



# Funding Choice Points

A Grant-making  
Reflection Tool for  
State Arts Agencies

Second Edition, 2024

**NASAA** NATIONAL ASSEMBLY of  
STATE ARTS AGENCIES





Through their enabling legislation and agency policies, state arts agencies are committed to making the arts accessible to everyone. Grant making is an important mechanism for attaining that goal. Each year, state and jurisdictional arts agencies award around 25,000 grants to arts organizations, civic groups, tribes, municipalities, counties and independent artists. Totalling more than \$300 million each year in state and federal funds, these grants play a foundational role in our nation's cultural infrastructure.

**Because they are deploying public dollars, state arts agencies take seriously their obligation to serve all communities with grant funds.** This obligates state arts agencies to make sure that they reach communities that may have limited access to resources, such as rural regions, low-income populations, people of color, older adults, veterans, LGBTQ+ individuals and people with disabilities. It means avoiding bias in any form. It also means upholding a commitment to processes that are fair, transparent, citizen-driven, accessible and accountable.

State arts agencies invest a substantial share of their grants in small, grassroots groups across multiple populations and geographies. Even so, some state arts agencies still face gaps in their grants coverage or have grant procedures that are difficult for applicants to navigate. To address such challenges, **this guided reflection tool encourages public agencies to examine—and continually improve—the systems used to distribute grant dollars.** It's designed to spark creative thinking about how to reach more communities and reduce funding barriers.

Although every state arts agency is committed to broad funding, each state and jurisdiction is unique. Each agency must tailor its tactics to its own geography, demographics, authorizing environment, legal landscape and operating realities. No single strategy can work in every state.



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- ▶ **Funding Choice Points therefore offers a menu of ideas and options—not a prescribed method.** It critiques common procedures and policies that undergird grant making and encourages state arts agencies to examine their practices, minimize obstacles and avoid unintended bias. It illustrates factors that might hinder equitable funding, noting some origins and effects of such practices. Questions for reflection, resources and examples from the field illuminate a variety of approaches.

This work is rooted in public-sector values about universal access to the arts. It does not originate from political ideologies. The funding strategies discussed here arose in reviews of state arts agency guidelines, NASAA consultations with state arts agencies undergoing change, and insights harvested from constituent research conducted on behalf of arts agencies in Illinois, Ohio, Washington and other states. See NASAA's [State to State archive](#) and the [state arts agency equity resources](#) web page for ongoing information on the wide array of strategies state arts agencies use to advance equity. [Facilitating Access to Arts Funds](#) provides a concise summary that will be especially useful to states operating in restrictive policy environments.

While useful headlines can be harvested from this document in a quick scan, readers may wish to return to this resource over time. Some practices offered here are modest adjustments, others may be heavier lifts. All are offered in the spirit of strengthening our service to the public. Each state arts agency will adopt its own distinctive mix of strategies as we strive, together, to help all communities to flourish through the arts.



Above and cover: *Nature Provides* mosaic, by Amy Cheng. Made of glass, stone and brass, the artwork hangs in the Western State Hospital. It was acquired for Washington's State Art Collection in partnership with the Department of Social and Health Services. Cheng was born in Taiwan and was raised in Brazil, Oklahoma and Texas. Photo by Dale Lang; image courtesy of ArtsWA



## ► Program Design

*State arts agencies can adopt a variety of flexible programmatic structures and community engagement practices to ensure that their grants address the needs of constituents as well as the needs of state government.*

	<b>Origins</b>	<b>Unintended Consequences</b>	<b>Alternatives and Questions</b>
<b>Public input</b>	Because they are government entities, state arts agencies naturally develop grant programs to meet state objectives. A variety of policy factors—including the agency's strategic plan, state contracting regulations, and the goals of governors and legislatures, to name a few—affect the design of grant guidelines.	State outcome goals and constituent needs may not always align. Programs designed purely from a state government point of view may require applicants to "fit a square peg into a round hole."	<p>What steps are taken to ground the development of new programs in community needs?</p> <p>Are underserved communities being consulted in the origination of programs designed to reach them? (Remember that this is a component of National Endowment for the Arts [NEA] <a href="#">Partnership Agreement</a> adjudication.)</p> <p>Are program objectives and allowable expenses flexible enough to accommodate a wide range of community needs?</p>
<b>Funding restrictions</b>	While a substantial portion of state arts agency dollars go out through <a href="#">operating support</a> grants, the majority of awards are distributed through project support categories that don't allow funds to be spent on administration or overhead costs. Project support structures can be attuned to specific agency objectives or outcomes. Awarding large numbers of small-dollar-value project grants also helps state arts agencies meet their geographic distribution goals.	It is difficult for small nonprofits to grow by relying exclusively on project support awards with narrowly defined allowable expenditures. This can reinforce a capacity <a href="#">starvation cycle</a> .	<p>Are project awards of a sufficient dollar size to make them worth the state application burden?</p> <p>How much money are we allocating to operating versus project support categories? What's the optimal balance needed to nurture a healthy arts ecosystem in our state?</p> <p>Could project awards be given more expenditure flexibility?</p>

	<b>Origins</b>	<b>Unintended Consequences</b>	<b>Alternatives and Questions</b>
<b>Artist support</b>	The majority of state arts agency grant funds are geared toward nonprofit organizations or units of government. Some state governments prohibit all grants to individuals (grants of any kind, not just in the arts). Other states are permitted to fund individuals but have limited their artist support for other reasons (such as the capacity to manage a high volume of requests or concerns about aligning with National Endowment for the Arts <a href="#">eligibility</a> restrictions).	Because of the unique nature of the arts industry, many artists <a href="#">lack access</a> to capital and supporting structures available to other workers. This is particularly pronounced for artists originating from underserved communities.	<p>What do artists in our state need in order to thrive and how can our agency help?</p> <p>What's the optimal balance of organizational versus artist support needed to nurture a healthy arts ecosystem in our state?</p> <p>Have we explored the parameters under which NEA Partnership Agreement funds may be used to support individuals? (See pages 15 and 27 of the <a href="#">Terms and Conditions</a>.)</p> <p>Might we support artists in other ways by using funds not connected to our Partnership Agreement or its match?</p>
<b>Discipline structures</b>	When most state arts agencies were created in the 1960s, an emphasis was placed on the development of the "fine" (often European) art forms supported by philanthropy at the time. To this day, some state arts agency statutes retain lists of specific artistic disciplines that the agency should support.	Older discipline definitions may not encompass all cultural groups and traditions present in a state.	<p>What function does it serve to organize applications or panels by discipline?</p> <p>What communities or creative practices may be left out through discipline based program structures?</p> <p>Could organizing structures based on organizational size, artist career stage, type of activity or geography be useful?</p>

## Ideas in Action

**Indiana:** [For Everyone in Indiana](#) is the Indiana Arts Commission's long-term, comprehensive effort to advance access to the arts for all Indiana communities. This initiative began with an evaluation and redesign of the agency's largest core funding

program, [Arts Organization Support](#). Extensive community consultations engaged more than 150 people through public forums, focus groups and interviews with geographically and culturally diverse constituencies. These conversations helped the state arts agency and its stakeholders to better understand the arts ecosystem, community needs and impediments to support—especially for rural and historically underserved communities. In addition to qualitative outreach, the methodology included a grantee survey and extensive data analysis of past grant investment patterns. Recommendations from this research informed shifts to the agency's operating support policies and funding. Changes enacted to date include:



▶ Fort Wayne Dance Collective makes dance more accessible to the residents of Allen County, Indiana. Photo courtesy of Indiana Arts Commission and Fort Wayne Dance Collective

- putting all organizations on a two-year award review cycle;
- simplifying application paperwork;
- elevating community engagement as well as inclusion, diversity, equity and access practices in the adjudication criteria;
- changing the eligible organization budget size from \$50K to \$20K; and
- prioritizing funding to small-budget organizations, rural organizations, and organizations led by and serving historically excluded communities.

The agency's past funding practices for operating support were largely formula-driven and nearly all applicants who applied were funded. Due to the presence of more organizations in the funding pool—and to increase award sizes to have greater impact—the program became more competitive, with approximately 80% of organizations expected to be funded and with funding priority given to smaller, under-resourced organizations.



As a result of these changes, the Arts Organization Support program saw 36 new applicants, the average award size grew, particularly for small organizations and rural organizations, and the gap between award size for smaller organizations and larger organizations shrank significantly. Panelists also reported that the changes in the process allowed for clearer feedback and a more structured review. The Indiana Arts Commission is now applying a similar model of evaluation and redesign to its other programs.

**Rhode Island:** In 2021, the Rhode Island State Council on the Arts (RISCA) utilized community working groups in a comprehensive [process](#) to develop more equitable grant systems and funding outcomes.

For its operating support program, RISCA engaged a stakeholder working group of 36 people from 22 arts and culture organizations. The working group helped to define new funding goals, which included providing continuity of support, prioritizing the inclusion of organizations that are culturally responsive to their communities, recruiting more diverse grantees, and achieving an equitable distribution of dollars to assist organizations most affected by systemic racism. The working group helped to develop guidelines for a new [General Operating Support for Organizations](#) program that provides multiyear, unrestricted operating support to arts and culture organizations and culturally specific organizations. Changes to award structures and funding policies included the following:

- Awards now require shorter funding histories for Black, Indigenous and/or people of color (BIPOC)-centered organizations, other organizations centered in historically marginalized communities, and organizations based in towns or cities currently unrepresented in the program.



Rhode Island Black Storytellers, a RISCA grantee, celebrates its storytelling festival, Funda Fest. Image courtesy of Rhode Island Black Storytellers; photo by Jonathan Pitts-Wiley

- Grant award amounts are tiered based on applicants' average annual operating budgets, with awards ranging from \$3,000 to \$40,000.
- Award amounts are automatically 1.5 times larger for organizations centered in historically marginalized communities.
- Panels adjudicating grant awards must include at least two members who identify as BIPOC and at least one member who is a practicing artist.
- 20% of panel scores are based on the applicant organization's demonstrated commitment to diversity, equity, inclusion and access.

RISCA and the working group set specific targets for expanding participation in the operating support program. The agency aimed to double the number of awards to BIPOC-centered organizations by 2025, as well as increase geographic inclusion by awarding grants to organizations in three currently unrepresented towns. The agency achieved both goals by 2023. Coordination with the [RI Expansion Arts Program](#), a capacity building program for small, community based and culturally diverse organizations, has helped the agency achieve these objectives.

As part of the comprehensive assessment, RISCA worked with additional community working groups to retool its other project support categories, including the introduction of a [General Operating Support for Artists](#) grant. One of the first of its kind in the state arts agency field, this artist award provides flexible funds without the expenditure restrictions common to project support grants. Multiyear investments of \$18,000 foster the development of creative practices over time.

## Additional Resources

[Deciding Together: Shifting Power and Resources through Participatory Grantmaking](#) illustrates why and how funders are involving stakeholders more

- ▶ For information on state arts agency **funding strategies**, consult NASAA's [State to State](#) archive. New program examples are added monthly. Users can filter for [grant programs](#) or articles describing state arts agency [equity](#) initiatives.
- ▶ [Facilitating Access to Arts Funds](#) is a succinct description of **grantmaking policy shifts**. It may be especially useful to states operating in restrictive environments.
- ▶ For **data perspectives**, see NASAA's [grant making statistics](#), especially the fact sheets on [rural regions](#), [operating support](#), [artists](#), [poverty](#), [social vulnerability](#) and [organization budget size](#).



deeply in program design and evaluation. The guide shares challenges, lessons learned and best practices for inclusive grant making.

[Centering Equity through Flexible, Reliable Funding](#), from Grantmakers for Effective Organizations, brings an equity lens to funding mechanisms such as general operating support grants, multiyear grants and awards that cover indirect costs. More data on state arts agency operating support grants can be explored at [State Arts Agency Grant Making Facts: General Operating Support](#).

To learn about models state arts agencies use to support artists, see the [Artist Services](#) category in NASAA's [State to State](#) archive, our [State Arts Agency Artist Fellowships Strategy Sampler](#) and [State Arts Agency Grant Making Facts: Individual Artists](#).



### ► Priority Populations

*Developing intentional strategies to address the needs of underserved communities can reduce obstacles to funding for populations that have been historically marginalized.*

	<b>Origins</b>	<b>Unintended Consequences</b>	<b>Alternatives and Questions</b>
<b>Priority populations</b>	<p><a href="#">Per Civil Rights law</a>, state arts agencies cannot design programs that restrict funding on the basis of race, color, national origin, disability, age or gender. This has reinforced the proliferation of general grant programs, rather than programs targeting specific populations.</p>	<p>Certain communities have received disproportionately low funding through general grant programs. Funding practices that don't explicitly take equity into account have not closed that gap.</p>	<p>State arts agencies can identify strategic funding priorities within their grant programs. While exclusion is not allowed, "<a href="#">a focus or an emphasis on a specific culture or demographic is permissible</a>."</p> <p>What groups have historically received fewer funds from our agency? Consider poverty, geography, race/ethnicity, disability, native languages, and other factors that can affect access to funds.</p> <p>How might evidence-based funding priorities be expressed in our guidelines, review systems or funding formulas?</p>

## Ideas in Action

**Tennessee:** One state that has prioritized high-poverty regions is the Tennessee Arts Commission. The [Targeted Arts Development Initiative](#) (TADI) is used for capacity building projects for economically distressed and at-risk counties, many of which are rural. Distressed and at-risk counties are [designated](#) by the Appalachian Regional Commission, drawing on quantitative data that indicate each county's three-year average unemployment rate, per capita market income and poverty rate. TADI also reaches counties in Tennessee that have been identified as under-represented in past Arts Commission investments. No match is required for TADI funds. Awards can go to nonprofit organizations, schools or branches of government.

Additional support is available through the agency's [Creative Placemaking: Rural Arts Facilities Fund](#), [Rural Arts Project Support](#) and [Small Rural Partnership Support](#) categories, which address capital, programmatic and operating support needs for rural organizations. Further support for underserved communities is provided through the agency's [Arts Access](#) program. That program offers nonmatching technical assistance for applicants seeking [project grants](#) and [mini-grants](#) for activities that increase access to the arts for under-represented people, who may include ethnic groups, people with disabilities, people aged 60 years and older, and active-duty military/veterans and their families.

**South Carolina:** The South Carolina Arts Commission (SCAC) is another state that has adopted multiple strategies to reach low-income and rural regions of the state. In most grant categories, the agency has prioritized funding for "Opportunity Initiative" counties: counties that have received limited SCAC support in the past. Recognizing that communities with scarce financial resources often have very small or nonexistent arts organizations, the agency developed an operating support category specifically for [small organizations](#) and extended grant eligibility to non-arts organizations conducting arts programming. In



Children enjoy a performance at the Mountaineer Folk Festival at Fall Creek Falls State Park. The park is in one of the state's most rural and economically distressed counties. Photo by Sarah Terpstra Hanson

recent years SCAC has developed multiple grant categories that are specifically structured for rural and low-income communities: [Rural Libraries Public Engagement](#) grant, [Festivals](#) grant and [The Art of Community: Rural SC](#).

The Art of Community: Rural SC grant supports arts based projects throughout rural South Carolina that use the arts to address issues and challenges in rural communities. The project must serve the rural community in which the applicant is located. Grant-funded activities expand community access to the arts in rural areas, include a public engagement component and engage a project steering committee led by local civic leaders.

SCAC brings a rural lens to its arts education work as well. Through [Arts Grow SC](#), a three-year, \$20 million [partnership](#) with the South Carolina Department of Education, SCAC has exponentially increased its arts learning grant footprint. Multiple grant categories, including [School Arts Support](#), Arts Education Projects ([term](#) and [summer](#)), [District Arts Coordinator](#) and [services to remediate pandemic learning loss](#) prioritize schools and districts with the highest levels of poverty. Statewide partnerships provide direct programs and professional learning opportunities to schools and districts based on poverty level and reading scores.

**Vermont:** Older adults are another demographic group that has distinct needs and may be underserved. As part of its [Creative Aging initiative](#), the Vermont Arts Council (VAC) offers [Creative Aging Grants](#). This program prioritizes older adults as a beneficiary population. The grants support projects that employ artists from VAC's [Creative Aging Teaching Artist Roster](#), a cadre of artists trained to address the specific social, physical and creative needs of older adults. The grant [guidelines](#) note two additional funding priorities within the creative aging program. One priority is to engage individuals with



The Green Mountain Strummers and an accompanist on an Estey organ perform at the Brooks Memorial Library in Brattleboro, Vermont. Photo courtesy of the Vermont Arts Council



limited access to the arts due to ability, income, race, geography or other factors. The second priority is for projects that enliven public spaces and strengthen community identity through the arts.

**Minnesota:** In 2023, the Minnesota State Arts Board launched the [Cultural Expression grant program](#) as a pilot initiative. Its purpose is to celebrate and share distinctive cultures within the state. The Arts Board defines culture quite broadly in this context, including shared ethnicity, tribal affiliation, geographic or regional identity, occupation, or language. Funds can be used to support artistic practices; cultural festivals, community celebrations, performances, media or exhibitions; intergenerational programs; apprenticeships; or documentation. Applications are adjudicated, in part, on whether underserved populations will benefit from the proposed programming. Panels also examine whether the applicant's board and staff reflect the underserved population(s) the applicant's arts programming is seeking to benefit. The agency also has established funding priorities within the pilot program. The [guidelines](#) state:

In order to increase demographic and geographic fairness, funding priorities have been set for the Cultural Expression grant program. The intent is to help ensure that applicants from priority groups are able to equitably access public funding on behalf of their communities. The three priority groups include:

- Individuals who are Black, Indigenous, or a person of color; or organizations in which Indigenous people or people of color comprise 50 percent or more of the board and staff.
- Individuals with disabilities; or organizations in which individuals with disabilities comprise 50 percent or more of the board and staff, and/or organizations that primarily serve people with disabilities.
- Individuals who live in greater [i.e., rural] Minnesota or organizations located in greater Minnesota.

**California:** The California Arts Council's (CAC) [Cultural Pathways](#) grant program is designed to strengthen the capacity of small and emerging arts organizations that are rooted in and serve California communities of color, recent immigrant and refugee communities, and tribal or indigenous groups. The program awards two-year operating grants of up to \$30,000 as well as professional development tools, resources and training. Funds do not require a match.

Nearly three decades ago, [California Proposition 209](#) amended the California state constitution to prohibit the consideration of race, sex or ethnicity in public employment, contracting and education. CAC complies with this requirement and does not base

grant decisions on demographic factors. It does, however, articulate equity as an agency priority and cultivates a diverse applicant pool. Agency guidelines include the following language:

**Although not factors in grant decisions,** we strongly encourage applications from organizations that are led by, represent, and/or serve systemically marginalized communities, which may include but are not limited to: Arab, MENASA (Middle Eastern, North African, South Asian); Asian; Black, African American; California Native American, Native Hawaiian, Indigenous, Tribal; Currently Experiencing Incarceration; Disabled; Elders, Seniors; Latinx, Chicanx; LGBTQIA+; Low Income; Neuro-Divergent; Pacific Islander; People of Color; Rural; Returned Residents, Formerly Incarcerated; Students of Color; Trans and/or Non-Binary People; Immigrants (Documented and/or Undocumented), Refugees, Asylum Seekers, Migrants; Unhoused, Transient; Veterans; or Youth.

## Additional Resources

[Federal Civil Rights Compliance Requirements for Subgranting](#) is a video training from the National Endowment for the Arts. It articulates the difference between exclusive and inclusive guidelines and offers civil rights compliance pointers for regranters.

▶ **Government programs designed to assist specific racial or ethnic groups face growing legal challenges.** In summer 2023, the Supreme Court of the United States (SCOTUS) issued a [decision](#) that prohibits universities from using race as a factor in determining student admissions. Although the decision focused on college admissions, the broader ripple effects of the SCOTUS ruling are far from clear as of this writing. Many experts anticipate a wave of legal challenges to programs designed to address racial disparities in government contracting, grants and business assistance. This is a complex—and rapidly evolving—policy issue. NASAA urges state arts agencies to monitor developments closely and secure legal advice. In the meantime, the below resources may provide a useful orientation to key questions about grantmaking and government:

- [The Constitution and Race-Conscious Government Action: Narrow Tailoring Requirements](#), Congressional Research Service, March 2023
- [Equal Protection: Strict Scrutiny of Racial Classifications](#), Congressional Research Service, June 2023

- [U.S. Supreme Court's Decision in Students for Fair Admissions \("SFFA"\) and Potential Implications](#), Council on Foundations and Independent Sector, July 2023
- [Ban on Affirmative Action: Implications, Risks, and Strategies for the Charitable Sector](#), Davis Wright Tremaine, August 2023
- [Implications for Philanthropy: U.S. Supreme Court Ruling on Affirmative Action in Higher Education](#), Philanthropy Roundtable, August 2023
- [Updates on the 8\(a\) Business Development Program](#), Small Business Administration (SBA), November 2023. See also this concise [summary of the SBA's changes](#) from Dunlap, Bennett & Ludwig, November 2023.
- [Government Presumption of Racial Disadvantage Under Siege by White Plaintiffs](#), The Washington Post, December 2023



### ► Applicant Recruitment

*State arts agencies can improve access to public arts resources through intentional outreach strategies that target new applicants and communities with limited access to state funds.*

	<b>Origins</b>	<b>Unintended Consequences</b>	<b>Alternatives and Questions</b>
<b>Grant announcements</b>	Bulk emails, web postings and large-group grant workshops are efficient vehicles for promoting grant opportunities.	Prospective applicants may not be aware of opportunities or understand whether they are eligible and may not be on the state arts agency distribution list. This may constrict opportunities for new applicants to enter into the system.	<p>What groups are least likely to know about the resources that our agency provides?</p> <p>Do we conduct formal analyses of our applicant pool? Are all regions of the state and all demographic groups represented among applicants?</p> <p>What proactive grant recruitment strategies could we adopt to expand our applicant pool? What partnerships or networks can we tap into?</p> <p>What outreach methods might best overcome the digital divide for low-income or rural regions of the state?</p>



	<b>Origins</b>	<b>Unintended Consequences</b>	<b>Alternatives and Questions</b>
<b>Technical assistance</b>	Limiting staff input into applications maintains agency objectivity and impartiality. Prepackaging technical assistance in the form of tip sheets and videos saves staff time and ensures that all applicants receive identical information.	Applicants who are already familiar with the state funding system may experience higher success rates than newer applicants in competitive grant categories. Individuals or organizations having limited experience with state government may be at a disadvantage.	<p>What is the success rate for new applicants?</p> <p>If there are eligible applicants who are choosing not to apply, what's driving those decisions?</p> <p>What types of hands-on technical assistance might be especially beneficial to first-time applicants?</p>

## Ideas in Action

**Nebraska:** Each summer the Nebraska Arts Council staff sends teams of staff members to all corners of the state through an Office on Wheels outreach and technical assistance effort. In collaboration with local libraries and civic organizations that provide meeting spaces, the Arts Council staff uses Office on Wheels events to take the pulse of Nebraska communities and gather feedback about agency programs. The staff also conducts grant workshops and offers one-on-one appointments with applicants to provide technical assistance for preparing grant applications.



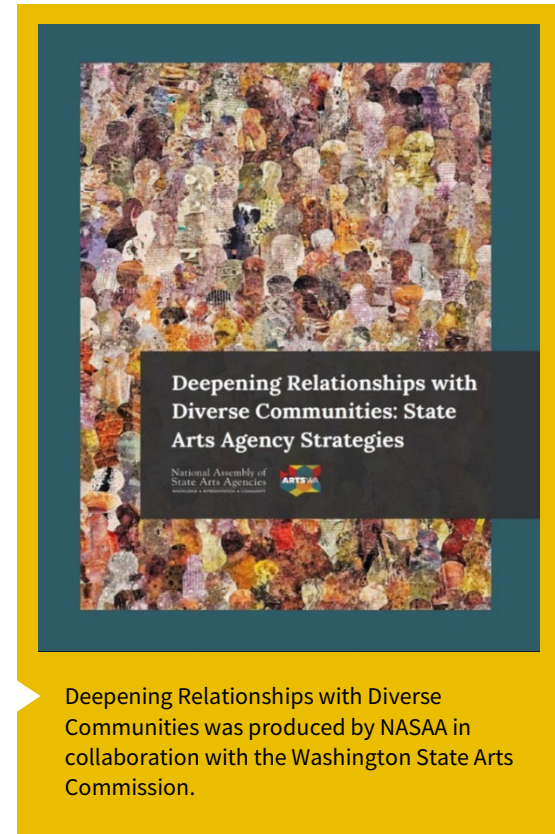
The Nebraska Arts Council's Office on Wheels program includes practical training on how to access grant funds. Photo courtesy of the Nebraska Arts Council

**Massachusetts:** As part of its agencywide [Racial Equity Plan](#), Mass Cultural Council (MCC) adopted an array of measurable objectives to advance equitable grant making. One of those objectives was to expand the agency's pool of grantees and align it with the commonwealth's demographics. The agency conducted a statistical analysis of past awards and [set a goal of increasing new applicants by 50%](#) in its fiscal year 2023 grant cycle, in conjunction with an infusion of Cultural Sector Recovery grant funds.

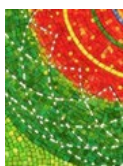
To attain that goal, agency staff conducted [intentional outreach](#) to individual artists and organizations from BIPOC and economically distressed communities. The agency hired [outreach coordinators](#) rooted in specific populations that MCC was aiming to serve. Those coordinators convened constituents, raised awareness about MCC programs and facilitated the agency's connections with constituents who had not previously applied for funding. The coordinators also served as a conduit for community feedback to strengthen MCC's ongoing effort to advance equity. Assisted by the coordinators, the agency sent out more than 1,000 introductory emails, spent 130 hours conducting information sessions and conducted an extensive social media campaign to raise awareness about grant opportunities. In 2023, the agency [funded record numbers](#) of new applicants: 42% of organizations and 72% of artists recommended for funding were first-time applicants to the agency.

## Additional Resources

[Deepening Relationships with Diverse Communities: State Arts Agency Strategies](#) explores ways that state arts agencies can connect with communities that have experienced limited state support in the past. These relationships, in turn, can inform the design of equitable and inclusive state arts agency services. The report provides tips on initiating contact, establishing trust, redesigning grants and sharing decision making.



Deepening Relationships with Diverse Communities was produced by NASAA in collaboration with the Washington State Arts Commission.



## ► Eligibility and Adjudication Criteria

*Minimizing entrance criteria can make it easier for more constituents to access funding. How adjudication criteria are defined and scored can affect the distribution of dollars to applicants that come from diverse backgrounds.*

	<b>Origins</b>	<b>Unintended Consequences</b>	<b>Alternatives and Questions</b>
<b>Minimum budget requirements</b>	Minimum budget requirements were designed to ensure that state investments go to groups with the capacity to meet management and accountability standards.	Requiring a budget minimum, may hamper the development of small or emerging organizations by limiting their access to flexible funding.	<p>Can our agency lower the budget threshold for operating support eligibility?</p> <p>Can we provide capacity-building services to help smaller organizations qualify for larger grants in the future?</p>
<b>Grant history requirements</b>	Some state arts agencies require organizations to prove that they are able to manage state funds through project awards before becoming eligible for operating support. Requiring multiple years of project support also allows a state arts agency to plan for new entrants in the operating support pool.	This criterion assumes that established organizations are at lower risk for failure—which may or may not be true. Grant history requirements also can cause years of delay before new organizations are eligible for funding.	<p>What other information might serve as a proxy for an organization's readiness to receive grants?</p> <p>Might other mechanisms, such as staggered multiyear review cycles, create more points of entry into the operating support system?</p>
<b>Community engagement criteria</b>	In keeping with their public service missions, most state arts agency grants require applicants to adopt community consultation practices. These requirements usually are expressed through adjudication criteria pertaining to public engagement.	Generic public engagement practices may not advance equity, especially if efforts are not made to involve underserved populations and address the specific obstacles they face to arts access.	<p>How can our agency's community engagement criteria be expressed to encourage meaningful work with underserved groups?</p> <p>What application questions or data would shed light on how applicants are responding to community needs?</p>



	<b>Origins</b>	<b>Unintended Consequences</b>	<b>Alternatives and Questions</b>
<b>501(c)(3) incorporation</b>	<p>Many arts councils originally were modeled after the NEA, which was based on philanthropic paradigms of the time. <a href="#">Per statute</a>, the NEA directs its funding to nonprofit groups. NEA <a href="#">policies</a> require organizations supported via NEA <a href="#">Partnership Agreements</a> with state arts agencies to have 501(c)(3) status.</p>	<p>501(c)(3) requirements prevent funds from reaching other entities—like LLCs (limited liability companies), artist collectives, sole proprietors, for-profit health providers and social enterprises that do meaningful arts work with communities. Securing and maintaining nonprofit status requires filing fees, reporting practices, fluency with legal systems, access to donors and other capacities which may be barriers to small groups. Nonprofit governance structures also have been <a href="#">criticized</a> for their limited effectiveness in helping nonprofits to fulfill their missions.</p>	<p>Could our agency use state funds—those not used for our NEA match—to support groups that are not 501(c)(3)s?</p> <p>What vehicles might our agency use to support other kinds of entities? Can we <a href="#">pay direct expenses for services</a> or creatively employ partnerships?</p> <p>How might fiscal agents be used (in cases where funds are not tied to NEA Partnership Agreements)?</p>
<b>Artistic excellence</b>	<p>The NEA's <a href="#">statute</a> requires panels to recommend grant awards "solely on the basis of artistic excellence and artistic merit." By extension, the NEA <a href="#">requires</a> state arts agency grants made under the auspices of <a href="#">Partnership Agreements</a> to include artistic excellence or merit in their review criteria.</p>	<p>Narrow definitions of excellence may marginalize applicants that work outside of mainstream art forms. Academic indicators of excellence (e.g., degrees attained, critical acclaim, an extensive curriculum vitae) may not be relevant in some community contexts.</p>	<p>How do our grant guidelines and adjudication rubrics describe excellence?</p> <p>Do definitions allow for diverse aesthetics, technical skills and cultural traditions?</p> <p>Are panelists encouraged to consider multiple ways that artistic merit can be demonstrated in community settings?</p> <p>How much weight is assigned to excellence as compared to community engagement?</p>

	<b>Origins</b>	<b>Unintended Consequences</b>	<b>Alternatives and Questions</b>
<b>Equity criteria</b>	Numerous private arts funders require applicants to submit equity plans and to report on equity actions. Fewer public agencies have adopted such requirements. In some states, executive orders or legislation may limit the ability of public agencies to assert equity as a goal or to base award decisions on equity information.	Grant guidelines and adjudication criteria are powerful expressions of what a grant maker values and expects. The absence of explicit information about equity in grant policies can imply that equity is not a priority.	<p>What state policies affect how we can address equity in our grant guidelines? Under what constraints do we operate?</p> <p>What would it be useful for us to know about the steps our applicants are taking to make their programs inclusive? Should those practices affect award decisions?</p> <p>How could equity and inclusion criteria be developed so that they are relevant to rural communities and regions with lower rates of racial diversity?</p>

## Ideas in Action

**Pennsylvania:** The Pennsylvania Council on the Arts (PCA) has developed several mechanisms for extending its reach beyond 501(c)(3)s to assist LLCs and other small businesses in the creative sector. In partnership with Bridgeway Capital, Community First Funds and the Rising Tide Loan Fund (community development financing institutions), PCA established a [Creative Business Loan Fund](#). This partnership provides affordable, flexible financing to creative businesses for working capital, equipment purchases and facility renovations. The fund prioritizes loans to creative businesses located in low-income communities; those owned by Black, Indigenous, and/or people of color; and those located in small towns and rural communities. Loan amounts vary from a few thousand dollars to \$250,000, with a 2023 average of \$110,000. For microbusinesses and sole proprietors, PCA also offers the [Creative Entrepreneur Accelerator Program](#). It prioritizes investments in creative entrepreneurs who identify as BIPOC and those working in low-income communities where the poverty rate is equal to or greater than 20%. LLCs incorporated in the state of Pennsylvania as [public benefit companies](#) (LLCs with a not-for-profit purpose stated on their state certificate of organization) are also eligible to apply for PCA grant support via nonprofit fiscal sponsors.

**Kentucky:** The Kentucky Arts Council (KAC) requires a cultural equity plan from its [Kentucky Arts Partnership](#) grant applicants. The form and contents of the plan are not prescribed, giving applicants the flexibility to develop approaches suited to their

organization and community. Up to 10% of an applicant's adjudication score is based on how the organization is making efforts to build diversity, equity, inclusion (DEI) and access. The Arts Council provides technical assistance to help applicant organizations develop successful plans. Prior to the cultural equity plan requirement being instituted, KAC provided a series of DEI planning workshops at its Creative Industries Summit and developed a Cultural Equity Planning Rubric to serve as an organizational self-assessment tool. In FY2022, the agency launched a pilot program of [Kentucky Peer Advisory Network](#) (KPAN) Equity Consultancies. The program paired Kentucky Arts Partnership grant recipients with a KPAN advisor specializing in DEI. The advisor and arts organization met over several months to either create a new cultural equity plan or advance goals in an existing plan. These consultancies were funded through a grant from the Emily Hall Tremain Foundation.

**Washington:** Per executive order, the Washington State Arts Commission's (ArtsWA) [strategic plan](#) and grant guidelines are designed to complement and comply with [the Washington State Pro-Equity Anti-Racism Plan & Playbook](#)—a blueprint for transforming state government through equity practices. The agency adjudicates applications on the basis of creative impact, public benefit and organization/project planning. To provide flexible funding that cultural organizations can use to meet their organizational and community needs, ArtsWA administers [operating support](#) grant programs for both large and small organizations. Applicants are required to describe how they "engage people and encourage belonging." The application prompts applicants to explain the composition of their community, how community members access services, how programs are culturally relevant and responsive to the people being served, and whether the organization seeks to serve people negatively impacted by structural inequity. (Structural inequity refers to "the widespread and long-standing negative impacts of historically exclusive or discriminatory institutional policies and practices.") The [guidelines](#) acknowledge that arts funding practices have historically focused on European art forms in urban settings. Applicants are prompted to review [civil rights compliance tips](#) from the National Endowment for the Arts.



Looking for Lilith, which creates original theatre based on women's history, participated in the Kentucky Peer Advisory Network Equity Consultancies program. Photo courtesy of the Kentucky Arts Council

**New York:** New York State Council on the Arts (NYSCA) [Support for Organizations grants](#) promote a holistic commitment to diversity, equity, inclusion and access. Organizations must share in their application whether they are located within or serve historically underrepresented communities. The agency defines those communities as including, but not limited to, "African American/ Caribbean, Latino/Hispanic, Asian/Pacific Islander, Middle Eastern, Native American/Indigenous communities; people in areas with scarce cultural resources (including rural communities); disabled communities; LGBTQIA communities; neurodiverse communities; underserved older adults; veterans; low income and homeless populations; as well as justice-involved juveniles and adults." Applicants are asked:

- What percentage of your total annual audience comes from historically underrepresented communities?
- Briefly describe your organization's audience. If your organization serves a significant number of people from historically underrepresented communities, please identify those communities here.
- Briefly describe your organization's cultural programming, noting whether it is created by individuals within a historically underrepresented community.
- Beyond your current audience, describe efforts to expand your reach. Provide an example of how your organization uses marketing to reach diverse communities.
- Describe how you remove barriers (physical or economic) to participation.
- Tell us about a current alliance or local partnership that is critical to reaching a diverse audience.

Responses are used to inform panel deliberation of a "public service" criterion that comprises a third of each applicant's score and includes the following components:

- organization meets priority service to historically underrepresented communities
- organization consciously creates opportunity for communities to participate
- marketing/advertising is inclusive of diverse audiences
- spaces and programming conscientiously remove barriers, including physical access
- active and mutual connection with a local or artistic community

Applicants that score at or below 2 (on a 5-point scale) on this public service criterion are excluded from funding.

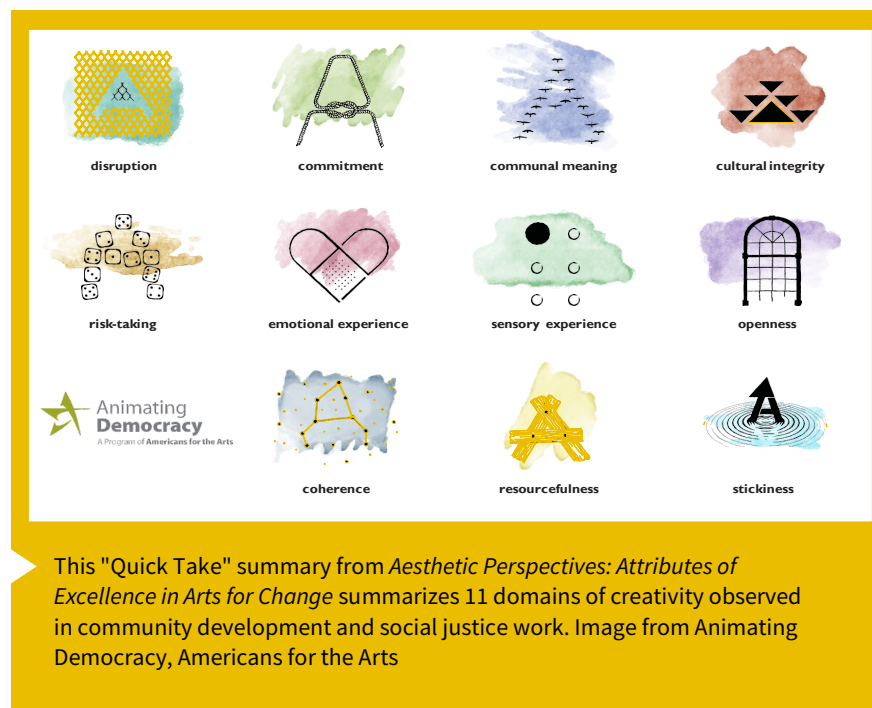


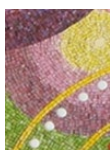
## Additional Resources

When developing community engagement criteria, harvest ideas from the Indiana Arts Commission's [Community Engagement Ladder](#), Doug Borwick's [Evaluating Engagement: Outcomes](#) and the Doris Duke Foundation's [Audience and Community Engagement: From Transactional Exchanges to Relationships of Depth](#).

[Aesthetic Perspectives: Attributes of Excellence in Arts for Change](#), prepared by the Animating Democracy initiative of Americans for the Arts, is a tool for reflecting on multiple facets of creativity and ideas around artistic quality. It offers perspectives on human capacities for creation and imagination, with a particular emphasis on art making as civic practice. The Maryland State Arts Council and Colorado Creative Industries both have incorporated elements of this framework into their grant adjudication criteria.

To further explore the use of fiscal agents or crowdfunding mechanisms, see resources from [Fractured Atlas](#), the [Tides Foundation](#), [lobby](#) and [Grantmakers in the Arts](#).





## ► Application Requirements

*Streamlining and simplifying grant application systems can reduce barriers to entry, as can accepting applications in multiple formats.*

	<b>Origins</b>	<b>Unintended Consequences</b>	<b>Alternatives and Questions</b>
<b>Electronic application systems</b>	Grant makers gained many efficiencies by transitioning paper applications to online systems that automate the capture of information, keep data secure and manage communications about awards.	These systems have intensified <a href="#">digital divides</a> for applicants who live and work in rural and low-income areas. They may erect extra barriers for people with low vision or other disabilities.	How can we make our application systems more user friendly?  Have we <a href="#">tested our online systems for accessibility</a> ?  Are we prepared to accept alternative submissions for applicants who lack computers or cannot use online systems?
<b>Letters of support</b>	Requiring letters of support from city or county officials demonstrates readiness to receive grant funds and enforces a collaborative approach to community projects.	This requirement necessitates relationships with political power brokers. It may put funding out of reach for historically marginalized communities—especially if local governing bodies have overlooked their interests in the past.	When are letters from city or county officials needed?  Could other types of documentation of community support be equally meaningful?
<b>Audits</b>	Audits are a best-practice recommendation for nonprofit management and also are necessary to <a href="#">meet 501(c)(3) requirements in some states</a> . Audits further demonstrate that grantees are responsible stewards of public funds.	Independent audits often cost upward of \$20,000. By comparison, the median state arts agency operating support award is <a href="#">\$7,013</a> . This ratio presents a net loss for many small organizations.	Can we exempt smaller grantees from audit requirements?  Could we accept alternative documentation, such as signed financial statements (balance sheets, revenues and/or expenses) or copies of information sent to the IRS?

	<b>Origins</b>	<b>Unintended Consequences</b>	<b>Alternatives and Questions</b>
<b>Application narratives</b>	Written records are required to comply with state laws and administrative code. Application narratives are designed to help panels understand an applicant's work and to serve as the basis for adjudication.	Panels may reward the grantsmanship with which written materials are crafted, placing applicants that lack experienced fundraising staff at a competitive disadvantage. Applicants whose first language is not English may be doubly disadvantaged by this system.	Can narrative questions and written requirements be simplified?  Are applications—and technical assistance consultations—available in multiple languages? Are translation services or native-language-speaking panelists available?  Are there grant categories for which we could use <a href="#">audio or video applications</a> ?
<b>Checklists</b>	Checklists are a common tool that grant makers use to help applicants understand requirements and expectations associated with public funds. Accessibility checklists, in particular, are often used as a compliance aid.	Unless coupled with other efforts to encourage learning and reflection, <a href="#">checkbox approaches</a> can exacerbate tokenism and camouflage persistent inequities.	Are we using checklists and applicant self-assessments appropriately?  Are there other ways of encouraging applicants to adopt meaningful accessibility and diversity practices?
<b>Attachments</b>	Collecting legal assurances, board lists, staff lists, incorporation proofs and financial histories at the time of application ensures that documentation is complete prior to panel reviews. Having these materials in hand also expedites grant contract processing once awards are approved.	Grassroots groups may avoid this administrative burden, especially when the resulting grant is small relative to the amount of work required. This skews the grantee pool toward larger organizations equipped for administrative overhead. In addition to creating a " <a href="#">doom loop</a> " of unfunded compliance costs, extensive documentation requirements fuel negative perceptions of government's impenetrability and bureaucratic red tape.	What information is truly essential for government compliance and panel review?  What documentation could be collected after applications are approved, to reduce sunk costs for unsuccessful applicants?  Could any of the expedited application processes our agency adopted for pandemic relief be translated to ongoing grants?

## Ideas in Action

**Arizona:** The Arizona Commission on the Arts (ACA) offers [Research & Development](#) (R&D) grants for Arizona artists. These awards help recipients to expand their creative horizons and grow the impact of their work. Funds can be used to learn new techniques, experiment with new materials or technologies, create new works, or adopt new methods of community engagement. Awards range from \$3,000-\$5,000.

The R&D grant application process is split into two stages. All interested applicants begin by submitting a brief proposal and work samples. Applicants have the option to submit a video application in lieu of a written narrative. To maintain a level playing field among proposals, ACA offers this guidance:

If you share your proposal narrative in an audio recording, keep it simple and to the point. The recording should be just you, describing your proposal and answering the five questions listed above. Please do not include edits of your work samples. Production quality of this recording will not be considered in your review. Just make sure we can hear and understand you and keep editing and post-production embellishment to a minimum.

[Proposals and work samples](#) are evaluated by a panel using review criteria that include consideration of artistic originality and how the proposed project is likely to impact the artist and their community. Applications determined to be most competitive move on to the second stage, where additional materials are requested, including a process map (in lieu of a project time line), a budget and an experience list (instead of a formal artist bio). This two-stage process ensures that only applicants with a serious shot at funding are required to spend the time on extensive documentation in preparing application materials. The adjudication rubric for this program (see the last page of the guidelines) assigns higher scores for projects that "remove barriers to access, and engage ethically with any communities involved." Panelists dock points for any applications that portray "inadequate compensation, cultural appropriation, unethical engagement of vulnerable communities or exploitative practices." The agency helps artists prepare applications by conducting workshops in collaboration with local cultural venues across the state. Sessions conducted in 2023 featured grant-writing tips from successful past applicants and access to professional videographers to help dancers with their work samples. Small-group sessions were also offered virtually. Stage-two applicants were offered one-on-one consultation to answer questions and provide feedback on proposal materials.



**Colorado:** Colorado Creative Industries (CCI) supports [Arts In Society](#) grants that fund individuals and organizations leading creative social engagement projects that promote justice, increase community well-being and facilitate civic problem solving. The program is a collaborative effort involving a mix of public and private grant makers, including the Bonfils-Stanton Foundation, CCI, the Colorado Health Foundation, and Denver Arts & Venues. Awards range in size from \$5,000 to \$35,000. [Grantees](#) are chosen by a panel that considers the project's artistic quality and cultural relevancy as well as how creative practices will engage the community and enhance public understanding of critical issues. The program is structured to address equity disparities and reduce application burdens.



Denver based Warm Cookies of the Revolution, a CCI Arts in Society grantee, helped recently resettled Afghan artists to develop a collaborative production of a puppet show for Afghan refugee children. Photo courtesy of RedLine Contemporary Art Center

- A local partner, [RedLine Contemporary Art Center](#), administers the grant program. This streamlines application and reporting requirements across multiple funding partners with varying needs.
- Eligibility is broad. Beyond arts nonprofits, units of government and tribes, applications are accepted from individual artists and non-arts organizations such as human service groups, neighborhood organizations and health care facilities.
- Simple letters of interest are used for initial project screening. Full applications are required only for projects that have a reasonable chance of being funded.
- Artistic quality is adjudicated using Animating Democracy's [Attributes of Excellence in Arts for Change](#), which affirms diverse approaches to civic engagement, community development and social justice.
- No matching funds are required.
- Resources to support evaluation and documentation are provided separately from the grant award.
- Travel stipends are provided to facilitate rural organizations' access to cohort meetings and professional development events.

## Additional Resources


The [Stanford Social Innovation Review](#), the [Disability & Philanthropy Forum](#) and [Knowbility](#) offer good resources on adjusting grant-making strategies and systems for individuals with disabilities.

Utah State University's [Web Accessibility in Mind](#) (Web AIM) initiative offers tools, training and [articles](#) that can help state arts agencies improve the accessibility of their websites and online materials. For a free accessibility audit of your site, explore Web AIM's [Wave](#) tool.

[Collaborative, Iterative, and Responsive: Agile Techniques Transform MAP's Grantmaking](#), published in the GIA Reader journal, describes a funder's journey to develop online application systems more responsive to artists' needs.

Get more ideas from [Streamlining a Foundation Initiative's Grant Practices](#), [It's Not You, It's Me: Breaking Up with Your Organization's Inequitable Funding Practices](#) and [A Transformative Moment for Philanthropy](#).


**NASAA** NATIONAL ASSEMBLY of STATE ARTS AGENCIES  
Knowledge • Representation • Community



## Inclusive Language Guide

### GUIDING PRINCIPLES FOR USING INCLUSIVE LANGUAGE

- Know which populations within your audience have fewer advantages, are marginalized and/or are objects of bias.
- Be sure your messages do not exclude—or appear to exclude—any groups.
- Use respectful language that acknowledges people's humanity.
- Try to use language preferred by the group (for example, *people with disabilities*, *Deaf person*).



Truett Felt, Shaun Taylor-Corbett, Roman Zaragoza, Lily Gladstone and ensemble in "Off the Rails" at Oregon Shakespeare Festival. Photo by Jenny Graham

NASAA's [Inclusive Language Guide](#) helps state arts agencies to choose welcoming and respectful words for grant guidelines, application questions and other communications.



## ► Panel Processes

*Panel reviews are deeply embedded into the DNA of state arts agencies—and bias may, in turn, be embedded into those review practices. Thoughtful composition and preparation of panels can support equitable adjudication outcomes.*

	<b>Origins</b>	<b>Unintended Consequences</b>	<b>Alternatives and Questions</b>
<b>Panelist recruitment</b>	Informed adjudication of applications requires special expertise most likely found among organizations or individuals that have been successful grantees.	If grantees themselves are not diverse, this practice may result in a closed-loop system, missing out on the <a href="#">benefits of diverse decision-making teams</a> .	Do we collect demographic information to track panel diversity? Do the demographics of our panels match the demographics of our state and involve individuals with an array of experience, rural residents, people of color, older adults, LGBTQ+ individuals and people with disabilities?  What panelist recruitment practices might achieve inclusion?
<b>Panel bias</b>	To protect against real or perceived favoritism, panel procedures must be followed consistently across the applicant pool. Most panel orientations therefore focus on the mechanics of adjudication: adherence to guidelines, consistent use of scoring rubrics, etc.	Unconscious bias can arise related to age, ethnicity, economic status, physical ability or other factors. Panelists may unknowingly gravitate toward their own familiar norms as they evaluate proposals from applicants of different backgrounds. It is especially common for panelists to imprint their own experiences and assumptions onto assessments of professionalism and artistic merit.	Are panelists oriented to the equity and accessibility goals of our agency? Do they understand which populations have been historically underserved, and what our public mandates are?  Are panelists and agency staff trained to recognize bias in adjudication deliberations and constructively interrupt it?

	<b>Origins</b>	<b>Unintended Consequences</b>	<b>Alternatives and Questions</b>
<b>Panelist honoraria</b>	Panelists are asked to volunteer their time in exchange for the honor and prestige that panel service confers. Minimal (or no) compensation reduces administrative costs for agencies that convene dozens of panels each year.	Uncompensated panel service perpetuates the devaluation of artistic time and expertise and may exclude populations offering valuable perspectives. Relying on volunteers skews panels in favor of individuals with enough wealth to take time off work or hire child care.	<p>What are our agency's policies on panelist honoraria?</p> <p>Are those policies disclosed up front in panelist nomination forms?</p> <p>Can panel honoraria be classified by the agency as programmatic rather than administrative costs?</p>
<b>Demographic disclosure</b>	Some agencies do not collect (or disclose to panelists) applicant demographics about race, gender or age. This information may be withheld to avoid legal ambiguities and to prevent real or perceived bias against constitutionally protected classes when making funding decisions.	Oversimplified color-blind approaches may mask the reality that some individuals have experienced <a href="#">repeated discrimination</a> due to race. Ignoring race, gender and age could unintentionally reinforce— rather than reduce— inequities.	<p>Is our agency able to articulate the reasons why life experiences tied to race, gender, age, income or disability might affect the work of grantees and their grant success rates?</p> <p>How might bias unintentionally creep into grant adjudication practices?</p> <p>Have we conducted a legal review of our application forms, criteria and adjudication practices?</p> <p>If we cannot share demographic information with panelists, can we educate them with retrospective data showing demographic and geographic patterns, including past funding gaps?</p> <p>Would collecting optional demographic data still have value?</p> <p>How are other state agencies handling similar issues?</p>



## Ideas in Action

**District of Columbia:** To strengthen the integrity of its reviews of grant applications, the DC Commission on the Arts and Humanities (DCCAH) added an anti-bias component to its panel orientations. Prior to reviewing any applications, panelists receive training on specific types of bias that commonly arise in grant adjudications: affinity bias, racial and gender bias, perceptions of fine art and folk art, grant writing and copyediting, [the halo effect](#), and [grouphink](#). DCCAH panelists also receive tips on how to mitigate bias during its grant review meetings by:

- deliberately slowing down the decision-making process,
- questioning stereotypes,
- reconsidering the reasons for decisions, if needed, and
- supportively monitoring each other for unconscious bias.

These points are echoed at the beginning of panel meetings, along with reminders about conflict of interest. DCCAH grants management staff model self-reflection and help to create a culture of awareness that is supportive of learning without assigning blame or shame. These proactive steps to cultivate fair adjudication have been adopted in conjunction with intentional changes to [funding allocations and formulas](#) to increase resources to regions of the District that had historically received fewer resources.



World premiere of *Klytmenestra: An Epic Slam Poem*, written and performed by Lady Dane Figueroa Edidi and presented by Theatre Alliance, a DCCAH grantee. Photo by Manaf Azzam, courtesy of Theater Alliance

**New England:** The New England Foundation for the Arts (NEFA) strives to provide artists and arts organizations with "fair access to the tools and resources they need to realize creative and community endeavors." An essential part of that equation is the adoption and continual improvement of equitable adjudication practices. In 2018 NEFA, along with NASAA and a cadre of arts funders from the United States and Canada, participated in the Equity in the Panel Room initiative. In conjunction with this initiative, NEFA undertook a [long-term effort to diversify the perspectives](#) heard during grant reviews and raise awareness about the role of bias in adjudication.

- NEFA altered the composition of its panels to include more artists and community members affected by grant decisions.
- Panel orientations call attention to NEFA's equity values and acknowledge structural inequities that have excluded individuals and communities from opportunity based on race, gender, disability, sexual orientation, class, age, geography and other factors.
- Orientations pose questions designed to surface the types of bias that can arise during application reviews. These orientations also build a shared understanding of review criteria, which leads to more consistent discussion and scoring.
- In-depth introductions build group cohesion, self-awareness and mutual respect among panel members.
- Group agreements are collaboratively established to govern panel dialogues. These communication parameters encourage honest and respectful conversation including all voices and divergent opinions. The agreements acknowledge power dynamics (inside and outside of the panel room) and instill positivity and generosity of spirit.



With [New England States Touring](#) support through NEFA, International Festival of Arts & Ideas presented Toshi Reagon and BIGLovely's *Parable of the Sower*, an opera based on the literary works of Octavia Butler. Photo by Reed Hutchinson

## Additional Resources

Submittable's [5 Sources of Bias in Your Grant Application Review Process](#) provides a concise overview of ways that unconscious bias can creep into panel review processes.

[Re-Tool: Racial Equity in the Panel Process](#), by the Jerome Foundation, offers comprehensive guidance for designing and facilitating more equitable panels, as does the Western States Arts Federation's [ZAPP's Guide to Equitable Jurying](#).

For intriguing ideas about alternatives to traditional panels, see [Innovations in Open Grantmaking](#) from GovLab.



### ► Award Structures

*Because the demand for funding far exceeds the supply of available money, state arts agencies face tough choices when formulating award amounts. Principles used to guide these determinations can increase—or erode—funding equity.*

	<b>Origins</b>	<b>Unintended Consequences</b>	<b>Alternatives and Questions</b>
<b>Annual support</b>	Many grant cycles align with one fiscal year. This makes accounting and reporting easier for state arts agencies to manage. It also allows allocations to adjust to fluctuating state appropriations.	Applying annually to the state arts agency drains time and resources from applicants. Many activities don't fit neatly into a 12-month timetable aligned with the state fiscal year.	How might multiyear approval be used to streamline funding for applicants and state arts agencies alike?  What application cycles and grant calendars might make the most sense for applicants?
<b>Request amounts</b>	Many grant makers invite applicants to request a preferred award amount. If available dollars or adjudication scores necessitate a smaller award, new budgets must be submitted.	This practice creates extra work for applicants and grant makers alike. Budget ambiguity makes project planning more difficult for constituents.	Should we cap award requests at a certain level and commit to fully funding the requests of all approved applications?

	<b>Origins</b>	<b>Unintended Consequences</b>	<b>Alternatives and Questions</b>
<b>Past award amounts</b>	Unpredictable swings in state grant amounts may be destabilizing to arts organizations. Using prior award amounts as a starting point for calculating new award levels mitigates those swings.	This practice can lock small organizations into a cycle of small awards, making it difficult for them to advance up the funding ladder. It institutionalizes funding structures that may have been built decades ago, without full consideration of the equity implications of such formulae. It also might entrench a sense of entitlement among long-standing grantees.	How much of our agency's funding formula calculation is based on past grant amounts?  What would be the short- and long-term effects of a zero based approach?
<b>Budget-based formulas</b>	Indexing award amounts to organizational budgets provides an objective sliding scale for dividing funds among grantees of different sizes.	Even when a fractional budget percentage is used, this formula can channel the lion's share of available funds to the <a href="#">oldest</a> or largest organizations. Groups lower on the sliding scale may be left with grants too small to make a difference. A complex funding formula also can diminish transparency around how funding decisions are made.	Could flat funding amounts (rather than a budget formula with infinite increments) or a lower funding ceiling make more resources available across the budget spectrum?  Would panel scores (rather than budget formulas) incentivize the practices that place community needs at the center of applicants' work?
<b>Funding tiers</b>	Placing organizations into application cohorts based on budget size, and setting graduated award amounts for each cohort, prevents forced competition between large and small groups.	Smaller organizations—even when they are doing large-scale work worthy of major investments—are often relegated to the lowest funding tiers. Combined with other funding barriers, this can <a href="#">inhibit the growth and development</a> of grassroots groups.	What would the effects be of expanding our tiers? Could raising the funding floor address more needs for smaller groups?  What adjudication criteria might mitigate competition driven mostly by budget size or organizational age?  Could tiers be abandoned altogether? (Vu Le from Nonprofit AF <a href="#">urges funders</a> , "Do not try to level the playing field. Create new fields.")



	<b>Origins</b>	<b>Unintended Consequences</b>	<b>Alternatives and Questions</b>
<b>Funding for major institutions</b>	The largest-budget arts organizations in a state typically reach the largest audiences, which serves the public good. It's important for these influential organizations to have accessible programs (which public funding ensures) and to be strong stakeholders in state support.	When large organizations receive the majority of funds (through budget allocations, funding formulas or line items), it can limit the resources available to other organizations. This can be especially problematic when funding is concentrated in major metropolitan areas or institutions that do not reflect a state's geographic, economic or cultural diversity.	<p>What percentage of our available grant funds go to the largest organizations in our state?</p> <p>When deciding how our agency's grant budget will be deployed for an upcoming fiscal year, which funds are allocated first—dollars to majors or funds for smaller organizations?</p> <p>What are the largest organizations doing to address equity and inclusion? Who are those efforts benefiting?</p>
<b>Matching requirements</b>	State arts agencies usually require a match (ranging from 1:1 to 3:1) for grant awards. This is designed to confirm a grantee's commitment to the work, to leverage local investment in the arts and to demonstrate public/private cost sharing to state legislatures.	Matching requirements may be prohibitive for grantees located in economically distressed communities. Matching requirements also can induce a paradoxical fundraising cycle (needing to raise money to raise money) that might induce more budgetary stress than it alleviates.	<p>How much of a match can be met through in-kind contributions?</p> <p>Is it possible to suspend matching requirements altogether for certain grant categories or smaller organizations?</p>
<b>Reimbursement based awards</b>	Releasing grant dollars based on specific documented expenditures builds accountability into grants systems and ensures that matching requirements are met before any funds are disbursed.	This practice intensifies financial stress for organizations with limited cash flow and skews funding in favor of larger grantees.	<p>Can we increase the portion of grant award money released up front?</p> <p>Could small awards be entirely forward-funded?</p>

	<b>Origins</b>	<b>Unintended Consequences</b>	<b>Alternatives and Questions</b>
<b>Funding time lags</b>	Processing hundreds (or even thousands) of applications takes time, as does coordinating adjudication and securing approval for award recommendations. State spending freezes or delayed passage of state budgets by legislatures can cause further time lags.	Organizations with operating reserves and multiple funding streams may absorb delays more readily than organizations with lean cash flow. Delays also diminish the responsiveness of public funds, limiting the use of state grants for programs designed to address timely community needs.	<p>What procedures could we adjust to close the gap between grant deadlines and award dates?</p> <p>What vehicles could we institute to provide responsive funding for short-term projects?</p> <p>Many state arts agencies use streamlined systems for "express grants" or "quick turnaround" funds that expedite review and keep application and reporting requirements to a minimum for small awards.</p>

## Ideas in Action

**Kansas:** The [Strategic Investment Program for the Arts](#) is the main vehicle through which the Kansas Creative Arts Industries Commission (KCAIC) invests in the creative capacity of arts organizations. The program offers three types of awards: organizational development grants (which strengthen business practices), funds for new or expanded works (which expand creative programming), and dollars for equipment and technology. Applicants must describe the economic and community impact of their requests, which can be for a maximum of \$7,500. Awards carry a 1:1 matching requirement, but a matching exemption is offered for rural applicants. Recognizing that rural communities have fewer sources of private funding to draw upon, KCAIC allows applicants located in communities with populations of under 15,000 to make their match through in-kind contributions of time, space, services and supplies.

**Pennsylvania:** In 2019, the Pennsylvania Council on the Arts conducted an [assessment](#) of its Responsive Funding portfolio, consisting of operating support investments made through the [Arts Organizations and Arts Programs](#) (AOAP), [Entry Track](#), and [Pennsylvania Partners in the Arts](#) grant categories. The agency performed a longitudinal analysis of grants by organization size and recipient location. It established a council task force that reviewed data on the agency's granting patterns, interviewed equity experts, and examined the practices of other public and private funders—all with an eye toward attaining greater equity in how PCA funds are distributed. The data ultimately showed that most of the agency's funds were concentrated in large organizations with robust operating and fundraising capacities. In contrast, PCA was investing much less in smaller

organizations, including those in BIPOC and rural communities, where the need for community development and capacity building was high.

A [new funding strategy](#) ultimately emerged to address the historical funding gaps and better reflect the demography and geography of the state. It marked a departure from long-standing formulas that tied award amounts to budget size. As of FY2020-2021, two simple funding tiers were created: one for rural and BIPOC organizations in the amount of \$26,000, and a second for nonrural/non-BIPOC organizations in the amount of \$13,000. The strategy immediately benefitted more than 170 of the 300+ AOAP grantees whose historical annual funding levels were below \$13,000.

The AOAP program serves organizations with average budgets exceeding \$200,000. To support smaller groups, PCA introduced the [Creative Sector Flex Fund](#). The Flex Fund provides operating and programming grants of up to \$5,000 per year for cultural organizations with average annual revenue between \$10,000 and \$200,000. Awards are administered through the PCA's regional regranting partners. As it was formulating its new policies, PCA consulted with grantees, the governor's office, legislative leaders, national and regional experts, and other stakeholders to build understanding of the documented funding gaps and highlight ways in which the agency's revised policies would be beneficial to Pennsylvania as a whole.

**Maryland:** To ensure that its funding policies are transparent and responsive, the Maryland State Arts Council (MSAC) adopted a decision-making model that systematically reviews all its grant categories and recruits community involvement in guideline changes. The agency follows a "public



Somapa Thai Dance Company performs at the 2023 Maryland Folk Festival in Salisbury. Photo by Human Being Productions for the Maryland State Arts Council

editor" process that blends staff expertise with input from the public and MSAC's parent agency, the Maryland Department of Commerce. As a first step, the staff conducts research on standards and practices applicable to each funding category and recommends a time line for policy revisions. Public listening sessions are convened to invite broad input and community ideas. Then a call for editors is published to invite members of the public to serve as advisors. That panel of editors (which is compensated for its work) considers program alternatives and policy revisions. Proposed changes are sent to the state attorney general for edits. The final version is considered at a public Arts Council meeting and is ultimately approved by the secretary of commerce before implementation.

This process of combining data review with multiple rounds of input led to a substantial [recalibration of funding to organizations](#). Over a five-year period, MSAC is adjusting its general operating support formula and capping award amounts for its largest grantees (from \$1.4 million to \$1 million). By the end of the implementation period, the cap will enlarge the pool of funds available for smaller organizations, and the new formula will increase their award amounts to comprise a larger portion of their operating budgets. In addition, new applicants to the Grants for Organizations programs are no longer required to go through a trial period before receiving their full grant funding. MSAC expects these changes to increase funding for more than 250 (out of a total of 300) organizations in the operating support pool. A separate [Creativity Grants](#) program provides nonmatching operating and project support awards of \$1,000-\$4,000 to small organizations. Applications are reviewed monthly until dollars are depleted, with timely funding notifications occurring on the first of each month. Approved applications are funded at 100% of their request.

A similar public editor process informed the design and deployment of a new [Grants for Artists](#) category to provide flexible funding for Maryland creators. The process included extensive listening sessions and consultation with artists. The resulting awards can be used for both living and working expenses. Applications are screened for eligibility then awardees are selected via random drawing. In the pilot year, MSAC held two funding rounds per year. This two-round rhythm (which can automatically transfer applications from a prior cycle) allowed more opportunities for artists to enter into the funding system.

## Additional Resources

[Recalculating the Formula for Success](#), commissioned by Grantmakers in the Arts, offers a thoughtful perspective on formula funding practices among local and state arts funders.

The Atlantic Philanthropies [evaluated the effects of its matching requirements](#). It found that matching was helpful to some grantees and a hindrance to others, leading some groups to pursue easier and shorter-term funding than they might have without the matching requirement.

Consider [Critical Steps toward Capital Health in the Cultural Sector](#) and [Addressing Racially Biased Financial Analysis](#) to learn the Nonprofit Finance Fund’s perspectives on how common financial assessments can reinforce inequities.



### ► Data and Evaluation

*Accurate information is needed to inform policy changes and grant program improvements. Information collection efforts must take legal constraints, data reliability and reporting burdens into account.*

	<b>Origins</b>	<b>Unintended Consequences</b>	<b>Alternatives and Questions</b>
<b>Evaluation practices</b>	Program evaluations can help state arts agencies improve the design and delivery of their grant programs.	Evaluation projects put further pressure on the limited capacity of small and volunteer-led organizations. Evaluation methods themselves can <a href="#">harbor bias</a> .	What kinds of evaluation efforts would be most meaningful and relevant to grantees themselves?  How might <a href="#">culturally responsive evaluation</a> practices apply to our work?
<b>Beneficiary data</b>	In an effort to document populations being served through public funds, many federal and state agencies require grantees to report on the demographic characteristics of beneficiary groups.	Accurate data are difficult to collect and validate in the arts field. Unless a grantee has invested in a formal market study of its audience (which only the largest institutions can afford), beneficiary data is likely based on estimates, which are prone to error. Collection of actual demographic information may raise privacy concerns. There is an incentive for applicants to inflate their numbers if they believe it would help them compete for future grant funds.	What training or technical assistance might help grantees supply better information?  If demographic details on participants are too difficult to collect, would proxy data (such as ZIP codes or community demographics) be useful?  Could useful insights into audiences served be gleaned outside of grant reporting? (e.g., through mixed methods research)



	<b>Origins</b>	<b>Unintended Consequences</b>	<b>Alternatives and Questions</b>
<b>Reporting burden</b>	State arts agencies must comply with many federal and state reporting requirements. Legislators, governors and budget officers require data showing return on investment and the responsible use of taxpayer dollars.	Prequalifications, application paperwork, compliance documentation, reimbursement requests and final reports add up and impose a substantial burden on grantees. This may pose a significant obstacle for some grantees, especially if the grant amounts received are small. Metrics that are relevant to state budget officers may have little meaning for grantee organizations.	<p>What is the least onerous way for us to collect data necessary for state and federal reporting?</p> <p>When did we last do a field-by-field sweep of our final report forms to weed out nonessential items?</p> <p>Is there a way for our agency to expand capacity for data collection through partnerships or commissioned research?</p>
<b>Equity reporting</b>	Many state arts agencies routinely report on their grant awards by city, county and grant program category. This allows stakeholders to view awards in readily recognizable ways.	Standard reporting often lacks the types of information needed to reveal funding gaps or measure progress toward equity.	<p>What are our agency's grant-making equity goals? Who aren't we reaching with our funds?</p> <p>What metrics would help us chart our progress toward meeting equity objectives?</p> <p>How can we institutionalize the practice of using data to inform our grant allocation and guideline decisions?</p>

## Ideas in Action

**Ohio:** Between January and September 2022, the Ohio Arts Council (OAC) and NASAA collaborated on the Equitable Grant Making Assessment Pilot Project, a partnership known as the [Equity GAP Project](#). The objectives of this joint initiative were to diagnose equity strengths and weaknesses in OAC's grant-making systems and identify practical actions OAC could take to attain greater equity in how its grant funds are distributed. The assessment focused on demographic and geographic groups that are historically underserved in Ohio: rural communities, Appalachia (a culturally and economically distinct region), BIPOC populations, low-income areas and people with disabilities. An in-depth geospatial analysis of OAC's past grants, a constituent

survey and in-depth interviews with organizations representing underserved populations informed numerous policy and procedure shifts. Selected changes included:

- Allowing new entrants into the general operating support program every two years, rather than every four years
- Putting small organizations on a four-year grant cycle (on par with larger organizations), to achieve greater predictability of support and reduce paperwork for applicants
- Doubling grant maximums for small organizations from \$5,000 to \$10,000
- Eliminating a minimum operating support request amount, so that the very smallest organizations have the opportunity for dollars to be unrestricted
- Capping the number of supplementary materials applications can include, to reduce administrative burdens and help emerging organizations and applicants with a smaller portfolios of work to be more competitive
- Streamlining grant applications by reducing the number of questions asked, eliminating budget narratives and removing jargon
- Incentivizing engagement with historically underrepresented populations in review criteria
- Providing adjudication panels with links to county demographic details, so that they can see who lives in the communities that applicants are striving to serve
- Creating a new program—[ArtsRISE](#)—designed specifically to serve the BIPOC community, people with disabilities, older adults, Appalachian and rural communities, low-income populations, LGBTQ+ individuals, veterans, and justice-impacted citizens



Based in Cleveland, Dancing Wheels offers performances and activities in schools, hospitals, senior centers, libraries, and recreational facilities to help people of all ages experience movement in an adaptive and inclusive way. Scene from "Incommunicado," choreographed by Catherine Meredith. Photo by Al Fuchs

- Waiving matching requirements for small organizations in some project support categories
- More than doubling the [Artists with Disabilities Access Program](#) award amounts from \$1,000 to \$2,500

**Massachusetts:** In 2021, Mass Cultural Council enacted a [Racial Equity Plan](#) that commits the agency to actions that will work toward a more racially equitable cultural sector in Massachusetts. It complements the agency's [strategic plan](#) and aligns with the [governor's Executive Order 592](#), which commits state agencies to advance workforce diversity, inclusion, equal opportunity and nondiscrimination. The plan was developed through a process that included staff and council training, a stakeholder working group, and a [Racial Equity Listening Series](#). The resulting plan includes "specific, measurable, attainable, relevant, and time-based" goals. These goals include operational actions MCC will take as well as financial investments and support services designed to assist BIPOC and under-resourced organizations, communities, schools and artists. Actions MCC has completed to date in the grant-making realm include:

- Conducting intentional outreach to bring new applicants into the MCC grant system (see pages 13-14)
- Instituting regular analysis of application and award data to track funding patterns and progress toward specific funding goals
- Promoting an effort to encourage BIPOC organizations to [voluntarily self-identify](#) and share demographic data to help MCC better measure funding equity
- Implementing "priority points" across most funding programs to target funding for projects and organizations in underserved communities
- Expanding the eligibility of [STARS Residencies](#) grants to include individuals and cultural organizations (not just schools), to create more employment opportunities for teaching artists



A former church pew, painted by artist Tan Vu, was featured in a 2022 public art installation during Newton Community Pride's Sit & Let Your Spirit Soar Project. This bench's theme centers on healing, with flowers and vibrant colors that amplify hope and renewal. Photo courtesy of Mass Cultural Council

- Expanding the eligibility of [Festivals & Projects](#) grants to allow for-profit entities to apply, thus making funds available to a wider array of organizations
- Simplifying applications by reducing the number of questions asked (the agency's individual artist recovery grant application takes just 10 minutes to complete)
- Creating tools to help applicants succeed, including sample applications, FAQs and both live and recorded information sessions
- Making applications available in multiple languages
- Incorporating audio narration to make grant guidelines and application instructions more accessible for individuals with poor vision
- Implementing regular progress reporting on actions taken to attain objectives in the Racial Equity Plan

A Native & Indigenous Culture Equity Plan and a Disability Access Plan are under development and are slated for release early in 2024. The Native & Indigenous Culture Equity Plan will address the unique experiences and funding barriers faced by Native American people and will help the agency work toward stronger relationship building, representation and cultural education. The Disability Equity Plan will help the agency better serve individuals who identify as being Deaf or disabled and will improve the agency's support and accommodations. Both plans will include grant-making action steps.

**California:** In 2020, the California Arts Council adopted a seven-year Strategic Framework called [Creative Impact: The Arts & the California Challenge](#) to guide the agency's direction. It commits CAC to developing an institutional culture that eliminates barriers to funding for all Californian communities. Integral to this framework is an [explicit commitment to racial equity](#) as well as a [decision support tool](#), a methodical approach to asking questions that prevent institutional and individual bias from affecting the design of new policies and programs. The agency's development of the framework was informed by participation in the [Government Alliance on Race and Equity](#) (GARE), a network of municipal, county and state leaders working toward more equitable public-sector systems. Working with GARE helped CAC to develop and launch an agencywide Racial Equity Action Plan, which is being used to make and mark progress.

To assess the effectiveness of its grant making and contract funding, CAC has embarked on a long-term effort to [evaluate](#) its funding outlays. Components of the [evaluation plan](#) include the following:

- A business process evaluation examines application systems and grant workflows. This portion of the evaluation considers how various programs interact with each other and how policies and practices function within the agency.
- [Equity Challenges in California's Arts Ecosystem](#) evaluates CAC's role in arts funding in the context of state demographics. It offers root-cause analyses and recommendations to promote equity in a cultural ecosystem in which BIPOC and rural organizations are significantly underrepresented in access to resources.
- A quantitative [Analysis of Equity in Nonprofit Arts Funding in California](#) examines the distribution of organizations and dollars across the state, with a special focus on BIPOC organizations.
- Reports on [Fresno](#), [Imperial County](#) and [South Los Angeles](#) provide qualitative insights into how the arts are created and supported across diverse California geographies.



transcendANCE Youth Arts Project, a California Arts Council grantee, is a nationally recognized creative youth development organization that works with teens in underserved San Diego communities. Photo courtesy of CAC

As the evaluation unfolds, CAC has been applying an equity lens to its grant policy and programming decisions.

- The agency began paying panelist honoraria to make panel service feasible for individuals with economic limitations.
- Organizations without 501(c)(3) status are able to utilize a [fiscal sponsor](#) to apply, thus opening up resources for numerous emerging and unincorporated groups.
- CAC started requiring racial equity statements from applicant organizations as a condition of funding. It offers technical assistance, [resources](#) and webinars to support organizations in creating one. Each applicant must share how they plan to address equity needs and evaluate progress toward their equity goals.



- Several grant categories ask organizations to demonstrate how they serve and prioritize communities with the highest levels of need as indicated by the [California Healthy Places Index](#), which aggregates data on social and economic conditions that drive health outcomes.

Multiple CAC grant programs have been developed to position the arts as solutions to systemic inequities present in California communities. For instance, [Impact Projects](#) are collaborative activities that use artistic practices to address issues experienced by historically under-resourced communities. Projects must respond to community-defined needs, which can include incarceration, access to education, poverty, health disparities, accessibility for people with disabilities, housing insecurity, violence, food insecurity, cultural/social justice, intergenerational learning, veterans' issues and environmental sustainability. The [Arts Administrators Pipeline Fellowship](#) program addresses inequities within the field of arts administration. It attempts to address disparities caused by unpaid internships, inaccessible educational requirements by employers, or geographic and/or social isolation from cultural institutions with paid work opportunities.

**Minnesota:** The Minnesota State Arts Board is another state arts agency pursuing a long-term effort to evaluate the agency's grant-making practices through an equity lens. The Arts Board has worked with numerous partners to identify barriers or disparities that prevent Minnesotans from benefiting from arts and creative experiences—and to invite stakeholder input about solutions to those challenges. People from across the state participated through in-person and virtual sessions and via surveys available in English, Hmong, Karen, Oromo Somali and Spanish. Final recommendations for a new equity plan have not been released as of this writing, but policy decisions will be informed by a robust body of research:

- [A Literature Review of Approaches for Equity-Based Funding in the Public Sector](#): Completed in 2020, this report summarizes selected studies relevant to arts funding.
- [FY2021 Rating Criteria Reliability and the Effects of Equitable Funding Strategies](#): This analysis examines the outcomes of the Arts Board's 2021 adjudication process to determine whether the agency's equity related criteria worked as intended. The report concludes that the criteria worked well for BIPOC groups, worked less well for applicants serving disabled populations, and had limited or counterproductive results (the opposite of the intended effects) for the adjudication of rural applicants.

- [Arts and Creative Experiences in Minnesota](#): Published in 2023, this poll of 1,300 Minnesota residents reveals how communities value the arts and provides insights into arts participation barriers experienced by people of color, individuals with disabilities and residents with limited economic means.
- [Public Input about FY23 Grant Programs: General Survey Findings](#): The results of this 2022 survey of 1,332 respondents showed a strong interest in arts programs that facilitate cross-cultural understanding. The report also indicates that BIPOC respondents and individuals who live in greater (rural) Minnesota have a higher tendency to experience economic constraints, that the type of arts offerings that they most want are not accessible to them and that technology issues pose a major barrier to participation.
- [Public Input about FY23 Grant Programs: Findings from Listening Sessions](#): This report offers a thematic analysis of 15 listening sessions that engaged 158 Minnesotans in conversations about how Arts Board grant programs can respond to community needs. Key findings underscored the distinct needs of greater Minnesota (rural) communities, the desire for arts events that facilitate cross-cultural understanding, and the importance of making the arts physically and economically accessible.
- [Public Input about FY23 Grant Programs: Grantee and Applicant Survey Findings](#): This survey focused on the needs and experiences of Arts Board applicants and grantees. 144 organization representatives and 416 individual artists responded. To help the agency align its support systems with the changing needs of the field, the survey asked about barriers to



Waseca Arts Center, in rural south-central Minnesota, supports exhibitions by local artists and provides online and in-person programming for Waseca County families. Photo courtesy of Waseca Arts Center

accomplishing creative work. The resulting data allow the agency to understand how answers differ among diverse constituencies, including BIPOC and disabled organizations and artists.

## Additional Resources

Explore resources and methods for culturally responsive evaluation from [PEAK Grantmaking](#), the [Equitable Evaluation Initiative](#) and [Suzanne Callahan](#).

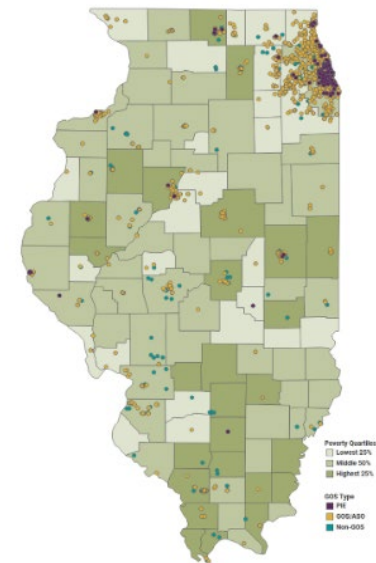
[Arts Data in the Public Sector](#), commissioned by Bloomberg Philanthropies, examines challenges and opportunities in the supply of data relevant to policy decision making for local arts agencies.

[Demographics via Candid](#) is an emerging effort to consolidate demographic data on nonprofits. Organizations can voluntarily add information to their GuideStar profile, which is automatically created for every organization that files Form 990 information with the Internal Revenue Service. [More than Numbers: A Guide Toward Diversity, Equity and Inclusion in Data Collection](#) (Schusterman Family Philanthropies), [Insight, Impact, and Equity: Collecting Demographic Data](#) (PEAK Grantmaking) and [best practices for foundations on collecting data on sexual orientation and gender identity](#) (Funders for LGBTQ Issues) are additional references designed to help grant makers navigate the complexities and sensitivities of demographic data collection.

If you are inspired by CAC's use of the [California Healthy Places Index](#) but no similar dashboard exists in your state, experiment with the [National Equity Atlas](#). It aggregates more than 30 indicators of equity and disparity. Much of the data is available at the city, county and state levels.

NASAA's [research team](#) helps state arts agencies assess the demographic attributes of areas reached—and not reached—through grant awards. Maps of rural regions, disability rates, poverty rates and the federal Social Vulnerability Index are available.

**Grants and Activity Locations by Poverty Rate and County, FY2022**





## ► Leading Change

*State arts agencies may embrace some of the choice points offered in this guide to catalyze immediate change. Other systems, especially those affected by public laws, may take longer to shift. As your agency forges its path forward toward universal access to funding opportunities, consider these touchstones.*

- 1. Examine the data.** A candid assessment of your current grant making will help you understand your current impact, inform good decisions about future changes, and chart your progress toward your agency's equity goals. Are your grants benefitting all populations in your state? Are they reaching rural and remote regions as well as culturally and economically diverse communities? Do you have the demographic data you need to analyze your reach? NASAA's [Visualizing Equity in Grant Making](#) tools can help you get started.
- 2. Watch the legal landscape.** Financial assistance programs are facing new legal scrutiny in the wake of the 2023 ruling on affirmative action (see page 12 above). Government grant making and contracting practices may shift as a result. Meanwhile, state legislatures continue to enact new laws affecting DEI activities. State arts agencies, as well as their grantees, ultimately are required to comply with all federal and state statutes. It's therefore important for state arts agencies to continually monitor new policy developments and assess their impact on grant making.
- 3. Lay a strong starting foundation.** Educate staff and council members about your agency's funding objectives, who your awards currently reach, and known gaps in funding. Establish a



Ender Martos is an award-winning Texan-Venezuelan artist based in Austin. *Graceful Celebration of Diversity* was part of the 2019 TEMPO program, featuring short-term, time based public artworks commissioned by the City of Austin's Art in Public Places office. Image from Smithsonian Learning Lab



common vocabulary with your team and help them to recognize and reduce bias in grantmaking, including unconscious bias related to race, age, gender and other factors.

- 4. Set measurable objectives.** Once you have baseline data established, consider what changes you want to make and how you would like to track success. What indicators will help you monitor progress toward funding equity? Consider how you wish to document procedural steps taken, growth in dollars or awards to underserved groups, new applications received, new grantees funded, diversity of panelists, etc. Institute reporting and reflection at regular intervals.
  
- 5. Communicate persuasively (but patiently) to build buy-in.** As you are formulating changes, anchor them in a transparent public consultation process that invites input from diverse stakeholders. Signpost what you hear, and be willing to revise your plans based on what you learn. Communicate regularly with staff, council members and constituents about progress you've made and goals you are striving to reach in the future. Consider how you might constructively address pushback from existing grantees who may be concerned about losing funds.
  
- 6. Separate policy from politics.** Use language that helps key authorizers (council members, senior officials in the executive branch and legislative leaders of committees holding jurisdiction over your agency) to understand the benefits of your strategy. Using objective data as a point of departure, help them see your work as grounded in community responsiveness, accountability and fairness—not a political agenda. Make certain that key influencers are not taken by surprise. Prepare scenario plans for how you might respond [if a controversy erupts](#).



Albany Center Gallery's community art projects combine community development and locally based art in a way that is accessible to all. Photo courtesy of the New York State Council on the Arts



- 7. Extend a warm and wide welcome mat.** Historically marginalized groups may have had few positive experiences with government, and previously unsuccessful applicants may not have confidence in new opportunities. [Establish relationships](#) with these groups to learn more about the barriers they experience when applying to your agency. Honor the ideas and efforts of advisors by compensating them for their time. Proactively encourage and assist their future applications for grant funding, networking opportunities, technical assistance and panel service.
- 8. Plan for transition.** If your equity plans will result in a significant redeployment of resources upon which grantees have relied for decades, a sudden move may trigger backlash, holding the potential to derail your equity efforts. How can you sequence changes strategically? How can you reorient grantees to collectively hold the value of equity for all? Ensure durable success by mapping out how you will prepare your staff and council for change and allowing time to phase in adjustments.

**A useful analogy for equity work in state arts agency grant making can be evoked by recalling government's role in the "curb cut effect."** In the early 1970s, some municipalities began to modify sidewalks, installing concrete ramps to help wheelchairs negotiate the streets. Loud complaints about expenses and construction disruptions were expressed at the beginning. But millions of people now benefit from curb cuts, which became a normal part of everyday life. They not only revolutionized access for people with disabilities, they also now help laborers moving heavy equipment, parents pushing kids in strollers, postal workers with deliveries, travelers wheeling luggage, joggers, and people with hip pain or bad knees. This story offers a metaphor for explaining the long-term benefits of equitable public-sector grant making. As [Angela Glover Blackwell writes](#), "There's an ingrained societal suspicion that intentionally supporting one group hurts another. That equity is a zero sum game. In fact, when the nation targets support where it is needed most—when we create the circumstances that allow those who have been left behind to participate and contribute fully—everyone wins."

 **In other words, we all thrive when we all thrive.**

NASAA stands ready to assist state arts agencies on their journeys toward greater funding equity. For consultation on state arts agency policy and program design, contact NASAA Chief Program and Planning Officer [Kelly Barsdate](#). For data and custom analysis of grant-making information, contact NASAA Senior Director of Research [Ryan Stubbs](#).

# About NASAA

The National Assembly of State Arts Agencies (NASAA) is a nonprofit, nonpartisan organization. In collaboration with the nation's 56 state and jurisdictional arts councils, we advance the arts as a powerful path to economic prosperity, rural resilience, good health, education success and strong communities in which everyone thrives. NASAA serves as a clearinghouse for data and research about public funding for the arts as well as the policies and programs of state arts agencies. For more information about NASAA and the work of state arts agencies, visit [www.nasaa-arts.org](http://www.nasaa-arts.org).

NASAA Chief Program and Planning Officer Kelly Barsdate prepared this report in 2021 and 2024.



NASAA's work is supported in part by the National Endowment for the Arts.

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