens, and

making our communities places where people want to work, raise families, and live. We contribute to the health of small businesses that are crucial to our state. We make our communities vibrant, welcoming and desirable. And we enhance the creativity that is crucial to the success of future generations.

We, as a government agency can do far more than private groups to assist our state. A government agency must provide fair access to all, with no personal agenda. We are more publicly accountable for how we use our funds, and we work to reduce barriers to public participation in the arts. Arts organizations in turn use public dollars to generate earned income and leverage local funds. Lastly, public funding is more apt to reach the underserved and rural communities, and we, at NDCA, do our best to reach *all* citizens.

We hope you will consider funding our special request towards an Administrative Assistant FTE and restoring funds to our programs. Even in these tough financial times, this small investment will make an immense difference. With your help, our small, but mighty hard-working agency can accomplish so much more for the citizens of North Dakota.

I am happy to respond to your questions.

TESTIMONIES/SUPPORT:

I am aware there are three ND public citizens who will testify on behalf of NDCA during this session: Nancy Farnham, Steve Guglich and Jessie Veeder. Their written testimonies have been submitted in advance.

In addition, two written testimonies are a part of my submission, as the two individuals did not have access to file their letters of support: Leander R. McDonald OF UTTC in Bismarck, and Walter Piehl, Jr. of Minot.



UNITED TRIBES
TECHNICAL COLLEGE

OFFICE OF THE PRESIDENT

3315 University Drive, Building 5
Bismarck, North Dakota 58504
701.255.3285 | www.uttc.edu

January 5, 2021

Kim Konikow
Executive Director
1600 East Century Avenue, Ste. 6
Bismarck, ND 58503

Dear Ms. Konikow:

United Tribes Technical College (UTTC) strongly supports the North Dakota Council on Arts work to educate North Dakotans about the various mediums of art in addition to the more traditional forms of paintings and sculpture. We have especially appreciated the support provided to offer public school educational offerings at the UTTC International Powwow Youth Day where over 1,000 fourth grade children from 20 school districts have learned directly of the various art forms found in the culture of local Native artists dancers and singers. Artists were able to share the history of various dance forms and songs and how they relate to the oral traditions of our people through direct interaction on our campus.

The Bismarck/Mandan communities are located on the traditional homelands of the Mandan and Hidatsa; thus, your support for the arts also allows for education to the public of important history for the area. Along these lines, we very much appreciated the support for the cultural presentation during the ribbon cutting ceremony of the UTTC Bookstore and Art Gallery. The Art Gallery will be a resource for local artisans to sell and display their work for purchase by the public as well as an important collaboration with the North Dakota Historical Society for the tourism industry. UTTC will also be hosting the Train the Trainer program in partnership with the Native American Development Center and the First People's Fund now rescheduled for late spring.

All the past and upcoming projects are important to recognizing various forms of art that relate to the diverse history of Bismarck, Mandan, and North Dakota. The North Dakota Council on the Arts is more than a granting agency, you are a community partner that is strengthening the reach and understanding of the arts through strategic collaboratives. I have very much appreciated working closely with you and am confident your future efforts will continue to have a significant impact across North Dakota. We are very excited to witness and be a part of this important work. Should you have any questions, please do not hesitate to contact me by email at president@uttc.edu or by telephone at (701) 255-3285.

Sincerely,

Leander R. McDonald, PhD
President

"Leadership begins here"

1/7/2021

To: Kim Konikow, Executive Director
North Dakota Council on the Arts
1600 E. Century Avenue
Bismarck, ND 58503

From: **Walter Piehl, Jr.**
11000 86th St. SE
Minot, ND 58701
Becky P <beckymp08@gmail.com>

I write this not only in support of continued support, but increasing funding for the North Dakota Council on the Arts.

The NDCA has brought a host of Arts programming to rural North Dakota in ways that had only been available in our larger cities prior to the Councils inception 50 plus years ago.

We all have witnessed the enrichment of rural and city lives in ND with the NDCA offerings. Their work has nourished and filled a void in all of our communities, especially those that are rural and have small school systems.

Our culture and heritage have benefited greatly through their work. A current example of that is the Governor's Cultural and Heritage Award given to Rex Cook of Dickinson, ND. Rex's life as a respected and admired cowboy, rancher and artisan represents the preservation and celebration of one aspect of our history, that of Western Americana.

All areas of the arts and culture need to be encouraged and preserved for future generations. The NDCA is the premiere statewide institution best equipped to continue this noble task.