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ADMINISTRATIVE  
HEARINGS

1 Board of the Arts

2

3 Adopted Permanent Rules Governing Procedures for Receiving and  
4 Reviewing Requests for, and Standards for Distribution of,  
5 Grants or Other Forms of Assistance

6

7 Rules as Adopted

8 1900.0110 AUTHORITY.

9 This chapter is adopted pursuant to Minnesota Statutes,  
10 section 129D.04, subdivision 1, clauses (e) and (f).

11 1900.0210 PURPOSE.

12 The purpose of parts 1900.0110 to 1900.2210 is to set forth  
13 procedures and criteria to be followed by the board, advisory  
14 panels, all individuals, organizations, departments and agencies  
15 of the state, and political subdivisions in receiving,  
16 considering, and reviewing requests for, and distribution of,  
17 grants and other forms of assistance. Any actions taken by the  
18 board, its staff, and advisory panels related to the review and  
19 distribution of grants and other forms of assistance must be  
20 based on parts 1900.0110 to 1900.2210.

21 The purpose of parts 1900.2310 to 1900.4110 is to set forth  
22 procedures and criteria to be followed by the board and  
23 designated regional arts councils to conduct a decentralized  
24 system of providing grants and other forms of assistance at the  
25 grass roots level. Terms, procedures, and criteria used in this  
26 chapter are specific to this chapter due to the statutory  
27 provisions which guide the relationship between the board and  
28 the regional arts councils. Any actions undertaken by a  
29 regional arts council, its staff, or its advisory panels must be  
30 based on the criteria contained in parts 1900.2310 to 1900.4010.

31 1900.0310 DEFINITIONS.

32 Subpart 1. Scope. For the purpose of this chapter, the  
33 following terms are defined as indicated unless otherwise  
34 specified.



1           Subp. 2. **Advisory panel or panel.** "Advisory panel" or  
2 "panel" means a group of citizens appointed by the board to  
3 review and make recommendations on grants and other forms of  
4 assistance offered by the board, or to make recommendations on  
5 public arts policy matters.

6           Subp. 3. **Applicant.** "Applicant" means any individual who  
7 submits an application for a grant, or any group, organization,  
8 department or agency of the state, or political subdivision on  
9 whose behalf an application for a grant is submitted.

10          Subp. 4. **Application.** "Application" means the official  
11 form supplied by the board, and any required attachments and  
12 work samples as described in the program information for each  
13 program.

14          Subp. 5. **Board.** "Board" means the governing body of the  
15 State Board of the Arts.

16          Subp. 6. **Certified audit.** "Certified audit" means an  
17 audit completed by an independent auditor who meets the  
18 independence standards specified in the General Accounting  
19 Office's "Standards for Audits of Government Organizations,  
20 Programs, Activities, and Functions." The reporting  
21 requirements for audit reports shall be in accordance with the  
22 American Institute of Certified Public Accountants' (AICPA)  
23 audit guide incorporated by reference as the Statement of  
24 Financial Accounting Standards (S.F.A.S. notes #116 and #117).  
25 This publication is available from the state law library and  
26 from the Accounting Standards Board in Norwalk, CT for \$11 each  
27 by calling (203) 847-0700. The publication is not subject to  
28 frequent change.

29          Subp. 7. **Equipment.** "Equipment" means an article of  
30 nonexpendable, tangible property, or a combination of articles  
31 with a single purpose, having a useful life of more than two  
32 years.

33          Subp. 8. **Fiscal agent.** For the purposes of parts  
34 1900.0110 to 1900.2210, "fiscal agent" means any Minnesota  
35 nonprofit organization which is exempt from taxation under  
36 Section 501(c)(3) of the Internal Revenue Code, or governmental

1 unit which is responsible to the board on behalf of an  
2 organization, individual, or group not meeting the nonprofit  
3 tax-exempt requirements.

4 Subp. 9. **Grant.** "Grant" means the decision by the board  
5 to award dollars. It is an allocation of funds to an applicant  
6 to be used for the purposes described in the application.

7 Subp. 10. **Individual artist or artist.** "Individual  
8 artist" or "artist" means a single professional artist working  
9 alone or, for a limited time, with other artists.

10 Subp. 11. **Organization.** "Organization" means institutions  
11 which are exempt from taxation under Section 501(c)(3) of the  
12 Internal Revenue Code and established in Minnesota including  
13 schools, governmental units, and departments and agencies of the  
14 state. This does not include radio and television stations.

15 Subp. 12. **Other forms of assistance.** "Other forms of  
16 assistance" means services and activities, other than grant  
17 programs, which foster the development of the arts in  
18 Minnesota. These may include workshops, conferences,  
19 directories, or programs jointly sponsored or administered with  
20 other entities including federal, state, or nonprofit agencies.

21 Subp. 13. **Person of color.** "Person of color" means an  
22 individual who identifies with or is recognized as belonging to  
23 one (or a combination) of the following racial or ethnic  
24 groups: African American; Asian/Pacific Islander;  
25 Hispanic/Latino/Chicano; or Native American/Alaskan Native.

26 Subp. 14. **Presenting activities.** "Presenting activities"  
27 means tasks associated with the engaging of artists, touring  
28 companies, or exhibitions which are external to the  
29 institution. The tasks must include paying an artistic fee,  
30 contracting with the artists, providing the facility, marketing,  
31 and assisting in the technical support.

32 Subp. 15. **Producing activities.** "Producing activities"  
33 means tasks associated with the conception or creation of an  
34 artistic work and the assembly of the artistic elements for its  
35 production, performance, or exhibition.

36 Subp. 16. **Program information.** "Program information"

1 means any document issued describing programs and services of  
2 the board which includes instructions, application forms,  
3 deadlines, and other aids for the applicant seeking assistance.

4 Subp. 17. **Regional arts council.** "Regional arts council"  
5 means one of the grassroots, autonomous organizations designated  
6 by the board to assess regional needs, plan and administer  
7 programs, and make final decisions on the utilization of its  
8 share of the legislative arts allocation granted to the regional  
9 arts councils by the legislature.

10 1900.0410 AGENCY ADVISORY PANELS.

11 Subpart 1. **Creation and discontinuance.** The board may  
12 appoint advisory panels to review grant applications or  
13 applications for other forms of assistance. The board may  
14 discontinue any advisory panel, as it deems necessary.

15 Subp. 2. **Nomination and appointment to advisory panels.**  
16 Individuals may nominate themselves or someone else by  
17 contacting the board during regular business hours. All  
18 interested persons shall be provided information describing the  
19 process and procedures for pursuing a nomination.

20 Appointments to advisory panels must be made by majority  
21 vote of the board. Under emergency circumstances, when panel  
22 service is required prior to convening the next scheduled  
23 meeting of the board, the board's executive director in  
24 consultation with the board chair, or designated board member,  
25 may make such an appointment. Members shall serve one  
26 panel-specific fiscal year term at the pleasure of the board for  
27 a maximum of three consecutive fiscal years. Appointments to  
28 advisory panels must be made so that the appointment terms of at  
29 least one-third of the membership of each panel will expire in  
30 each year. Advisory panels shall be geographically balanced and  
31 include at least one person of color, insofar as is reasonable  
32 possible.

33 No member of an advisory panel may serve on a panel which  
34 would review an application from that member for a grant or  
35 other form of assistance from the board.

1       Subp. 3. **Member qualifications.** Advisory panel members  
2 shall have expertise and experience in a particular area of the  
3 arts, arts funding, or administration; in-depth knowledge of the  
4 Minnesota arts community; communications and decision-making  
5 skills; and an ability to work well in a group. In addition,  
6 members shall be chosen for their ability to adhere to review  
7 criteria. Panel members selected by the board from nominees  
8 shall include artists, administrators, educators, volunteer  
9 directors of arts organizations, trustees of arts organizations,  
10 and other participants in the arts.

11       Participation as an advisory panel member requires:

12           A. that the panel member read all materials as  
13 requested in advance of the scheduled meeting; and

14           B. that the panel member be in attendance and fully  
15 participate in all required activities associated with the work  
16 of the panel.

17       Subp. 4. **Compensation.** Members of advisory panels shall  
18 be compensated for expenses incurred to attend advisory panel  
19 meetings or their assignments as provided in Minnesota Statutes,  
20 section 15.059, subdivision 6.

21       Subp. 5. **Conflict of interest of member.** A conflict of  
22 interest exists when a member of an advisory panel is affiliated  
23 as listed in items A to D with an applicant whose application is  
24 before the panel for review:

25           A. receives direct financial benefit from the  
26 applicant organization or proposal being reviewed;

27           B. serves as an employee or governing board member of  
28 an applicant organization being reviewed;

29           C. serves with or without payment as a consultant to  
30 an applicant being reviewed; or

31           D. has a familial relationship with an applicant or  
32 with a staff or board member of an applicant organization.

33       Subp. 6. **Exclusion of member.** When a conflict of interest  
34 is identified, the advisory panel member shall inform the board  
35 of the affiliation prior to the review of applications. The  
36 board shall report annually on those advisory panel members for

1 affiliations which declared actual conflicts of interest.  
2 Declaring a conflict of interest means that the panel member may  
3 not be present for any discussion or vote on those applicants  
4 with which the conflict exists.

5 1900.0510 CRITERIA FOR REVIEW OF GRANTS AND OTHER FORMS OF  
6 ASSISTANCE.

7 The board shall establish criteria for review that are  
8 consistent with conditions set by the funding source according  
9 to the intent of each program and described in program  
10 information. These sources include federal agencies, the  
11 Minnesota legislature, and private corporations or foundations.

12 1900.0610 REVIEW CRITERIA USED BY ADVISORY PANELS.

13 The primary review criterion used by all advisory panels to  
14 make recommendations to the board, except as specifically noted  
15 otherwise, shall be the artistic excellence or quality of the  
16 applicant. Advisory panels shall review applications to make  
17 recommendations for grants and other forms of assistance  
18 according to the merit and artistic quality as demonstrated by  
19 the applicant's artistic work sample or equivalent, such as a  
20 site visit of the proposed activity, in order to make  
21 recommendations to the board. In the case of service programs  
22 and projects, the merit and quality of the service being  
23 provided to the arts shall be reviewed. The detailed  
24 program-specific criteria are described in parts 1900.1510 to  
25 1900.2210. After reviewing applications, advisory panels shall  
26 recommend each application for full funding, partial funding, or  
27 no funding. If more applications are recommended for funding  
28 than funds are available, the advisory panel may use the  
29 mathematical tools of rating or ranking the recommended  
30 applications individually to determine funding priorities and  
31 the amount of recommended grant.

32 1900.0710 BOARD ACTION AND ADVISORY PANEL RECOMMENDATIONS.

33 The board shall give considerable weight to the  
34 recommendations of advisory panels. The board may request

1 comments and recommendations from the staff on all aspects of  
2 applications. The board may request a revised budget or a  
3 proposal description, or both, before taking final action on a  
4 grant application. The board shall make all final decisions  
5 consistent with this chapter as to approval or rejection of  
6 grant applications or requests for other forms of assistance.

7 1900.0810 PROCESS FOR OBTAINING GRANTS AND OTHER FORMS OF  
8 ASSISTANCE.

9 Subpart 1. **Application materials for a grant and other**  
10 **forms of assistance.** All applications must be made in  
11 accordance with this chapter. Applicants must use an official  
12 application form for the appropriate fiscal year and program to  
13 which they are applying.

14 The application materials shall include the specific  
15 information needed to determine the eligibility of the  
16 applicant, to review the application according to the review  
17 criteria, to comply with federal reporting requirements, and to  
18 evaluate the programs and services of the board.

19 Subp. 2. **Applications received by board.** All applications  
20 must be received at the board office by the deadline in the  
21 current program information. A late application shall not be  
22 considered by the board.

23 Subp. 3. **Application.** The applicant shall be responsible  
24 for the quality and the nature of the responses given in the  
25 application, the attachments, and the supporting materials in  
26 this chapter and further described in the program information  
27 provided by the board. The items are:

28 A. the completed current official application form  
29 provided to the applicant by the board;

30 B. a narrative proposal in the form of typed attached  
31 pages which responds to specific questions in the program  
32 information;

33 C. supporting documentation as requested and listed  
34 in the program information; and

35 D. if a fiscal agent is used, a copy of the written



1 agreement between the fiscal agent and the applicant.

2 Subp. 4. Applications screening. Staff shall screen  
3 applications received by the deadline for eligibility and  
4 completeness, subject to the criteria and processes described in  
5 parts 1900.0610 and 1900.1510 to 1900.2210. Eligible  
6 applications shall be reviewed at a meeting, open to the public,  
7 by an advisory panel when deemed necessary and appointed by the  
8 board. The panel shall identify recommended applicants  
9 presented by staff to the board. The board shall make the grant  
10 award after considering the advisory panel's recommendation. If  
11 the grant is less than the original request, the applicant shall  
12 revise, where appropriate, the official budget and application  
13 to reflect the actual grant amount. Upon receipt of revisions,  
14 the board, or designated agency staff, shall review the  
15 revisions and, if approved, shall continue processing the grant  
16 contract.

17 Subp. 5. Applicants notified of board decisions. All  
18 applicants shall receive a notification letter and grant  
19 contract of an award (full funding or an adjusted level) or of  
20 no award within 45 days after final review of the application by  
21 the board, except if a revised budget is necessary. If a  
22 revised budget is necessary, applicants shall receive a grant  
23 contract and notification letter which includes instructions to  
24 revise the budget and proposal.

25 Subp. 6. Process to seek other forms of assistance. All  
26 parties interested in assistance from the board that is not  
27 described in agency program information, may contact the board  
28 during regular business hours.

29 1900.0910 DETERMINING DISTRIBUTION OF PROGRAM FUNDS.

30 The board shall establish a sequence of program deadlines  
31 annually based on the resources available and the quality and  
32 characteristics of the potential applicant pool. The board may  
33 give priority to one program category over others during a  
34 fiscal year.

35 1900.1010 ELIGIBILITY REQUIREMENTS FOR APPLICANTS REQUESTING



1 GRANTS OR OTHER FORMS OF ASSISTANCE.

2 Subpart 1. Eligibility requirements; kinds. General  
3 eligibility requirements must be met by all applicants who  
4 request grants or other forms of assistance. Other requirements  
5 depend on whether the applicant is an organization or an  
6 individual artist. Further eligibility requirements specific to  
7 the program are described in parts 1900.1510 to 1900.2210.

8 Subp. 2. All applicants. An application shall not be  
9 eligible to be funded when one or more of the following  
10 activities, conditions, or use of funds exist or are proposed:

11 A. artists are required to pay excessive entry or  
12 exhibition fees in order to exhibit or perform in the project or  
13 program for which funding is sought;

14 B. funds are requested for payment of debts incurred  
15 before the grant activities begin;

16 C. funds are requested to support activities that are  
17 essentially for the religious socialization of the participants  
18 or audience;

19 D. funds are requested to support activities in  
20 primary or secondary level parochial schools;

21 E. funds are requested for activities that attempt to  
22 influence any state or federal legislation or appropriation;

23 F. funds are requested to pay for capital costs, such  
24 as improvements, construction, property, equipment costing more  
25 than \$5,000, or endowment funds;

26 G. funds are requested to support strictly commercial  
27 activities or activities intended for mass-market distribution;

28 H. the application form and all required materials  
29 are not received in the arts board office by 4:30 p.m. on the  
30 deadline date specified in the program information;

31 I. the applicant has any overdue reporting  
32 requirements as specified in a previous contract with the board;

33 J. the applicant is not in compliance with any active  
34 contract with the board;

35 K. the applicant does not make all events open to the  
36 general public or whenever feasible, does not establish

1 admission charges for the events; or

2 L. the project budget contains combined funding from  
3 a regional arts council and the board that amounts to more than  
4 one-half of the project's total cash expenses.

5 Subp. 3. **Organizations.** The applicant must conform to the  
6 definition of an organization in part 1900.0310, subpart 11. If  
7 not, with prior written approval from the board or its designee,  
8 a fiscal agent must be identified.

9 Subp. 4. **Fiscal agent duties.** If a fiscal agent is  
10 identified in accordance with subpart 3, the fiscal agent must  
11 enter into a written agreement with the applicant that includes  
12 a description of both parties' responsibilities, and, if a grant  
13 is received, sign the grant contract. The fiscal agent shall be  
14 legally responsible for the completion of the grant activity and  
15 for the proper management of the grant funds.

16 Subp. 5. **Individual artist.**

17 A. The applicant must conform to the definition of an  
18 individual artist under part 1900.0310, subpart 10.

19 B. The applicant must be a United States citizen or  
20 have attained permanent resident alien status.

21 C. The applicant must be at least 18 years old unless  
22 the funding source explicitly permits grants or other forms of  
23 assistance to persons under 18 years of age or unless otherwise  
24 specified under parts 1900.1510 to 1900.2210.

25 D. The applicant, unless otherwise specified under  
26 parts 1900.1510 to 1900.2210 must be a Minnesota resident  
27 according to the principles described in the determination of  
28 residence under Minnesota Statutes, section 200.031, and  
29 demonstrated by evidence including:

30 (1) possession of a valid Minnesota driver's  
31 license;

32 (2) legal documentation of occupancy and home  
33 ownership or rental of a dwelling in Minnesota for at least six  
34 months prior to the application deadline;

35 (3) employment in Minnesota for at least six  
36 months prior to the application deadline; or

1 (4) payment of Minnesota income taxes.

2 E. The applicant must not engage in or propose to  
3 engage in any of the activities, conditions, or uses of granted  
4 funds listed in subitems (1) to (7):

5 (1) covering the costs of activities involving  
6 any organization which is the applicant's employer;

7 (2) paying for tuition, fees, or work toward any  
8 degree;

9 (3) paying for the translation of literary work;

10 (4) developing curriculum plans, teaching  
11 materials, or teaching programs which are intended to be used in  
12 the applicant's regular course of employment;

13 (5) covering the costs of relocating the  
14 applicant's legal residence outside the state of Minnesota;

15 (6) paying for the establishment of an arts  
16 organization; or

17 (7) paying for publishing with a vanity press.

18 Subp. 6. Additional requirements. Additional requirements  
19 are identified in the specific program parts listed in items A  
20 to C.

21 A. Pilot or new programs, part 1900.1410.

22 B. Grant programs:

23 (1) part 1900.1510, Operating Support;

24 (2) part 1900.1610, Formula Funds;

25 (3) part 1900.1710, Series Presenters;

26 (4) part 1900.1810, Folk Arts: Apprenticeships  
27 and Sponsorship;

28 (5) part 1900.1910, Artist Assistance:  
29 Fellowship, Career Opportunity Grants, and Cultural  
30 Collaborations;

31 (6) part 1900.2010, Arts in Education: School  
32 Support, and Organizational Support.

33 C. Other forms of assistance:

34 (1) part 1900.2110, Juried Listings (Folk Arts  
35 Directory and Arts in Education Roster of Artists);

36 (2) part 1900.2210, Percent for Art in Public

1 Places.

2 1900.1110 APPEAL PROCESS.

3 Subpart 1. Basis for an appeal. There is no right of  
4 appeal for disputes of decisions with respect to interpretation  
5 of review criteria. An appeal may be made only if it is  
6 asserted that the board did not follow its policies and  
7 procedures as provided by this chapter.

8 Subp. 2. Appeal procedure. Any applicant who disputes a  
9 decision of the board regarding the applicant's grant  
10 application on any issue other than review criteria may appeal  
11 the decision of the board. The appeal shall be conducted  
12 according to items A to D.

13 A. The applicant must submit an appeal in writing  
14 within 45 days of the date of the letter notifying the applicant  
15 of the board's decision.

16 B. The appeal must state reasons for the appeal.

17 C. The board shall review the appeal at its first  
18 meeting following the receipt of the appeal.

19 D. The board may take one of the actions provided in  
20 subitems (1) to (5) in response to the appeal:

21 (1) determine that the applicant does not show  
22 sufficient cause for an appeal;

23 (2) direct the staff to investigate the  
24 applicant's appeal and bring a recommended resolution of the  
25 appeal to a subsequent meeting of the board;

26 (3) request that the applicant appear before the  
27 board at a subsequent meeting and address the appeal at that  
28 time;

29 (4) determine that the applicant does show  
30 sufficient cause for appeal and offer a settlement to the  
31 applicant at the meeting; or

32 (5) refer the appeal to an administrative law  
33 judge for a contested case proceeding.

34 Subp. 3. Disputed decision. Following the appeal to the  
35 board, if the applicant continues to dispute the board's

1 decision the board shall refer the matter to an administrative  
2 law judge for a contested case proceeding.

3 1900.1210 LEGAL RELATIONSHIP BETWEEN APPLICANT AND BOARD.

4 A legal relationship is established between an applicant  
5 who has been awarded a grant and the board when a grantee enters  
6 into a contract. The grantee must sign and return to the board,  
7 within 45 days from the date of the written notice of the  
8 board's decision, the required number of copies of the grant  
9 contract and any necessary attachments. The grant contract  
10 shall include provisions defining the obligations and rights of  
11 the board and the grantee. No action by the applicant shall be  
12 required following notification that an application was not  
13 approved for funding.

14 1900.1310 PUBLIC ACCESS TO RULES AND PROGRAM INFORMATION.

15 Copies of the current rules and program information shall  
16 be available for public review at the offices of the board  
17 during regular business hours. People with disabilities may  
18 make special arrangements with the board to access the  
19 documents. In addition, program information and a copy of this  
20 chapter shall be provided upon request to all applicants and the  
21 public.

22 1900.1410 ADDITIONAL REQUIREMENTS AND PROCESSES FOR A PILOT OR  
23 NEW PROGRAM.

24 The board may initiate new categories of assistance or  
25 pilot programs as needed to achieve its mission. For the  
26 purposes of this chapter, a "pilot program" means a program  
27 whose funding source may not be permanent, whose program  
28 information is under development, and for which adopted agency  
29 rules are not applicable.

30 No pilot program may continue for longer than four years  
31 without being established by the board on a permanent basis or  
32 discontinued. If the board changes the status of a pilot  
33 program to a permanent program, rules must be adopted.

34 1900.1510 ADDITIONAL REQUIREMENTS AND PROCESSES FOR OPERATING

1 SUPPORT PROGRAM.

2 Subpart 1. Definitions.

3 A. "Operating expenses" means all unrestricted,  
4 temporarily restricted, or restricted expenses, but does not  
5 include any depreciation costs, in-kind expenses, or any  
6 expenses associated with charitable gaming, plant and equipment,  
7 endowment, acquisition, or board designated reserve or  
8 quasi-endowment.

9 If a use of "operating expenses" refers to a context prior  
10 to fiscal year 1996, then operating expenses means all  
11 restricted and unrestricted expenses of the operating fund,  
12 minus any depreciation costs and in-kind expenses reported in a  
13 certified audit. Funds or accounts considered to be  
14 expenditures related to charitable gaming, fixed assets, plant  
15 and equipment, endowment, acquisition, or board designated  
16 reserves or quasi-endowment are not included.

17 B. "Organization" means an institution exempt from  
18 taxation under section 501(c)(3) of the Internal Revenue Code  
19 that has been established in Minnesota and is engaged in  
20 producing arts activities; or an artist service agency that  
21 works to maintain an independent operation dedicated solely to  
22 the arts. Organization does not include schools, universities,  
23 libraries, civic organizations, or other community service  
24 agencies.

25 Subp. 2. Purpose of operating support. The operating  
26 support program shall provide unrestricted support to high  
27 quality, established arts organizations that produce or exhibit  
28 works of art or provide services to artists.

29 Subp. 3. Activities. Operating support funding shall  
30 enable organizations to maintain ongoing programs, services, and  
31 facilities without special emphasis on new initiatives as a  
32 justification for funding.

33 Subp. 4. Criteria of advisory panel for operating support  
34 recommendations. The three review criteria by which an  
35 operating support applicant shall be evaluated by the advisory  
36 panel are listed in this part. Artistic excellence and

1 leadership shall be the primary criterion. Management and  
2 fiscal responsibility and accessibility and education shall be  
3 secondary criteria and equally important.

4 A. Artistic excellence and leadership shall be  
5 demonstrated by:

6 (1) the qualities and characteristics of the  
7 artistic activities or services;

8 (2) contributions to the artistic growth of the  
9 organization's constituencies;

10 (3) the effectiveness and appropriateness of the  
11 activities in interpreting a cultural or artistic vision as  
12 defined in the mission statement;

13 (4) how the activities allow the art form and  
14 artists to develop;

15 (5) evidence of artistic impact in the community,  
16 region, state, or nation;

17 (6) opportunities for the involvement and support  
18 of Minnesota artists; and

19 (7) the qualifications and achievements of  
20 artists and artistic leadership.

21 B. Management and fiscal responsibility shall be  
22 demonstrated by:

23 (1) evidence of sound financial planning and  
24 marketing which supports the artistic programs;

25 (2) the relationship of decisions to planning and  
26 evaluation processes;

27 (3) the extent to which planning includes the  
28 viewpoints of artists and the audience;

29 (4) board composition and roles, staff  
30 qualifications, and responsibilities;

31 (5) organizational stability and fiscal position;

32 (6) the relationship of projected earnings to  
33 earning capacity;

34 (7) commitment to a balanced budget;

35 (8) evidence of a long-term plan to apply  
36 reserves wisely, where reserves exist; and



1 (9) the challenges and opportunities associated  
2 with the artistic disciplines involved, geographic location, and  
3 availability of resources of an applicant.

4 C. Accessibility and education shall be demonstrated  
5 by:

6 (1) qualities and programs which make the  
7 organization and its work approachable and available to a broad  
8 public audience;

9 (2) how well the actual audience matches the  
10 intended audience;

11 (3) efforts to create community understanding and  
12 awareness of works of art through educational objectives;

13 (4) commitment to education beyond regular public  
14 programming; and

15 (5) the role of the organization and its leaders  
16 as advocates for the arts in the community.

17 Subp. 5. Eligibility requirements. Operating support  
18 applicants must meet the additional eligibility requirements in  
19 items A to D to apply for funds.

20 A. The applicant must be an organization as defined  
21 in subpart 1.

22 B. The applicant must be able to demonstrate in its  
23 most recently completed certified audit that it meets the  
24 operating expense level requirements which are printed in the  
25 current program information. Category entry levels which are  
26 rounded to the nearest \$1,000 shall be calculated for the even  
27 year of each biennium based on the rate of change of a  
28 professionally acknowledged economic indicator, or index, such  
29 as the Minneapolis/St. Paul Consumer Price Index (incorporated  
30 by reference as the figures released each August and February by  
31 the United States Department of Labor office in Chicago,  
32 Illinois. The index is available by telephone at (312)  
33 353-1880) since the last qualifying amount printed in program  
34 information. For example, the fiscal year 1996 requirement is:

35	Operating Expense	Organization
36	Level Requirement	Category
37		

1	\$3,184,000 and above	Group I
2	\$531,000-\$3,183,999	Group II
3	\$106,000-\$530,999	Group III

4  
 5 C. The applicant must have been in existence for two  
 6 full fiscal years and legally incorporated in Minnesota for at  
 7 least six months prior to the application deadline.

8 D. The applicant must have at least one paid,  
 9 professional, administrative staff person.

10 Subp. 6. Certified audit. The official application must  
 11 include one certified audit for each of the applicant's two most  
 12 recently completed fiscal years.

13 Subp. 7. Site review. Applicants for operating support  
 14 must participate in a site review with the board or its designee.

15 Subp. 8. Amounts of grants. The minimum grant award shall  
 16 be based on the applicant's operating expenses according to the  
 17 category established annually by the board and listed in the  
 18 current program information. The category shall be determined  
 19 by the operating expense level requirements described in subpart  
 20 5, item B. The maximum grant award shall be ten percent of the  
 21 applicant's operating expenses for the most recently completed  
 22 and audited fiscal year.

23 1900.1610 ADDITIONAL REQUIREMENTS AND PROCESSES FOR FORMULA  
 24 FUNDS PROGRAM.

25 Subpart 1. Definitions.

26 A. "Current grant recipient" means an organization  
 27 that has been awarded a grant:

28 (1) during the most recent cycle of one of the  
 29 board's programs at the time of the formula funds deadline; or

30 (2) by a regional arts council involving an  
 31 accountable review process during the specific time period  
 32 stated in program information.

33 B. "Operating expenses" has the definition provided  
 34 in part 1900.1510, subpart 1.

35 C. "Organization" means an independent institution  
 36 established for three full years with a primary orientation and  
 37 mission to engage in arts presenting or producing activities or

1 to provide services to the arts, including arts educators and  
2 artists, and works to maintain an independent operation. If an  
3 institution is a nonarts organization, its arts entity must have  
4 a distinct identity, professional arts management, a season of  
5 arts programming, and evidence of a broad community following to  
6 be considered an organization for the purposes of this part. A  
7 collection of arts activities or arts programming within a  
8 nonarts institution is not included.

9       Subp. 2. **Purpose.** The formula funds program provides  
10 funds to stabilize and ensure the long-term health of  
11 Minnesota's arts community. It is intended to provide a  
12 guaranteed and predictable source of state funding for  
13 Minnesota's primary arts institutions.

14       Subp. 3. **Activities.** Formula funds are intended to be  
15 used for operating support to enable organizations to maintain  
16 ongoing programs, services, and facilities without special  
17 emphasis on new initiatives as a justification for funding.

18       Subp. 4. **Criteria for formula funds grants.** The two  
19 primary review criteria by which formula funds applicants shall  
20 be evaluated by the board for grants shall be "Continued  
21 Artistic Excellence" and "Continued Financial Stability," both  
22 of which are equally important.

23       Subp. 5. **Additional eligibility requirements.** Formula  
24 funds applicants must meet the additional eligibility  
25 requirements in items A to E to apply.

26       A. The applicant must be able to demonstrate that it  
27 meets the description of an organization as defined in subpart 1.

28       B. The applicant must be a "current grant recipient"  
29 in one of the board's permanent (not pilot) programs or in one  
30 of the regional arts councils' programs under this part.

31       C. The applicant must demonstrate that its operating  
32 expenses over the last three completed fiscal years, when  
33 averaged together, are equal to the minimal qualifying operating  
34 expense amount in the board's operating support program  
35 established for the even year of each biennium and described in  
36 part 1900.1510, subpart 5.

1 D. The applicant must not merely serve as a fiscal  
2 agent for another organization receiving a grant from the board  
3 or a regional arts council.

4 E. The applicant must certify that it will remain in  
5 operation for at least one year after the grant is awarded.

6 Subp. 6. Additional items.

7 A. The official formula funds application must  
8 include one complete and unaltered certified audit from each of  
9 the organization's last three completed fiscal years.

10 (1) In fiscal year 1996, an organization that  
11 seeks a grant without three completed certified audits may  
12 instead submit at least two of the most recently completed  
13 certified audits and one year-end financial statement which has  
14 been approved by the applicant's board.

15 (2) In fiscal year 1996 and fiscal year 1997, if  
16 an applicant is a nonarts organization as described in subpart  
17 1, item C, the applicant may have one additional year to meet  
18 the certified audit requirement. The applicant shall submit in  
19 fiscal year 1996 one certified audit from the most recently  
20 completed year and two year-end financial statements approved by  
21 the applicant's board; and in fiscal year 1997, two audits and  
22 one year-end financial statement. The certified audit must  
23 specifically delineate expenses and revenue for the arts  
24 component.

25 B. Current regional arts council grantees must also  
26 submit:

27 (1) one copy of the entire grant application that  
28 qualifies them for formula funds; and

29 (2) one copy of their letter from the Internal  
30 Revenue Service stating they are exempt from taxation under the  
31 Internal Revenue Code.

32 Subp. 7. Additional processes. The formula funds program  
33 process varies from the general process described in part  
34 1900.0810 in that eligibility for nonarts organizations is  
35 determined by the board. In addition, eligible applications and  
36 accompanying financial information are reviewed by the board, or

1 its designee, to verify the eligible average operating expenses.

2 Subp. 8. Grant amounts. All grantees shall receive the  
3 same percentage of their qualifying three-year average operating  
4 expenses. The board shall calculate the amount of each grant  
5 based on the eligible applicant pool and funds available. For  
6 example, in fiscal year 1995 there were 77 organizations  
7 eligible to receive \$1,724,580. This resulted in awards of 1.7  
8 percent of an organization's qualifying three-year average  
9 operating expenses.

10 1900.1710 ADDITIONAL REQUIREMENTS AND PROCESSES FOR SERIES  
11 PRESENTERS PROGRAM.

12 Subpart 1. Definitions. "Series" means a sequence of  
13 professional arts presentations or events, related in some way,  
14 and marketed as a set to an audience.

15 Subp. 2. Purpose of program. The series presenters  
16 program shall provide an opportunity for the public to  
17 experience new, diverse, and outstanding live artistic  
18 performances, exhibitions, screenings, and readings in the  
19 visual, performing, and literary arts; and shall encourage  
20 presenters to build strong arts series programming within their  
21 communities.

22 Subp. 3. Uses of grants. The series presenters program  
23 shall provide grants to Minnesota organizations to support both  
24 the artistic fees and administrative costs necessary to present  
25 an artistic series of Minnesota, national, or international  
26 touring artists and companies.

27 Subp. 4. Advisory panel criteria to make recommendations  
28 to board. The three review criteria by which a series  
29 presenters applicant shall be evaluated by the advisory panel  
30 are: artistic excellence of the companies, artists, or  
31 exhibitions to be presented is the primary criterion. Program  
32 administration and demand for the series within the community  
33 are secondary criteria and equally important.

34 A. Artistic excellence of the companies, artists, or  
35 exhibitions to be presented shall be demonstrated by:

1 (1) the qualities and characteristics of the  
2 artistic activities;

3 (2) contributions to the artistic growth of the  
4 presenter's constituency;

5 (3) program selection which reflects a diversity  
6 of artists or genres;

7 (4) how the activities support the presenter's  
8 mission and complement and build upon past programming; and

9 (5) the quality of the artistic activity  
10 considering the funds available for artistic fees.

11 B. Program administration shall be demonstrated by:

12 (1) presentation skills and experience in areas  
13 such as marketing and evaluation;

14 (2) strong cash commitment to the series, with  
15 income derived from a variety of sources;

16 (3) the level of administrative costs associated  
17 with the series in comparison to artistic fees;

18 (4) the relationship of decisions to planning and  
19 evaluation processes; and

20 (5) series stability viewed in terms of  
21 organizational stability, strength of fiscal position, and  
22 leadership.

23 C. Demand for the series within the community shall  
24 be demonstrated by:

25 (1) accessibility to and continued development of  
26 board audiences;

27 (2) objectives which address the community's  
28 artistic needs;

29 (3) the role of the presenter as an advocate for  
30 the arts in the community; and

31 (4) efforts to create community understanding and  
32 awareness of works of art through educational offerings and  
33 programs.

34 Subp. 5. Additional eligibility requirements. Series  
35 presenters applicants must meet the additional eligibility  
36 requirements in items A to G to apply for funds:

1           A. the applicant must be an organization and be  
2 engaged in presenting activities;

3           B. the applicant must demonstrate two recent  
4 consecutive years of arts series programming experience in  
5 Minnesota;

6           C. the applicant must demonstrate an annual series  
7 cash expense of at least \$20,000 or the dollar amount printed in  
8 current program information;

9           D. the applicant must intend to assume the functions  
10 of a presenter as defined in this part;

11           E. the applicant must sponsor at least five  
12 professional artists, companies, exhibitions, or screenings  
13 during an annual season in a community or the number of artist  
14 groups printed in current program information;

15           F. the applicant must not apply for or have received  
16 an operating support or folk arts sponsorship grant from the  
17 board representing the same activity or fiscal year of funding;  
18 and

19           G. the applicant must not propose or engage in  
20 activities that fund single events, fairs, festivals, or touring  
21 programming intended to serve primarily elementary or secondary  
22 school students.

23           Subp. 6. Interviews. Applicants must agree to participate  
24 in an interview if requested.

25           Subp. 7. Dollar amount of grants. The minimum series  
26 presenters grant in fiscal year 1995 is \$5,000 and the maximum  
27 grant is 20 percent of the projected cash expenses of the  
28 proposed series. Any changes must be published in a State  
29 Register notice.

30 1900.1810 ADDITIONAL REQUIREMENTS AND PROCESSES FOR FOLK ARTS  
31 PROGRAMS.

32           Subpart 1. Definitions. The terms in this part have the  
33 meanings given in items A to F.

34           A. "Apprentice" means a person who shows promise in  
35 the art form of the master and who will benefit from teaching



1 sessions with a master.

2 B. "Community" means a group of people who share the  
3 same ethnic or tribal heritage, occupation, language, religion,  
4 geographic area, or traditional art form.

5 C. "Folk art" means community-based traditional art.  
6 Whether music, dance, a handmade item, or any other form, folk  
7 art represents the long-standing character of a specific folk  
8 community.

9 D. "In-family apprenticeships" means apprenticeship  
10 activities involving two members of a nuclear or extended family.

11 E. "Interpretation" means helping members of the  
12 public to understand the connections between specific types of  
13 folk art and the cultures they represent.

14 F. "Master" means a person recognized in a community  
15 to be a highly skilled folk artist.

16 Subp. 2. Purpose. The purpose of the folk arts program is  
17 to focus on preserving and perpetuating Minnesota's living folk  
18 arts traditions. The program covers the specific areas in items  
19 A and B.

20 A. The folk arts sponsorship program is intended to  
21 support folk arts traditions of Minnesota, and help Minnesotan  
22 citizens appreciate the variety of traditions that make up their  
23 shared inheritance.

24 B. The folk arts apprenticeship program shall foster  
25 the transmission of folk arts skills by traditional means from a  
26 master artist to an apprentice.

27 Subp. 3. Activities funded. The folk arts program shall  
28 provide grants to folk artists and organizations creating or  
29 presenting folk arts. Each program focuses on the specific  
30 activities in items A and B.

31 A. The folk arts sponsorship program shall provide  
32 annual grants for identifying folk artists and presentation of  
33 Minnesota folk arts. The grant funds may support one event or a  
34 series of events including exhibitions, concerts, workshops, or  
35 festivals.

36 B. The folk arts apprenticeship awards shall be

1 grants given for the serious study of folk arts between a master  
2 artist and an apprentice.

3 Subp. 4. Criteria for advisory panel to make  
4 recommendations to board. The program specific criteria by  
5 which a folk arts applicant shall be evaluated by the advisory  
6 panel to make recommendations to the board are listed in items A  
7 and B.

8 A. For folk arts sponsorship, an applicant shall be  
9 evaluated by the folk arts sponsorship advisory panel by four  
10 review criteria. Quality and traditionality of the folk art and  
11 merit and feasibility of the folk arts component shall be the  
12 primary criteria and equally important. The extent to which  
13 support will enhance the applicant's program and community need  
14 for the project shall be secondary criteria and equally  
15 important.

16 (1) Quality and traditionality shall be  
17 demonstrated by the work samples submitted with the application.

18 (2) Merit and feasibility of the folk arts  
19 interpretive component shall be demonstrated by activities which  
20 broaden the public's awareness and understanding of the folk  
21 arts traditions presented.

22 (3) Extent to which support will enhance the  
23 applicant's program shall be demonstrated by:

24 (a) the additional activities provided by  
25 the grant; and

26 (b) the depth of the experience of the  
27 funded activity as presented to audience members.

28 (4) Community need for the project shall be  
29 demonstrated by:

30 (a) the need for specific cultures to  
31 celebrate their traditions; and

32 (b) the need for intercultural understanding  
33 provided by the project.

34 B. For folk arts apprenticeship, an applicant shall  
35 be evaluated by the folk arts apprenticeship advisory panel by  
36 three review criteria. Quality and traditionality of the folk

1 art shall be the primary criteria. Merit of the apprenticeship  
2 plan and impact of the apprenticeship on community-based folk  
3 arts traditions of Minnesota shall be secondary criteria and  
4 equally important.

5 (1) Quality and traditionality of the folk art  
6 shall be demonstrated by:

7 (a) the work samples of the apprentice and  
8 master;

9 (b) the capabilities of the master; and

10 (c) the appropriateness of the art form for  
11 a folk arts funding project.

12 (2) Merit of the apprenticeship plan shall be  
13 demonstrated by:

14 (a) the readiness of the proposed apprentice  
15 to learn from the master;

16 (b) the adequacy of the amount of support  
17 requested for payment of fees to the master, materials, travel,  
18 and other aspects of the budget expenditures; and

19 (c) the adequacy of the number and length of  
20 meetings and the adequacy of the scheduling of meetings between  
21 master and apprentice.

22 (3) Impact of the apprenticeship on  
23 community-based folk arts traditions of Minnesota shall be  
24 demonstrated by:

25 (a) the apprenticeship representing a  
26 community-based folk arts tradition of Minnesota; and

27 (b) the likelihood of the apprentice  
28 practicing the newly acquired skills within an appropriate folk  
29 arts community.

30 Subp. 5. **Additional eligibility requirements.** Folk arts  
31 applicants must meet the additional program specific  
32 requirements in items A and B.

33 A. For folk arts sponsorship:

34 (1) The applicant must be able to demonstrate  
35 that it meets the definition of an organization or has written  
36 approval by the board to use a fiscal agent.

1 (2) The applicant has been in existence at least  
2 one year before applying for a grant.

3 (3) The applicant proposing single event  
4 activities must include at least one Minnesota folk artist in  
5 the activities and, if proposing more than one event in a  
6 series, must include at least one Minnesota folk artist in each  
7 event in the series.

8 (4) The applicant must not apply for or have  
9 received another operating support or series presenters grant  
10 from the board for the same activity or fiscal year of funding.

11 (5) The applicant must not propose or engage in  
12 any of the activities, conditions, or use of funds in units (a)  
13 to (c):

14 (a) strictly for research;

15 (b) for events which are presented solely to  
16 kindergarten to grade 12 students during the school day; or

17 (c) for touring activities, performances, or  
18 exhibitions carried out exclusively by student organizations or  
19 schools.

20 B. For folk arts apprenticeship:

21 (1) In-family apprenticeships shall be eligible  
22 only when funds for the master's fees are needed to avoid  
23 financial hardship caused by a loss of income resulting directly  
24 from training activities. Under no circumstances will the board  
25 support in-family apprenticeships when the persons reside in the  
26 same household or when the apprenticeship activities are  
27 combined with family socializing or any other nontraining event.

28 (2) An apprentice may be younger than 18 years of  
29 age when all of the criteria and the conditions in units (a) to  
30 (d) are met:

31 (a) the official applicant is the master;

32 (b) the apprentice is an individual of  
33 unusual aptitude and ability;

34 (c) the apprentice's parent or legal  
35 guardian signs a statement giving permission and acknowledging  
36 support for the project, and certifying that the apprentice will

1 complete the training as described in the application; and  
2 (d) when folk arts traditions within a  
3 specific community are typically passed on to persons under 18  
4 years of age.

5 (3) An applicant must not participate in the folk  
6 arts apprenticeship program, either as an apprentice or master,  
7 more than once every other year.

8 (4) An individual who has received an artist  
9 assistance fellowship or cultural collaborations grant from the  
10 board in the year preceding the application program fiscal year  
11 is not eligible.

12 (5) An applicant may not use funds for meals if  
13 one-way travel to the apprenticeship site is under 35 miles.

14 Subp. 6. Dollar amount of grants. The folk arts  
15 sponsorship minimum grant is \$300 and the maximum is \$4,000.  
16 The folk arts apprenticeship minimum grant is \$500 and the  
17 maximum is \$4,000.

18 1900.1910 ADDITIONAL REQUIREMENTS AND PROCESSES FOR ARTIST  
19 ASSISTANCE PROGRAMS.

20 Subpart 1. Definitions. "Collaboration" means the process  
21 that occurs when more than one artist or an artist and an  
22 organization work together to create and present artwork.

23 Subp. 2. Purpose of program. The purpose of the artist  
24 assistance program is to support individual artists at various  
25 stages in their careers. The program focuses on the specific  
26 purposes in items A to C.

27 A. The fellowship program is designed to recognize,  
28 reward, and encourage outstanding individual artists throughout  
29 Minnesota.

30 B. The career opportunity grant program shall help  
31 artists to take advantage of unique impending, concrete  
32 opportunities that will significantly advance their work or  
33 careers.

34 C. The cultural collaborations program is designed to  
35 foster the creation of any style of art, ranging from

1 contemporary to classical or traditional, by artists of color in  
2 collaboration with Minnesota organizations and present it to a  
3 public audience.

4 Subp. 3. Uses of grants. The artist assistance program  
5 shall provide grants to fund time and costs related to  
6 continuing or creating new work. Each program focuses on the  
7 specific activities in items A to C.

8 A. The fellowship grants shall allow artists working  
9 in the visual, literary, and performing arts to set aside time  
10 to work, provide living expenses, purchase supplies and  
11 materials, undertake advanced study not related to a degree, or  
12 to pursue other artistic career goals.

13 B. The career opportunity grants shall provide funds  
14 for unique, short-term opportunities which enhance career goals.

15 C. The cultural collaborations grants shall provide  
16 funds to persons of color for the collaborative creation of any  
17 style of art, ranging from contemporary to classical or  
18 traditional in the visual, literary, or performing arts.

19 Subp. 4. Criteria used by advisory panel to make  
20 recommendations to board. The primary review criterion by which  
21 an artist assistance application shall be evaluated by the  
22 advisory panel, with the exception of the career opportunity  
23 grant application, to make recommendations to the board is  
24 artistic quality of work, as demonstrated by an artist's work  
25 sample. In addition, the secondary criteria stated in items A  
26 to C apply to specific program areas.

27 A. For a fellowship award, merit and feasibility  
28 shall be demonstrated by:

29 (1) the anticipated impact on the applicant's  
30 career;

31 (2) relevance to the artist's work; and

32 (3) the artist's ability to accomplish the  
33 proposed activity.

34 B. For a career opportunity grant, merit and  
35 feasibility shall be demonstrated by the opportunity's  
36 anticipated impact on the applicant's work or the development of

1 the applicant's career. Financial feasibility shall be  
2 demonstrated by a budget that realistically reflects costs  
3 associated with the project.

4 C. For a cultural collaborations grant, merit and  
5 feasibility shall be demonstrated by:

- 6 (1) the strength of the project idea;
- 7 (2) a clear and complete project description;
- 8 (3) an achievable timeline;
- 9 (4) the commitment and ability to accomplish the  
10 project by the collaborating organization;
- 11 (5) the suitability of the plans for access and  
12 involvement with the artist's respective community;
- 13 (6) the degree that the project advances the  
14 artist's career; and
- 15 (7) the strength of the public presentation  
16 component.

17 The third criterion, in order of importance, shall be that  
18 the collaboration involves an organization in the artist's  
19 respective community.

20 Subp. 5. **Additional requirements.** Artist assistance  
21 applicants must meet the additional program specific eligibility  
22 requirements in items A to C to receive a grant.

23 A. Fellowship applicants must not have received a  
24 cultural collaborations or a folk arts apprenticeship (either as  
25 apprentice or master) award from the board in either of the two  
26 fiscal years preceding the current year or in the current fiscal  
27 year. In addition, fellowship applicants must not have received  
28 a fellowship award from the board in any of the three fiscal  
29 years preceding the current year or in the current fiscal year.  
30 Finally, applicants must not submit more than one fellowship  
31 application each fiscal year.

32 B. Cultural collaborations applicants must not have  
33 received a cultural collaborations, folk arts apprenticeship  
34 (either as apprentice or master), or fellowship award from the  
35 board in either of the two fiscal years preceding the current  
36 year or in the current fiscal year. Applicants must identify



1 with and be recognized as a person of color. Each applicant  
2 must name a nonprofit entity as the collaborating organization  
3 as defined in part 1900.0310, subpart 11. However, for this  
4 program, an exception to that definition is that a radio or  
5 television station may be the collaborating organization.

6 C. Career opportunity grant proposals must be unique  
7 and not have been submitted in a prior career opportunity grant  
8 review cycle in the same fiscal year.

9 An individual awarded a career opportunity grant in a  
10 fiscal year may not apply for an additional career opportunity  
11 grant at any future deadline in the same fiscal year.

12 An individual awarded an artist assistance fellowship grant  
13 or a folk arts apprenticeship grant (as either an apprentice or  
14 a master) may not apply for a career opportunity grant at any  
15 future deadline in the same fiscal year.

16 Opportunities must fit within the time frame described in  
17 the current career opportunity grant program information.

18 Subp. 6. Additional processes for reviewing grants.  
19 Career opportunity grant applications shall be reviewed  
20 preliminarily by agency staff based on the criteria. Leading  
21 applications shall be identified by staff and then reviewed by a  
22 subcommittee of the board which makes the final decisions to  
23 award grants.

24 Subp. 7. Dollar amount of grants. The fellowship is  
25 \$6,000. The career opportunity grant minimum shall be \$100 and  
26 the maximum \$1,000. The cultural collaborations minimum grant  
27 shall be \$1,000 and the maximum \$6,000.

28 1900.2010 ADDITIONAL REQUIREMENTS AND PROCESSES FOR ARTS IN  
29 EDUCATION PROGRAMS.

30 Subpart 1. Definitions. The terms in this part have the  
31 meanings given in items A to C.

32 A. "Professional artist" means someone whose primary  
33 career is the creation of art, and who demonstrates the ability  
34 to teach an art form to kindergarten to grade 12 students.

35 B. "Residency" means the activity that occurs when an

1 artist works with kindergarten to grade 12 students in a school  
2 according to the residency model.

3 C. "Residency model" means the board prescribed  
4 description, contained in program information, of the  
5 responsibilities, activities, roles, and characteristics of the  
6 activity that occurs when an artist works with kindergarten to  
7 grade 12 students in a school setting funded by the board.

8 Subp. 2. **Purpose of program.** The purpose of the arts in  
9 education program shall be to convey to students and teachers  
10 that the arts are essential to education and to daily life. In  
11 the program, qualified artists and arts organizations shall  
12 participate in educational settings to reinforce students'  
13 critical thinking, self-discipline, and creative self-expression.

14 A. The arts in education school support grants are  
15 intended to help schools to involve professional artists to  
16 strengthen school arts programming. The artist residency shall  
17 serve to demonstrate the vitality of an arts discipline. The  
18 artist shall act as a professional role model, assist teachers  
19 and students in using the creative process in their work and  
20 lives, and draw attention to the necessity for arts in the  
21 classroom and in the community.

22 B. The arts in education organizational support  
23 program is intended to encourage and expand the delivery of  
24 cost-efficient quality arts residency programs to schools by  
25 providing grants to arts organizations.

26 Subp. 3. **Uses of funds.** The program shall fund artist  
27 residency activities at kindergarten to grade 12 public or  
28 private nonparochial schools or educational organizations. The  
29 program shall focus on the specific activities in items A and B.

30 A. The arts in education school support program shall  
31 provide matching grants to elementary and secondary Minnesota  
32 schools for artist residencies.

33 B. The arts in education organizational support  
34 program shall provide grants for organizations that produce  
35 school residency programs.

36 Subp. 4. **Criteria used by advisory panel to make**

1 recommendations to board. The criteria apply to the specific  
2 programs in items A and B.

3 A. For arts in education school support, the five  
4 review criteria by which an applicant shall be evaluated by the  
5 advisory panel to make recommendations to the board for an arts  
6 in education school support grant are listed in subitems (1) to  
7 (5). Artistic quality and merit shall be the primary criteria  
8 and equally important. Ability of the school applicant to  
9 accomplish the residency, demand or need for the residency,  
10 impact of the proposed residency on school curricula, and growth  
11 in and increased local commitment to school arts programming  
12 shall be secondary criteria and equally important. The fifth  
13 criterion, growth in and increased local commitment to school  
14 arts programming, shall be only for previous grant recipients of  
15 the board's arts in education school support program. The  
16 criteria are:

17 (1) artistic quality and merit of the proposed  
18 residency, as demonstrated by:

19 (a) artistic quality of the work of the  
20 artist in the residency;

21 (b) merit of the residency plan, including  
22 an overall schedule listing what the artist will actually do;

23 (c) the artistic goals of the school and how  
24 the residency fulfills those goals and meets the curricular  
25 objectives; and

26 (d) involvement of parents and community in  
27 the residency;

28 (2) ability of the school applicant to accomplish  
29 the residency, as demonstrated by:

30 (a) the planning process;

31 (b) how the school, students, staff, and  
32 community will be prepared for the residency;

33 (c) how the school will finance the  
34 residency; and

35 (d) how the residency will be publicized,  
36 documented, and evaluated;

1 (3) demand or need for the residency, as  
2 demonstrated by:

3 (a) the existing arts resources in the  
4 school's community and how the residency complements, rather  
5 than replaces, those existing resources;

6 (b) the partnership between educators and  
7 artists;

8 (c) the variety of arts experiences  
9 available throughout the state; and

10 (d) a strong cash commitment to the  
11 residency program;

12 (4) impact of the proposed residency on school  
13 curricula, as demonstrated by:

14 (a) use of artist-teacher contact time;

15 (b) the school's progress toward a  
16 comprehensive education in the arts for all students; and

17 (c) program enhancement by an art  
18 critic/historian/aesthetician; and

19 (5) growth in and increased local commitment to  
20 school arts programming, as demonstrated by:

21 (a) increased length of residency;

22 (b) innovative plan for instruction;

23 (c) artists' collaboration;

24 (d) a residency plan focusing on a different  
25 arts discipline than previous applications; and

26 (e) greater financial commitment by the  
27 applicants.

28 B. For arts in education organizational support, the  
29 four review criteria by which an applicant shall be evaluated by  
30 the advisory panel to make recommendations to the board for an  
31 arts in education organizational support grant are in subitems  
32 (1) to (4). Artistic quality and merit of the residency program  
33 shall be the primary criteria and equally important. Ability of  
34 the applicant to accomplish the residencies, demand or need for  
35 the program, and impact of the proposed residency program on  
36 school arts curricula shall be secondary criteria and equally

1 important. The criteria are:

2 (1) artistic quality and merit of the residency  
3 program shall be demonstrated by:

4 (a) methods of selection and qualifications  
5 of the artists to be involved in the residencies;

6 (b) preparation of and services to artists,  
7 including appropriate compensation;

8 (c) commitment to promoting arts education  
9 for all students;

10 (d) merit of the residency, including  
11 overall schedule, length of residency, publicity aids, teacher  
12 contact time, and curriculum materials;

13 (e) how residency program goals and  
14 objectives relate to the overall artistic mission of the  
15 organization;

16 (f) involvement of parents and community in  
17 the residency; and

18 (g) residencies beyond five days in length;

19 (2) ability of the applicant to accomplish the  
20 residencies shall be demonstrated by:

21 (a) a thorough planning process;

22 (b) qualifications of administrative  
23 personnel;

24 (c) previous experience in arts in education  
25 residencies;

26 (d) realistic projections of residency  
27 activities; and

28 (e) how the residencies are booked and  
29 managed;

30 (3) demand or need for the program as  
31 demonstrated by:

32 (a) cost effectiveness of residencies,  
33 including the reasonableness of the costs to the schools;

34 (b) a strong cash commitment to the  
35 residency program, including administrative support;

36 (c) a commitment to and a history of arts

1 residency programming outside the seven-county metro area;

2 (d) programs which actively involve the  
3 local community as well as the school audiences; and

4 (e) programs which involve and address the  
5 needs of geographically diverse and varied populations,  
6 including people of color, people with disabilities, and high  
7 achieving or high potential individuals; and

8 (4) impact of the proposed residency on school  
9 curricula, as demonstrated by:

10 (a) use of artist-teacher contact time;

11 (b) a connection between residency content  
12 and schools' curricula; and

13 (c) activity designed for long-term effect.

14 Subp. 5. **Additional requirements.** Arts in education  
15 applicants must meet the additional program specific  
16 requirements in items A and B.

17 A. **Arts in education school support.**

18 (1) The applicant must be a public or private  
19 nonparochial school or an institution which is exempt from  
20 taxation under the Internal Revenue Code, established in  
21 Minnesota, whose primary focus is the education of students in  
22 kindergarten to grade 12.

23 (2) The applicant must name professional artists  
24 to participate in a residency who have been Minnesota residents  
25 for a minimum of six months prior to the application deadline.

26 (3) The residency activity must conform to the  
27 residency model established by the board and printed in the  
28 program information.

29 (4) The applicant must not propose or engage in  
30 any of the activities or uses of funds in units (a) to (i):

31 (a) a residency beginning before the fiscal  
32 year for which the funds are budgeted or after the date the  
33 school year has ended;

34 (b) a residency which consists exclusively  
35 of presentations by student organizations or student artists;

36 (c) a residency which is exclusively for

1 curriculum development;

2 (d) a residency which is to be funded by the  
3 board in an amount which is more than one-half of the total  
4 residency costs, and does not include some cash match from the  
5 applicant;

6 (e) a residency whose major audience is  
7 other than elementary or secondary students and faculty;

8 (f) a residency which takes place outside  
9 the state of Minnesota;

10 (g) to pay solely for the production costs  
11 associated with the creation of an arts event;

12 (h) to purchase or commission a work of art;  
13 or

14 (i) to pay artistic fees to include an arts  
15 organization in the residency.

16 B. Arts in education organizational support.

17 (1) The applicant must be able to demonstrate  
18 that it meets the description of an organization and is engaged  
19 in producing activities defined in part 1900.0310, subparts 11  
20 and 15, or that it provides services to the arts.

21 (2) The applicant must have been legally  
22 incorporated in Minnesota for at least six months prior to the  
23 application deadline.

24 (3) The applicant must, in three recent years,  
25 have provided arts programming experience for students in  
26 kindergarten through grade 12.

27 (4) The applicant must pay artists a daily rate  
28 which is comparable to rates otherwise established within its  
29 organization.

30 (5) The residency activity must conform to the  
31 residency model established by the board and printed in the  
32 program information.

33 (6) The applicant must not propose or engage in  
34 any of the activities or uses of funds in units (a) to (j):

35 (a) residencies that take place outside of  
36 Minnesota;



1 (b) residencies whose major audience is  
2 other than elementary or secondary students;

3 (c) residencies also funded by the board's  
4 arts in education school support program;

5 (d) residencies used exclusively for  
6 curriculum development;

7 (e) residencies not coordinated by a paid,  
8 professional administrator;

9 (f) a residency for which the board's grant  
10 is more than one-half of cash expenses and the applicant has not  
11 provided a dollar for dollar cash match;

12 (g) a residency budget that includes more  
13 than 20 percent in administrative costs;

14 (h) a residency budget that includes any  
15 administrative costs, if the applicant is already funded through  
16 the board's operating support program;

17 (i) a residency budget that includes  
18 indirect production expenses associated with the creation of an  
19 arts event, such as costumes, sets, matting, and framing costs;  
20 and

21 (j) a residency plan that does not involve  
22 multiple sites.

23 Subp. 6. Dollar amount of grants.

24 A. The arts in education school support program may  
25 fund up to one-half of the total cost of a residency.

26 B. The arts in education organizational support  
27 program may fund a maximum of one-half of residency expenses  
28 which must be matched in cash by the grant recipient.

29 1900.2110 ADDITIONAL REQUIREMENTS AND PROCESSES FOR JURIED  
30 LISTINGS.

31 Subpart 1. Definitions.

32 A. "Juried" means a process when an advisory panel  
33 recommends to the board artists of sufficient caliber to be  
34 included in a publication based on a set of written criteria.

35 B. "Paired artists" means two artists who want to be

1 juried together and who are listed jointly as a single entry and  
2 whose activity is a collaboration for a single experience.

3 Subp. 2. Purpose of juried listing. The purpose of a  
4 juried listing is to provide a centralized source of written  
5 information about a specific group of artists. Based on a board  
6 review, artists who are included shall have been judged to be  
7 qualified to represent their art form or expertise to the  
8 public. The board is not an agent of any artist or group.

9 A. The Minnesota folk artists directory is intended  
10 to provide a list of high-quality folk artists and groups  
11 interested in public performance opportunities to be distributed  
12 to arts programmers and others throughout the Upper Midwest, and  
13 to be used as a reference by state and local organizations  
14 interested in presenting the folk arts.

15 B. The arts in education roster of artists shall  
16 provide a list of artists who specialize in school and community  
17 residency work, offering a balanced range of arts disciplines,  
18 teaching styles, and residency approaches to schools interested  
19 in offering artist residencies.

20 Subp. 3. Criteria used for recommendations to board. The  
21 program specific review criteria in items A and B shall be used  
22 by the advisory panel to make juried listing recommendations to  
23 the board.

24 A. For the Minnesota folk artists directory, the two  
25 review criteria by which an applicant is evaluated shall be  
26 quality and traditionality of the artists' work and shall be  
27 equally important.

28 (1) Quality, as demonstrated by gauging the level  
29 of artistic achievement of individual works of art compared to  
30 the standards of a given art form.

31 (2) Traditionality, as demonstrated by the degree  
32 to which specific works share the established artistic  
33 conventions of other works in a given art form.

34 B. For the arts in education roster of artists, the  
35 two review criteria by which an applicant shall be evaluated are  
36 listed and described in subitems (1) and (2). Artistic quality

1 of the artist's work and teaching and planning ability to carry  
2 out a residency model shall be equally important.

3 (1) Artistic quality shall be demonstrated by:

4 (a) artistic merit of the work sample;

5 (b) technically and conceptually

6 accomplished work; and

7 (c) evidence of strong professional

8 development, career commitment, and artistic recognition.

9 (2) Teaching and planning ability to carry out a

10 successful school residency shall be demonstrated by:

11 (a) the teaching ability to express ideas

12 clearly, to relate one's art and ideas to students;

13 (b) past teaching experience;

14 (c) understanding different age levels and

15 abilities, a diversity of cultures and communities in all

16 geographic regions of Minnesota, and individuals with

17 disabilities;

18 (d) a residency plan that outlines a

19 positive art experience for participants; and

20 (e) the planning ability to effectively

21 organize a residency approach and coordinate a residency with

22 school personnel that is realistic and tied to educational

23 concepts with a high probability for completion.

24 **Subp. 4. Additional juried listings eligibility**

25 **requirements.** Juried listings applicants must meet the

26 additional program specific eligibility requirements in items A

27 and B.

28 A. For the folk artists directory, a majority of the  
29 members of a folk arts group must be Minnesota residents under  
30 part 1900.1010, subpart 5, item D.

31 B. For the arts in education roster of artists:

32 (1) two artists may apply to the arts in

33 education roster of artists program as paired artists;

34 (2) the applicant must be available for and

35 willing to conduct residencies throughout Minnesota;

36 (3) the applicant must agree to participate in

1 activities that are consistent with the residency model; and  
 2 (4) the applicant must be at least 18 years old,  
 3 be a United States citizen or have attained permanent resident  
 4 alien status, and be a Minnesota resident under part 1900.1010,  
 5 subpart 5, item D.

6 Subp. 5. Additional processes for reviewing juried  
 7 listings applications. The additional program specific  
 8 processes for reviewing juried listing applicants are described  
 9 in items A and B.

10 A. Folk artists directory.

11 (1) Applicants listed in a current folk artists  
 12 directory may be listed in up to three future editions of the  
 13 directory without additional review.

14 (2) Each artist listed in the folk artists  
 15 directory shall reapply at least once every four years following  
 16 the processes and procedures described in part 1900.0510.

17 B. Arts in education roster of artists.

18 (1) Applicants may be rated and ranked by the  
 19 advisory panel to determine the final listing of artists.

20 (2) Applicants listed in a current roster may  
 21 submit an application by the regular deadline or an abbreviated  
 22 application which has an earlier deadline when the conditions in  
 23 units (a) and (b) are met:

24 (a) the applicant has completed at least one  
 25 board-funded school support residency in the two school years  
 26 prior to the deadline; and

27 (b) school residency reports document the  
 28 applicant's success in previous board-funded residencies:

29 i. the applicant can demonstrate  
 30 continued career activity or professional development; and

31 ii. the applicant agrees to maintain  
 32 the qualities reviewed by the criteria in subpart 3, item B.

33 1900.2210 ADDITIONAL REQUIREMENTS AND PROCESSES FOR MINNESOTA  
 34 PERCENT FOR ART IN PUBLIC PLACES PROGRAM.

35 Subpart 1. Definitions.

1           A. "Commission" or "commission award" means the  
2 creation of a new work specific to a site.

3           B. "Purchase award" means the direct purchase of an  
4 existing work of art.

5           C. "Site" or "project" means a state building, the  
6 construction of which is paid for wholly, or in part, by the  
7 state of Minnesota, and does not include construction funds  
8 primarily appropriated for the repair, replacement, or  
9 enhancement of the infrastructures (electrical, plumbing,  
10 heating and cooling, or structural) which are not regularly seen  
11 by the public unless it is the desire of the tenant or managing  
12 agency to proceed with approval from the commissioner of  
13 administration.

14           D. "Site selection committee" means at least five,  
15 and no more than seven, individuals who will recommend artwork  
16 for a designated site. The committee is chaired by a designee  
17 of the board who is a nonvoting member of the committee.

18           E. "Slide registry" means a nonjuried collection of  
19 slides and information on visual artists interested in having  
20 their work purchased or commissioned for newly constructed or  
21 renovated state building sites across Minnesota.

22           F. "Work of art" or "artwork" means original and  
23 unique creations in visual media:

24                   (1) produced by or under the control of artists  
25 generally recognized by their peers and critics as professional  
26 artists; and

27                   (2) chosen by site selection committees.

28           Subp. 2. **Purpose of program.** The purpose of the Minnesota  
29 percent for art in public places program is to make possible the  
30 acquisition of works of art to be exhibited in areas of a state  
31 building or its grounds, accessible on a regular basis to  
32 members of the public.

33           Subp. 3. **Activities that the program supports.** The  
34 program may purchase or commission original works of art with up  
35 to one percent of the total construction budget of a state  
36 building with a construction or renovation budget of at least

1 \$500,000. This program shall enable artists to participate with  
 2 client agencies and design professionals in the process of  
 3 designing public spaces within and around state buildings; shall  
 4 commission artists to create artworks to be integrated into the  
 5 buildings and sites; or shall purchase existing artworks to be  
 6 displayed throughout the buildings. In addition, the program  
 7 shall manage and maintain a slide registry as a resource for  
 8 selecting visual artists and artwork when new sites are  
 9 identified for the program. The registry shall also be used by  
 10 other nonstate organizations or individuals interested in  
 11 locating artwork for commission or purchase. With authorization  
 12 from the Department of Administration, the board may use up to  
 13 20 percent of each site's percent for art in public places'  
 14 appropriation for administrative costs.

15 Subp. 4. Processes used to select artwork for site. The  
 16 board shall generally use a site selection committee process  
 17 described in subpart 9 to select artwork for a site. Under  
 18 emergency circumstances, which the board determines in close  
 19 consultation with the tenant when there is a lack of time or  
 20 administrative financial resources, the board may determine that  
 21 a purchase award is appropriate.

22 Subp. 5. Criteria for recommendations. The four criteria  
 23 used when reviewing artwork for purchase, or artists to  
 24 commission, shall be in the two perspectives as described in  
 25 items A and B.

26 A. Artistic quality, design, and permanence are the  
 27 three primary criteria and equally important. Site selection  
 28 committee members will examine slides of artists' previous work,  
 29 and a professional resume when considering and assessing the  
 30 artwork or artists.

- 31 (1) Artistic quality shall be demonstrated by:
- 32 (a) work samples;
  - 33 (b) adequate experience in production of
  - 34 public art; and
  - 35 (c) evidence of ability to work within
  - 36 budget.

1 (2) Design shall be demonstrated by:

2 (a) aesthetic compatibility with the  
3 architecture; and

4 (b) appropriate medium, given the function  
5 and use of the site.

6 (3) Permanence shall be demonstrated by:

7 (a) use of durable materials; and

8 (b) good construction techniques.

9 B. The secondary criterion in order of importance  
10 shall be the acquisition of a variety of artwork appropriate to  
11 a public collection, which is demonstrated by:

12 (1) artwork in different mediums and styles, and  
13 with a breadth of themes or subjects;

14 (2) artwork which recognizes and fosters diverse  
15 social, cultural, and historical values; and

16 (3) artwork which is memorable,  
17 thought-provoking, and enduring.

18 Subp. 6. Site selection committees. Site selection  
19 committees shall be organized in the same manner as advisory  
20 panels under part 1900.0410, subparts 2 to 7. Additional  
21 criteria to select the individuals who serve on a site selection  
22 committee are:

23 A. members must have familiarity with public art  
24 issues and acquisition procedures or experience with  
25 community-based visual arts projects;

26 B. (1) two members (or three, if it is a seven person  
27 committee) shall represent the residents and users of the  
28 building, appointed by the Minnesota state agency which has  
29 authority over the bonding appropriation that includes funds for  
30 the project;

31 (2) one member shall represent the architect for  
32 the building; and

33 (3) two members (or three, if it is a seven  
34 person committee) who have expertise as an artist, curator,  
35 critic, writer, museum director, arts educator or administrator,  
36 member of the arts board, architect, landscape architect, or



1 other design professional shall be appointed by the board;

2 C. each site selection committee must include a  
3 majority of Minnesota residents as voting members consistent  
4 with part 1900.1010, subpart 5, item D.

5 Subp. 7. Residence exemption for slide registry. Any  
6 artist may submit materials for the slide registry. The artist  
7 need not be a Minnesota resident.

8 Subp. 8. Waiting periods for subsequent awards. An artist  
9 who has received a purchase award through the program must wait  
10 one year from the contract execution date before being  
11 considered for other projects by the board.

12 An artist who has received a commission award must wait  
13 three years from the contract execution date before the artist  
14 shall be considered for other projects.

15 During the waiting period, an artist may remain on file in  
16 the slide registry, but the artist's work will not be considered  
17 for projects by the board.

18 Subp. 9. Processes to identify applicants for  
19 consideration.

20 A. One of the two methods in subitems (1) and (2) is  
21 used by the site selection committee to acquire works of art:

- 22 (1) purchase of existing work; or  
23 (2) commission of new work especially for the  
24 site.

25 When new work is commissioned, the artist first presents a  
26 design proposal, including a budget and timeline, that must be  
27 reviewed and approved by the site selection committee.

28 B. The site selection committee may use a combination  
29 of competition types to assemble a pool of applicants for awards.

30 (1) Open competitions shall be announced through  
31 a large bulk mailing of a prospectus describing the project.  
32 Work samples from all applicants who respond shall be shown to  
33 the site selection committee. This type of competition is most  
34 suitable for projects with large budgets and extended timelines.

35 (2) Registry competitions shall use the slide  
36 registry to prescreen applicants who meet the specific criteria

1 identified for the site by the site selection committee. The  
2 slide registry shall be used for all projects, often in  
3 combination with other types of competitions, but is  
4 particularly suitable for projects with limited budgets, short  
5 timelines, and if work is sought for a purchase award.

6 (3) Invitational competitions shall use a list of  
7 artists developed by the board for the purpose of sending an  
8 invitation to apply for a specific site award. This type of  
9 competition is most suitable when artists are sought who have  
10 particular skills or abilities, or who work in specific mediums  
11 appropriate to the project, or for projects with an extended  
12 timeline.

13 (4) For direct competitions, the site selection  
14 committee shall directly invite a limited list of artists  
15 developed by the board to apply, or the committee shall visit  
16 galleries, museums, or studios to select artwork. This type of  
17 competition is most suitable for projects with limited budgets,  
18 short timelines, or where work is sought for direct purchase.

19 The site selection committee's recommendations shall be  
20 given to the board, the Department of Administration, and other  
21 necessary state agencies for final approval. Upon approval, the  
22 board shall enter into a contract with the artist. The contract  
23 shall provide for the direct purchase of existing work, the  
24 production of design proposals for a commissioned work, or the  
25 actual production of commissioned work.

26 Subp. 10. **Projects not eligible.** A project is not  
27 eligible for consideration for the program if it is not  
28 demonstrated that it meets the description of a site or project  
29 as defined in subpart 1.

30 In addition, a project is not eligible for funds if:

31 A. the funds are to be used solely for the design or  
32 construction of elements of incidental or ornamental detail;

33 B. the funds are to be used for payment of any  
34 architect's fees for participating on the site selection  
35 committee; or

36 C. if the Department of Administration has determined

1 it to be inappropriate.

2 REGIONAL ARTS COUNCILS

3 1900.2310 DEFINITIONS.

4 Subpart 1. Scope. For the purpose of parts 1900.2310 to  
5 1900.4110, the following terms have the meanings given in  
6 subparts 2 to 17.

7 Subp. 2. Allocation formula. "Allocation formula" means  
8 the mathematical formula devised by the regional arts council  
9 forum to determine the amount of funding each regional arts  
10 council receives in its regional arts council block allocation.

11 Subp. 3. Arts advisory council. "Arts advisory council"  
12 means a group of citizens with expertise in the arts who review  
13 and recommend arts grant requests for funding on behalf of a  
14 regional development commission serving as the designated  
15 regional arts council.

16 Subp. 4. Arts services. "Arts services" means nongrant  
17 activities including information services, technical and  
18 consultative services, planning, report evaluation, and other  
19 developmental efforts that are provided by a regional arts  
20 council to its individual region.

21 Subp. 5. Biennial plan. "Biennial plan" means the written  
22 document prepared by a regional arts council and submitted to  
23 the board which outlines the decision making processes,  
24 programs, services, and budget to be followed by the regional  
25 arts council during the biennium.

26 Subp. 6. Designated regional arts council. "Designated  
27 regional arts council" means the one entity in each of the 11  
28 regions which has gone through the designation process defined  
29 in parts 1900.3110 to 1900.3210.

30 Subp. 7. Direct programming. "Direct programming" means  
31 artistic endeavors which are initiated by one or more regional  
32 arts councils. It includes arts production, sponsorship, and  
33 presenting.

34 Subp. 8. Fiscal agent. "Fiscal agent" means any Minnesota  
35 nonprofit organization which is exempt from taxation under the

1 Internal Revenue Code or any governmental unit which handles and  
2 accounts for funds for a group or organization receiving  
3 legislative funds through the board or a regional arts council.  
4 The fiscal agent is legally responsible for the proper  
5 management of disbursed funds.

6 Subp. 9. **Legislative arts allocation.** "Legislative arts  
7 allocation" means the biennial legislative appropriation which  
8 is intended for use by the regional arts councils.

9 Subp. 10. **Local regional arts development.** "Local  
10 regional arts development" means the work done by one or more of  
11 the regional arts councils to develop or enhance local or  
12 regional artists, arts organizations, arts resources, or arts  
13 audiences.

14 Subp. 11. **Obligated funds.** "Obligated funds" means funds  
15 from a regional arts council's block allocation from one fiscal  
16 year which are legally obligated to a specific future expense  
17 and recorded in a regional arts council's certified public audit.

18 Subp. 12. **Preliminary biennial plan.** "Preliminary  
19 biennial plan" means the initial document submitted to the  
20 regional arts advisory committee for review and advice about the  
21 plan's adherence to the applicable rules.

22 Subp. 13. **Regional arts council block allocation.**  
23 "Regional arts council block allocation" means money from the  
24 legislature which goes to a regional arts council through the  
25 board to provide arts services, direct programming, and grants  
26 for local and regional arts development.

27 Subp. 14. **Regional Arts Council Forum or RAC Forum.**  
28 "Regional Arts Council Forum" or "RAC Forum" means an  
29 incorporated, not for profit, 501(c)(3), voluntary membership  
30 association of the 11 regional arts councils formed to provide  
31 resources, deal with common issues, and develop mutual support  
32 among regional arts councils in order to promote arts in  
33 Minnesota. The organization is registered under the name Forum  
34 of Regional Arts Councils of Minnesota. Some of its functions  
35 shall include developing the regional arts council allocation  
36 formula, negotiating the Regional Arts Council/Minnesota State

1 Arts Board Fiscal Agent Agreement, and consulting with the board  
2 in the regional arts council designation process.

3 Subp. 15. **Regional Arts Council/Minnesota State Arts Board**  
4 **Fiscal Agent Agreement.** "Regional Arts Council/Minnesota State  
5 Arts Board Fiscal Agent Agreement" means the written agreement  
6 negotiated annually by the board and the Regional Arts Council  
7 Forum on behalf of the regional arts councils. The agreement  
8 shall include a description of the responsibilities of the board  
9 and the regional arts councils and identify the board as having  
10 statutory responsibility for the proper management of disbursed  
11 funds. Release of a regional arts council block allocation  
12 shall be initiated when the agreement is signed by both the  
13 board and the regional arts council.

14 Subp. 16. **Regional Arts Council Service Boundaries.**  
15 "Regional Arts Council Service Boundaries" means the geographic  
16 service area assigned to each regional arts council. The  
17 service boundaries correspond to state economic development  
18 regions as defined in Minnesota Statutes, section 462.384. Each  
19 region shall have its own regional arts council except regions  
20 6E, 6W, and 8 which are served by one regional arts council.

21 Subp. 17. **Regional development commission.** "Regional  
22 development commission" means the entities defined in Minnesota  
23 Statutes, section 462.384, subdivision 5.

24 1900.2410 CHANGE TO SERVICE BOUNDARIES.

25 The regional arts council service boundaries which define  
26 the 11 regions may be changed if changes in the boundaries or  
27 number of regional arts councils are agreed to by the board and  
28 eight or more of the regional arts councils.

29 1900.2510 REQUIRED GOVERNANCE STRUCTURE.

30 A regional arts council may be a nonprofit, tax-exempt  
31 501(c)(3) corporation, a regional development commission or an  
32 organization that conforms to the definition of a regional arts  
33 council but uses a fiscal agent until its 501(c)(3) status is  
34 approved. If a council is part of a regional development  
35 commission or another entity whose primary mission or function

1 is not serving as a regional arts council, the organization must  
2 establish a distinct arts program, guided by an arts advisory  
3 council to make recommendations to the commission on the use of  
4 the legislative arts allocation.

5 1900.2610 ELIGIBILITY FOR ALLOCATION.

6 Subpart 1. Year one of biennium. To receive a regional  
7 arts council block allocation in year one of a biennium, the  
8 council must submit a preliminary biennial plan to the regional  
9 arts advisory committee by June 15 for review and feedback.  
10 After review, the council must submit a biennial plan to the  
11 board by June 30. This plan may be identical to the preliminary  
12 biennial plan. In addition, the council must meet the  
13 requirements of part 1900.4110, subparts 3 and 4.

14 Subp. 2. Year two of biennium. To receive a regional arts  
15 council block allocation in the second year of the biennium, the  
16 council must submit to the board, by June 15, an annual plan  
17 update which outlines anticipated changes to the biennial plan  
18 for the coming year. In addition, the council must meet the  
19 requirements of part 1900.4110, subparts 2 and 3.

20 1900.2710 BIENNIAL PLAN COMPONENTS.

21 Subpart 1. Required components. For a biennial plan to be  
22 complete, the requirements of subparts 2 to 11 must be fulfilled.

23 Subp. 2. Mission statement. The biennial plan must  
24 include the regional arts council's mission statement which must  
25 describe the overall philosophy and aims of the organization  
26 concerning local and regional arts development.

27 Subp. 3. Needs assessment. The biennial plan must be  
28 based on a needs assessment carried out in a manner which  
29 ensured input from the arts community and the arts involved  
30 public. The components of the needs assessment shall be  
31 determined by the regional arts council and may consist of any  
32 combination of constituent meetings, focus groups, program  
33 evaluations, mail or telephone surveys, individual interviews,  
34 or other evaluative tools. The assessment shall be conducted to  
35 assess and prioritize constituent needs, to evaluate appropriate

1 community and regional resources to meet those needs, and to  
2 determine the practicality of continuing existing programming  
3 activities, service and grants assistance programs, or the  
4 feasibility of developing new programs, services, or grants by  
5 the regional arts council. The needs assessment shall be  
6 updated at intervals determined and announced by the regional  
7 arts council, but no less frequently than once every four  
8 years. The results shall be included in the plan.

9       **Subp. 4. Description of planning process.** The biennial  
10 plan must include a description of the biennial planning process  
11 used by the council including a list of the steps included in  
12 the development of the biennial plan and the participants  
13 involved in the biennial planning process. Before the biennial  
14 plan is submitted to the board at least one public meeting must  
15 be held for the purpose of gathering reaction to the biennial  
16 plan.

17       **Subp. 5. Work plan for grants, programs, and services.**  
18 The biennial plan must include a work plan which contains a  
19 description of services, programs, and grants available from the  
20 council and the goals and objectives of these activities as  
21 related to the needs assessment.

22       **Subp. 6. Program information.** The biennial plan must  
23 include program information which describes grants and other  
24 forms of assistance available, the review criteria for  
25 evaluating grant requests, and eligibility requirements.

26       **Subp. 7. Organizational structure.** The biennial plan must  
27 include:

- 28           A. a copy of the council's bylaws;
- 29           B. an identification of the arts experience and  
30 background requirements for regional arts council board and arts  
31 advisory council membership;
- 32           C. job descriptions of the staff of the organization;
- 33           D. a description of the rotation system which will  
34 ensure replacement of regional arts council board and arts  
35 advisory council members on a regular basis;
- 36           E. the names and affiliations of all regional arts



1 council board, advisory council members and staff; and

2 F. a description of the regional arts council board  
3 and advisory committee nominations process. The description of  
4 the nominations process shall include a statement of the  
5 council's commitment and methods used to identify, recruit, and  
6 appoint board and council members to provide representation from  
7 all counties.

8 Subp. 8. Arts granting policy statement.

9 A. When a council is part of a regional development  
10 commission the biennial plan must include a memorandum  
11 describing the policies and procedures under which grants will  
12 be made including a statement that the regional development  
13 commission agrees to fund only organizations or projects which  
14 have been recommended by its arts advisory council and that the  
15 recommendations will be based on the regional arts advisory  
16 committee's review of the application's artistic merit, the  
17 applicant's ability, and the need for the project or program.

18 B. If a council is using a fiscal agent because its  
19 501(c)(3) application has been filed but not yet approved, the  
20 biennial plan must include a letter of agreement between the  
21 council and its fiscal agent stating that the fiscal agent has  
22 no jurisdiction over the council's review and awarding of arts  
23 grants.

24 Subp. 9. Budget. The biennial plan must include a budget  
25 which must be a total projected budget identifying all local,  
26 regional, state, and federal sources of public and private  
27 support. The budget must include the amount of the legislative  
28 arts allocation that the council will receive based on the  
29 allocation formula.

30 Subp. 10. Grant making and monitoring process. The  
31 biennial plan must include a detailed description of the  
32 council's grant making process including the review process, the  
33 terms of the grant contract with grant recipients, the time  
34 needed and process followed in paying grant recipients, the  
35 responsibilities of grantees, and the grant monitoring process.

36 Subp. 11. Public meeting. Each council must hold at least

1 one public meeting to solicit reaction to its preliminary  
2 biennial plan before it is approved and submitted to the board.  
3 The plan must be available for review at the council's office a  
4 minimum of three days before the meeting. At the meeting, the  
5 substance of the plan shall be presented to the general public  
6 in a manner that is clear and understandable and the audience  
7 given an opportunity to respond to the presentation. The  
8 meeting shall be scheduled to allow for revisions of the plan  
9 prior to its final submission. A written record or taped  
10 recording of the public meeting must be kept in the council's  
11 office and available for public review for one year.

12 1900.2810 PRELIMINARY AND BIENNIAL PLAN REVIEW PROCESS.

13 Subpart 1. **Preliminary biennial plan review.** The  
14 preliminary biennial plan of each regional arts council shall be  
15 reviewed by the regional arts advisory committee at a meeting.

16 Subp. 2. **Notice of regional arts advisory committee**  
17 **meeting.** The council must be notified by the board a minimum of  
18 ten days prior to the regional arts advisory committee meeting  
19 and given the opportunity, at its option, to present the  
20 preliminary biennial plan in person before the regional arts  
21 advisory committee and to respond to questions raised by the  
22 committee.

23 Subp. 3. **Regional arts council advisory committee**  
24 **recommendations.** The regional arts advisory committee shall  
25 submit to the board its comments and recommendation about a  
26 council's preliminary biennial plan and the reasons for making  
27 that recommendation. At the same time the recommendation is  
28 sent to the board, a copy of the committee's comments and  
29 recommendation shall be sent to the council.

30 Subp. 4. **Biennial plan process.** After the council  
31 receives the advice of the advisory committee, the council must  
32 submit a biennial plan to the board.

33 Subp. 5. **Board action after receipt of biennial plan.**  
34 After the biennial plan is received, the board shall reject the  
35 plan only if it determines that the plan is incomplete. The

1 council must be informed in writing of the board's decision to  
2 reject or accept the plan, and the basis for that decision,  
3 within ten working days of the board's determination.

4 Subp. 6. Process if biennial plan is not accepted by  
5 board. A council whose biennial plan is not accepted shall have  
6 30 days to respond in writing to the board's decision.

7 Subp. 7. Process if biennial plan is not accepted second  
8 time. If the biennial plan is not accepted a second time, the  
9 board may, at its discretion, allow the council to again submit  
10 a plan. A council whose biennial plan will not be reconsidered  
11 by the board may follow the appeals process provided by part  
12 1900.3310.

13 1900.2910 PROCESS FOR AMENDING BIENNIAL PLAN.

14 Subpart 1. Regional arts council's responsibilities. If a  
15 regional arts council intends to make substantive changes in its  
16 biennial plan it must:

17 A. notify the board in writing of its intent to  
18 change the biennial plan a minimum of 30 days before  
19 implementing any changes; and

20 B. include a detailed description of the proposed  
21 revisions, the reasons for making the changes, and a schedule  
22 for implementing proposed changes.

23 Subp. 2. Board's responsibilities. After the board  
24 receives notice of a regional arts council's intent to revise  
25 its biennial plan it must review and act upon the revisions  
26 within ten working days.

27 A. If the board has concerns about the proposed  
28 revision, it shall provide a written response to the regional  
29 arts council outlining its concerns within ten working days of  
30 receipt of notification. If the board has no concerns, it shall  
31 provide a written response to the regional arts council within  
32 ten working days stating that the revisions have been reviewed  
33 and filed.

34 B. The regional arts council must provide, within ten  
35 working days, a written response acknowledging receipt of the

1 board's letter of concern and indicating the regional arts  
2 council's response to those concerns.

3 1900.3010 PROCESS FOR RELEASING FUNDS TO REGIONAL ARTS COUNCILS.

4 Subpart 1. Time for release of funds. Within ten days of  
5 the board's acceptance of a biennial plan, the board must  
6 provide the council with a regional arts council/Minnesota State  
7 Arts Board fiscal agent agreement to be executed by the council  
8 and returned for execution by the board. After receipt of the  
9 signed agreement, the board shall have until the end of the  
10 third full week of July, or a date mutually agreeable to the  
11 board and the Regional Arts Council Forum, to execute its  
12 portion of the agreement, including approvals required by  
13 Minnesota Statutes, section 16B.06, subdivision 2, to release  
14 the full amount of the regional arts council block allocation.

15 Subp. 2. Councils whose designation is being challenged.

16 If a council's biennial plan has not been filed because the  
17 council is in the process of responding to comment on its  
18 preliminary plan or if the council is in the process of being  
19 challenged for designation, the board must provide an interim  
20 payment schedule and written conditions for payments which will  
21 ensure that the council's normal operations are not impeded  
22 while the designation process is completed.

23 Subp. 3. Special circumstances.

24 A. At the beginning of a fiscal year, if negotiations  
25 for the regional arts council/Minnesota State Arts Board fiscal  
26 agent agreement are still in process, the board must institute a  
27 system of partial allocation payments to each council until the  
28 agreement is completed. The payments may be contingent upon the  
29 submission of reports or receipt of information requested by the  
30 board. The Regional Arts Council Forum and each of the 11  
31 regional arts councils must be notified by the board in writing  
32 by May 31 prior to the beginning of the fiscal year, of the  
33 board's intent to make partial payments, the conditions for the  
34 board making payments, and the conditions for the board's  
35 discontinuing the contingent payment system. If a contingent

1 payment system is instituted by the board, it must be done in a  
2 manner which ensures that the normal operations of the councils  
3 are not impeded.

4           B. When a region is not served by a designated  
5 regional arts council, the regional arts council block  
6 allocation for regions not served by a council shall be  
7 administered by the board with the advice of the regional arts  
8 advisory committee until a new council is designated, but in no  
9 case for longer than six months. If a region is without a  
10 council for longer than six months, the Regional Arts Council  
11 Forum may direct the board to redistribute the region's  
12 unexpended and unobligated regional arts council block  
13 allocation for the current fiscal year to the remaining councils  
14 in a formula to be determined by the Regional Arts Council Forum.

15 1900.3110 REGIONAL ARTS COUNCIL LOSS OF DESIGNATION.

16           Subpart 1. Existing councils. The designated regional  
17 arts council at the time that parts 1900.0110 to 1900.4110 are  
18 adopted shall be the designated regional arts council for its  
19 region.

20           Subp. 2. Council designation removed; conditions. There  
21 can only be one designated council in each region. A designated  
22 council shall remain the designated council until its  
23 designation is officially removed. The following circumstances  
24 shall result in the removal of designation:

25           A. At any time, a council may determine that it is  
26 not in its organization's or its region's best interest for it  
27 to continue as the regional arts council. The council must  
28 notify the board of its intent to cease operation as a council  
29 and work cooperatively with the board to provide for an orderly  
30 transition when a new organization receives the regional arts  
31 council designation.

32           B. The regional arts council/Minnesota State Arts  
33 Board fiscal agent agreement shall define the terms for a  
34 council's receipt of its block allocation. It shall also define  
35 the process of notification which the board must follow if it

1 believes that a council is out of compliance with the agreement  
2 and the process which must be followed to remedy concerns or to  
3 rescind a council's designation. If the council successfully  
4 remedies concerns, it shall remain the designated council. If  
5 it does not successfully remedy, the board shall remove the  
6 council as the designated regional arts council.

7 C. Removal of designation initiated by the board due  
8 to an unsuccessful probationary period, as described in part  
9 1900.3210, subpart 7.

10 D. If, after following part 1900.3210, a competing  
11 organization is awarded the designation by the board, the  
12 challenged council must receive written notification that its  
13 designation has been removed by a vote of the board. This  
14 notification must contain a timeline for transfer of all  
15 appropriate records, a description of the closure process to be  
16 followed, and a request for return or transfer of all unexpended  
17 legislative funds.

18 1900.3210 PROCESS FOR AN ORGANIZATION TO RECEIVE COUNCIL  
19 DESIGNATION THROUGH CHALLENGE TO AN EXISTING COUNCIL.

20 Subpart 1. Notice of intent to file preliminary biennial  
21 plan. An organization that wants to be designated a regional  
22 arts council must notify the board and the challenged regional  
23 arts council, in writing, of its intent to file a preliminary  
24 biennial plan by January 1 of the second year of the biennium.

25 Subp. 2. Board actions required after receipt of notice.  
26 Within 30 days of receipt of the notice of intent to file a  
27 biennial plan, the board must schedule a meeting with the  
28 challenging organization to make a preliminary determination of  
29 the appropriateness of the organization's ability to carry out  
30 the challenge. This determination shall be made by the regional  
31 arts advisory committee and a recommendation to accept or reject  
32 the challenge will be made to the board. The challenging group  
33 and the challenged council must be notified within ten days of  
34 the board's decision.

35 Subp. 3. Change in preliminary biennial plan due date. If

1 the competing organization's challenge is accepted, the existing  
2 council must be notified in writing by February 10 that the  
3 challenge has been accepted and that the existing council's  
4 preliminary biennial plan will be due on April 1 instead of June  
5 15.

6       **Subp. 4. Process for organization filing preliminary**  
7 **biennial plan.** An organization that wants to be designated a  
8 regional arts council must follow all steps outlined in parts  
9 1900.2610 to 1900.2810 except that its preliminary biennial plan  
10 must be submitted by April 1.

11       **Subp. 5. Process for assigning regional arts council**  
12 **designation.** The board's regional arts advisory committee shall  
13 be enlarged to include the chair of the Regional Arts Council  
14 Forum or another Regional Arts Council Forum designated  
15 representative, an additional board designated representative,  
16 and as many board-appointed citizen advisors as the board deems  
17 manageable to review and evaluate all preliminary biennial plans  
18 and make a recommendation to the full board about designation.  
19 In its review of preliminary biennial plans, the committee must  
20 follow the process in part 1900.2810. In making its  
21 determination, the committee may also schedule public meetings,  
22 request additional information, schedule interviews with board  
23 members or staff of the competing organizations, or with  
24 citizens of the region in order to evaluate the competing  
25 preliminary biennial plans and organizations. The information  
26 gathered shall be part of the public record and shall be used in  
27 making the final determination about designation. At the  
28 conclusion of its review, the regional arts advisory committee  
29 shall recommend that the board confer designation to the  
30 organization which has demonstrated, through its preliminary  
31 biennial plan and the committee's review, that it will most  
32 effectively serve the needs of its region.

33       **Subp. 6. Board process for designating regional arts**  
34 **council status.** The board must approve, reject, or defer the  
35 committee's recommendation on which competing organization  
36 receives designation. If the board cannot make a decision, it



1 may defer its decision up to 45 days while it gathers additional  
2 information. The organization selected by the board to receive  
3 designation as the regional arts council must follow part  
4 1900.2810 to submit a biennial plan. The biennial plan must be  
5 received and accepted before designation is assigned. All  
6 competing organizations must be informed in writing within ten  
7 days of the outcome of the board's decision. A regional arts  
8 council's designation shall stand until the designation is  
9 officially rescinded by a vote of the board.

10 Subp. 7. Probationary period. If the challenging  
11 organization is designated as the regional arts council, its  
12 designation shall be subject to a one-year probationary period.  
13 At the time of designation, it shall receive from the board a  
14 written probationary agreement which shall include a description  
15 of the process to be used at the end of the year to review the  
16 organization's performance as a regional arts council. If all  
17 terms of the probationary agreement are satisfactorily met, the  
18 council's probationary status shall be lifted. If the terms are  
19 not met, the board may either extend the probationary period or  
20 remove the organization as the designated council. The regional  
21 arts advisory committee must be consulted by the board prior to  
22 approving or revoking the designation.

23 1900.3310 APPEALS OF DISPUTED DESIGNATION.

24 Subpart 1. Initiating an appeal. An organization seeking  
25 or affirming designation through the submission of preliminary  
26 biennial plans that disputes the decision of the board regarding  
27 the designation of regional arts council status may appeal the  
28 decision of the board. This appeal will be conducted in the  
29 following manner:

30 A. the appellant organization must submit a written  
31 request for consideration of an appeal within 45 days of  
32 notification of the board's decision;

33 B. the request must state the reasons for the appeal;  
34 and

35 C. the board shall review the request at its first

1 meeting following the receipt of the request.

2 Subp. 2. Board action on appeals. The board shall take  
3 one of the following actions in response to the request for  
4 consideration of an appeal:

5 A. determine that the appellant does not show  
6 sufficient cause for an appeal in which case the appellant may  
7 follow subpart 3;

8 B. determine that the appellant does show sufficient  
9 cause for appeal and request that the appellant appear before  
10 the board at a subsequent meeting to address the appeal; or

11 C. refer the appeal to mediation or to an  
12 administrative law judge as a contested case.

13 Subp. 3. Dispute resolution. Following the appeal to the  
14 board, if the appellant continues to dispute the decision of the  
15 board regarding the organization's appeal, either party may  
16 request a mediation process. If the other party chooses not to  
17 mediate, the further appeal shall be conducted as a contested  
18 case. If both parties agree to mediation, the costs of  
19 mediation shall be shared equally.

20 1900.3410 ASSIGNMENT OF LEGISLATIVE ARTS ALLOCATION TO REGIONAL  
21 ARTS COUNCILS.

22 Subpart 1. Role of Regional Arts Council Forum. The  
23 Regional Arts Council Forum shall determine an allocation  
24 formula for distributing the legislative arts appropriation that  
25 is equitable to all regional arts councils. The forum must  
26 inform the board of the allocation formula to be used in the  
27 next biennium by June 30 of the year immediately prior to the  
28 first year of the biennium.

29 Subp. 2. Board role in allocation process. The board must  
30 use the Regional Arts Council Forum's allocation formula to  
31 divide the legislative arts appropriation for the regional arts  
32 council system. If the Regional Arts Council Forum does not  
33 submit an allocation formula to the board by June 30, the board  
34 shall prepare the fiscal agent agreements using the previous  
35 year's allocation formula.

1 1900.3510 REGIONAL ARTS ADVISORY COMMITTEE.

2 Subpart 1. **Purpose of committee.** The committee shall  
3 serve in an advisory capacity to the board on matters which  
4 affect the regional arts councils and the Regional Arts Council  
5 Forum. Specific responsibilities include, but are not limited  
6 to:

7 A. reviewing regional arts councils preliminary  
8 biennial plans;

9 B. advising the board on the administration of  
10 regional arts council functions in regions where there is no  
11 designated regional arts council;

12 C. reviewing preliminary biennial plans and other  
13 information as described in part 1900.3210, subpart 5, of  
14 regions that are competing for regional arts council designation  
15 and making a recommendation to the board about designation; and

16 D. hearing and making recommendations to the board  
17 about disputes between a regional arts council and the board or  
18 the Regional Arts Council Forum and the board.

19 Subp. 2. **Member appointment.** The regional arts advisory  
20 committee shall be a board committee comprised of a minimum of  
21 six members. Two members shall be appointed by the board from  
22 the board membership, two members shall be appointed by the  
23 Regional Arts Council Forum who may or may not be members of the  
24 forum, one member shall be an at-large member appointed by the  
25 board, and one member shall be an at-large member appointed by  
26 the forum. The at-large members shall not be current members of  
27 the board or the forum. The board may appoint additional  
28 at-large members to serve in cases of a challenge to regional  
29 arts council designation. The executive director of the board  
30 shall serve as a nonvoting member of the committee.

31 Subp. 3. **Rules affecting advisory committee members.** The  
32 board's appointments to the committee must follow part  
33 1900.0410. For the purpose of this chapter, appointees other  
34 than the required six members shall be considered board  
35 appointees. The Regional Arts Council Forum shall define the

1 qualifications, nominations, compensation, policies regarding  
2 conflicts of interest, and other matters pertaining to regional  
3 arts councils appointments.

4 Subp. 4. **Terms of service.** Members appointed by the board  
5 and the forum shall serve one fiscal year term and, at the  
6 pleasure of the appointing organization, may serve up to a total  
7 of three consecutive fiscal year terms.

8 1900.3610 PARTICIPANTS IN RESOLVING DISPUTES BETWEEN REGIONAL  
9 ARTS COUNCILS AND BOARD.

10 In the case of a dispute between the board and a regional  
11 arts council or the board and the Regional Arts Council Forum,  
12 the regional arts advisory committee must be consulted for a  
13 recommendation.

14 1900.3710 PROCESS TO CARRY FORWARD BLOCK ALLOCATIONS TO NEXT  
15 FISCAL YEAR.

16 Subpart 1. **Regional arts council duties.** A regional arts  
17 council must notify the board, in writing, by May 1 of the first  
18 year of the biennium that the council plans to carry regional  
19 arts council block allocation funds forward to the next fiscal  
20 year. The notification must contain a narrative describing the  
21 intended purpose for the funds to be obligated and a budget for  
22 their use.

23 Subp. 2. **Board role.** The board must review the regional  
24 arts council's plan to carry funds forward into the next fiscal  
25 year to ensure that it is reasonable and that the process used  
26 to carry funds forward is appropriate. If the board has  
27 concerns about the plan or process to be used to carry funds  
28 forward, it shall provide a written response within ten days of  
29 receipt of the notification outlining its concerns and informing  
30 the council what steps must be taken to remedy its plan. The  
31 board may recall a council's uncommitted block allocation funds  
32 at the end of the fiscal year if the council does not follow the  
33 process outlined in part 1900.3710.

34 1900.3810 PROCESS TO CARRY FORWARD BLOCK ALLOCATIONS TO NEXT

1 BIENNIUM.

2 Subpart 1. Regional arts council duties. A regional arts  
3 council must notify the board in writing by May 1 of the second  
4 year of the biennium that the council plans to carry regional  
5 arts council block allocation funds forward to the next  
6 biennium. The notification must contain an outline of the  
7 process that will be used to obligate funds, a narrative  
8 describing the intended purpose for the funds to be obligated,  
9 and a budget for their use.

10 Subp. 2. Board role. The board must review the regional  
11 arts council's plan to carry funds forward into the next  
12 biennium to ensure that it is reasonable and that the process  
13 used to carry funds forward is appropriate. If the board has  
14 concerns about the plan or process to be used to obligate funds,  
15 it shall provide a written response within ten days of receipt  
16 of notification outlining its concerns and informing the council  
17 what steps must be taken to remedy its obligating plan. The  
18 board may recall a council's unobligated block allocation funds  
19 at the end of the biennium if the council does not follow the  
20 process outlined in this part.

21 1900.3910 UNOBLIGATED BLOCK ALLOCATION FUNDS.

22 A regional arts council must not carry unobligated regional  
23 arts council block allocation funds from one biennium to the  
24 next. If a council has unobligated block allocation funds at  
25 the end of a biennium, the funds must be returned to the general  
26 fund.

27 1900.4010 AUTHORITY OF DESIGNATED REGIONAL ARTS COUNCILS.

28 A designated regional arts council may:

29 A. establish programs and services based on needs  
30 assessments;

31 B. define and establish criteria for funding  
32 eligibility and grant making;

33 C. award funds;

34 D. hear and arbitrate appeals using a publicly  
35 defined appeals process;

1 E. devise criteria for the selection and rotation of  
2 board members;

3 F. apply for grants and funding through additional  
4 sources; and

5 G. operate administratively and programmatically  
6 within the framework of the approved biennial plan.

7 There are no limitations on programs or grants which  
8 regional arts councils may award, including the opportunity to  
9 award funds to grantees of the board, as long as funds from the  
10 legislative arts appropriation awarded for a project do not  
11 exceed 50 percent of the total cash cost of the project.

12 1900.4110 REPORTING REQUIREMENTS.

13 Subpart 1. **Interim financial report.** Each regional arts  
14 council must submit to the board an annual, unaudited financial  
15 statement summarizing its total annual revenue and expenditures  
16 including a listing of all grants awarded within 45 days of the  
17 close of the regional arts council's fiscal year.

18 Subp. 2. **Annual plan update.** By June 15 of the first year  
19 of the biennium, each council must submit to the board an annual  
20 plan update which confirms that there will be no changes in the  
21 council's biennial plan for the coming year or outlines  
22 anticipated changes to the biennial plan for the coming year.

23 Subp. 3. **Biannual report.** Each council must submit to the  
24 board a written report describing the activities relating to  
25 expenditures and management of its regional arts council block  
26 allocation within 90 days after the end of the second year of  
27 the biennium. The report must include:

28 A. a description of the relationship between the  
29 biennial plan and the actual grants and other forms of  
30 assistance provided during the year with the regional arts  
31 council block allocation; and

32 B. a listing of the grants awarded, services  
33 provided, and programs disseminated using the regional arts  
34 council's block allocation.

35 Subp. 4. **Certified public audit.** Each regional arts

1 council must submit a certified public audit accounting for its  
2 regional arts council block allocation for the fiscal years in  
3 which the biennial plan was in effect according to the terms of  
4 the regional arts council/Minnesota State Arts Board fiscal  
5 agent agreement.

6 REPEALER. Minnesota Rules, parts 1900.0100; 1900.0200;  
7 1900.0300; 1900.0400; 1900.0500; 1900.0600; 1900.0700;  
8 1900.0800; 1900.0900; 1900.1000; 1900.1100; 1900.1200;  
9 1900.1300; 1900.1400; 1900.1500; 1900.1600; 1900.1700;  
10 1900.1800; 1900.1900; 1900.2000; 1900.2100; 1900.2200;  
11 1900.2300; 1900.2400; 1900.2500; 1900.2600; 1900.2700;  
12 1900.2800; 1900.2900; 1900.3000; 1900.3100; 1900.3200;  
13 1900.3300; 1900.3400; 1900.3500; 1900.3600; 1900.3700;  
14 1900.3800; 1900.3900; 1900.4000; 1900.4100; 1900.4200;  
15 1900.4300; 1900.4400; 1900.4500; 1900.4600; 1900.4700;  
16 1900.4800; 1900.4900; 1900.5000; 1900.5100; 1900.5200;  
17 1900.5300; 1900.5400; 1900.5500; 1900.5600; 1900.5700;  
18 1900.5800; and 1900.5900, are repealed.