

State Arts Board**Proposed Permanent Rules Relating to Arts Funding****1900.0310 DEFINITIONS.**

[For text of subps 1 to 3, see M.R.]

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

Subp. 4a. **Artist service organization.** "Artist service organization" means an arts organization or affiliate that plays a significant supporting role in service to professional artists by providing technical, management, marketing, or operational services. The following are not "artist service organizations" for the purposes of Arts Board grant programs:

A. service or trade organizations whose mission is focused on supporting arts organizations;

B. management and consulting services for nonprofit organizations; or

C. service organizations whose mission is focused on building community or audiences for a specific art form, geographic community, or community of interest.

Subp. 4b. **Arts affiliate.** "Arts affiliate" means a distinct program or division within a public or nonprofit Minnesota nonarts organization that satisfies all of the following:

A. has an arts-focused mission;

B. demonstrates charitable support from multiple sources other than the host organization;

C. provides programming or services that are intended for the public rather than the host organization or its constituents; and

D. arts programming or services represents at least 90 percent of its annual operating expenses.

Subp. 4c. **Arts organization.** "Arts organization" means a nonprofit organization that has an arts-focused mission and for which arts programming or services represents at least 60 percent of the organization's annual operating expenses. For the purposes of this chapter, arts organization does not include:

A. public or private primary or secondary schools;

B. colleges or universities;

C. radio or television stations;

D. libraries;

E. zoos;

F. children's museums;

G. historical societies or museums;

H. other nonart museums;

I. civic organizations;

J. human service organizations; or

K. other community service agencies.

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

Subp. 6. **Certified audit.** "Certified audit" means an audit completed by an independent auditor who meets the independence standards specified in the General Accounting Office's "Standards for Audits of Government Organizations, Programs, Activities, and Functions." The reporting requirements for audit reports shall be in accordance with the American Institute of Certified Public Accountants' (AICPA) audit guide incorporated by reference as the Statement of Financial Accounting Standards

(S.F.A.S. notes #116 and #117). This publication is available from the State Law Library and from the Accounting Standards Board in Norwalk, CT for \$11 each by calling (203) 847-0700. The publication is not subject to frequent change.

Subp. 6a. **Community arts schools and conservatories.** "Community arts schools and conservatories" means an arts organization or arts affiliate with open enrollment that provides arts instruction to individuals of varying ages or abilities.

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

Subp. 7a. **Event.** "Event" means:

A. a performance, exhibition, or screening intended for an audience. ~~It does not include workshops or classes whose;~~ or

B. a workshop or class the primary intent purpose of which is teaching an arts skill or developing an appreciation for the arts.

Subp. 8. **Fiscal agent.** For the purposes of parts 1900.0110 to 1900.2210, "fiscal agent" means any Minnesota nonprofit organization ~~which is exempt from taxation under section 501(c)(3) of the Internal Revenue Code, or governmental unit which~~ that is responsible to the board on behalf of an organization, individual, or group not meeting the nonprofit tax-exempt requirements.

Subp. 9. **Grant.** "Grant" means ~~the decision by the board to award dollars. It is an allocation~~ the award of funds by the board to an applicant to be used for the purposes described in the application. The grant is not effective until a grant agreement has been fully executed.

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

Subp. 11. **Nonprofit organization.** "Nonprofit organization" means either:

A. institutions ~~which that~~ are exempt from taxation under section 501(c)(3) of the Internal Revenue Code and established in Minnesota; or

B. public institutions including schools, local, or tribal governmental ~~units~~ entities, and departments and agencies of the state. This does not include radio and television stations.

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

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

Subp. 14. **Presenting activities.** "Presenting activities" means tasks associated with the engaging of artists, touring companies, or exhibitions ~~which that~~ are external to the institution. The tasks must ~~include paying an artistic fee, contracting with the artists, providing the facility, marketing, and assisting in the technical support~~ demonstrate curatorial vision and programming that is connected to the institution's mission and community, and consist of significant activities beyond providing a venue for the outside art or artists.

[For text of subp 15, see M.R.]

Subp. 15a. **Professional artist.** "Professional artist" means a person who considers the creation of art to be a primary endeavor.

[For text of subps 16 and 17, see M.R.]

1900.0410 AGENCY ADVISORY PANELS.

[For text of subp 1, see M.R.]

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

Appointments to advisory panels must be made by majority vote of the board. Under emergency circumstances, when panel service is required prior to convening the next scheduled meeting of the board, the board's executive director in consultation with the board chair, or designated board member, may make such an appointment. ~~Members shall serve one panel-specific fiscal year term~~ A panelist serves on a panel within one grant program at the pleasure of the board ~~for a maximum of~~ and may serve no longer than three consecutive fiscal years consecutively in one specific grant program. ~~Panelists who serve on a panel for a two-year grant are considered to be serving only for the first fiscal year of the grant and are eligible to serve on a different panel for the second fiscal year of the grant. Panelists who serve on a panel that meets more than once per fiscal year are eligible to serve for all of the panels in a fiscal year, which is considered to be one fiscal year of service.~~ Appointments to advisory panels must be made so that ~~the appointment terms of at least one-third of the membership of each panel will expire~~ one-third of the members of each panel are new members in each year. Advisory panels shall be geographically balanced and include at least one person of color, insofar as is reasonably possible. A panel member may not serve on a panel for a program from which the panel member is

seeking funds, either as an individual applicant, or as current employee or board member of the applicant.

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

Subp. 3. **Member qualifications.** Advisory panel members shall have expertise and experience in a particular area of the arts; one or more of the following: an art form or discipline, arts funding, or administration; in-depth knowledge of the Minnesota arts community; ~~communications and decision-making skills; and an ability to work well in a group,~~ or public or nonprofit administration. In addition, members shall be chosen for their communications and decision-making skills, ability to adhere to review criteria, and ability to work well in a group. ~~Panel members selected by the board from nominees shall include artists, administrators, educators, volunteer directors of arts organizations, trustees of arts organizations, and other participants in the arts.~~

Subp. 3a. **Member participation.** Participation as an advisory panel member requires:

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

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

[For text of subp 4, see M.R.]

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

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

B. serves has served within the last two years as an employee or governing board member of an applicant organization being reviewed;

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

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

Subp. 6. **Exclusion of member.** When a conflict of interest is identified, the advisory panel member shall inform the board of the affiliation prior to the review of applications. The board shall report annually on those advisory panel members ~~for affiliations which~~ who declared ~~actual~~ conflicts of interest. Declaring a conflict of interest means that the panel member may not be present for any discussion or vote on those applicants with which the conflict exists.

Subp. 7. Artistic advisors.

A. The board may appoint artistic advisors to review artistic work or programming presented by applicants or grantees, either in person or through work samples.

B. Individuals who would like to serve as artistic advisors may nominate themselves or someone else by contacting the board. All interested persons shall be provided information describing the process and procedures for pursuing a nomination.

C. Appointments to serve as artistic advisors must be made by majority vote of the board. Individuals who serve as artistic advisors may also serve as advisory panel members, for the same program or in a different program, in the same fiscal year. An artistic adviser serves at the pleasure of the board and may serve no longer than three years consecutively in one specific grant program. An artistic adviser may not review the work of an applicant with which the advisor has a conflict of interest.

Subp. 8. **Artistic advisor qualifications.** Artistic advisors shall have expertise and experience in one or more art forms, artistic disciplines, or genres.

1900.0610 REVIEW CRITERIA USED BY ADVISORY PANELS.

~~The primary review criterion used by all advisory panels to make recommendations to the board, except as specifically noted otherwise, shall be the artistic excellence or quality of the applicant~~

A. The detailed program-specific criteria, and the weight given to each, are described in parts 1900.2110 to 1900.2260. Advisory panels shall review applications to make recommendations for grants and other forms of assistance according to the merit and artistic quality as demonstrated by the applicant's artistic work sample or equivalent, such as a site visit of the proposed activity, in order to make recommendations to the board. In the case of service programs and projects, the merit and quality of the service being provided to the arts shall be reviewed. ~~The detailed program-specific criteria are described in parts 1900.1510 to 1900.2210. After reviewing applications, advisory panels shall recommend each application for full funding, partial funding, or no funding. If more applications are recommended for funding than funds are available, the advisory panel may use the mathematical tools of rating or ranking the recommended applications individually to determine funding priorities and the amount of recommended grant.~~

B. The advisory panel shall thoroughly review all submitted application materials, and score the applications based upon the degree to which the applicant has satisfied the program-specific review criteria. Partial funding may be awarded if the panel finds that an application includes activities or costs that are not allowed in the applied for program. The panel shall score based solely on the contents of the application and any required supporting materials, including work samples or equivalent, and shall not consider outside information.

C. All panel meetings shall be held at the Arts Board office, unless otherwise announced in advance. All panel meetings shall be open to the public. Dates and locations shall be posted on the Arts Board's Web site. Applicants shall be encouraged to attend but may not make presentations to the panels, staff, or board.

1900.0710 BOARD ACTION AND ADVISORY PANEL RECOMMENDATIONS.

The board shall give considerable weight to the recommendations of advisory panels. The board shall award funding based on the ranked recommendations of the panel and the funds available. In addition, the board may request comments and recommendations from the staff on all aspects of applications. The board may request a revised budget or a proposal description application, or both, before taking final action on a grant application recommendation. The board shall make all final decisions ~~consistent with this chapter as to approval or rejection of~~ on grant applications or requests for other forms of assistance in accordance with this chapter.

1900.0810 PROCESS FOR OBTAINING GRANTS AND OTHER FORMS OF ASSISTANCE.

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

The application materials shall include the specific information needed to determine the eligibility of the applicant, to review the application according to the review criteria, and to ~~comply~~ ensure compliance with any applicable federal, state, or board reporting requirements, and to evaluate the programs and services of the board.

[For text of subp 2, see M.R.]

Subp. 3. **Application.** The applicant shall be responsible for the quality and the nature of the responses given in the application, the attachments, and the supporting

materials in this chapter and further described in the program information provided by the board. The items are:

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

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

[For text of items C and D, see M.R.]

Subp. 4. **Applications screening.** Staff shall screen applications received by the deadline for eligibility and completeness, subject to the criteria and processes described in parts 1900.0610 and ~~1900.1510~~ 1900.2110 to ~~1900.2210~~ 1900.2260. Eligible applications shall be reviewed at a meeting, open to the public, by an advisory panel when deemed necessary and appointed by the board. ~~The panel shall identify recommended applicants presented by staff to the board.~~ The board shall make the grant award awards after considering the advisory panel's ~~recommendation~~ recommendations. If ~~the~~ a grant is less than the original request, the applicant shall revise, where appropriate, the official budget and application to reflect the actual grant amount. Upon receipt of revisions, the board, or designated agency staff, shall review the revisions and, if approved, shall continue processing the grant contract.

Subp. 5. **Applicants notified of board decisions.** All applicants shall receive a notification letter of an award and a grant contract of an award ~~(full funding or an adjusted level)~~, or of no award, within 45 days after final review of the application decisions on advisory panel grant recommendations have been made by the board, except if a revised budget is necessary. If a revised budget or application is necessary, ~~applicants shall receive a grant contract and notification letter which includes instructions to revise the budget and proposal~~ a grant contract shall be issued within 30 days after the revised budget or application is approved by the board or designated agency staff.

[For text of subp 6, see M.R.]

1900.1010 ELIGIBILITY REQUIREMENTS FOR APPLICANTS REQUESTING GRANTS OR OTHER FORMS OF ASSISTANCE.

Subpart 1. **Eligibility requirements; kinds.** General eligibility requirements must be met by all applicants who request grants or other forms of assistance. Other requirements depend on whether the applicant is an organization or an individual artist. Further eligibility requirements specific to the program are described in parts ~~1900.1510~~ 1900.2110 to ~~1900.2210~~ 1900.2260.

Subp. 2. **All applicants.** An application shall not be eligible to be funded ~~when one or more of the following activities, conditions, or use of funds exist or are proposed~~ if any of items A to M are true:

[For text of items A to E, see M.R.]

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

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

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

I. the applicant is not in compliance with any active contract with the board; ~~or~~

J. the applicant does not make all events open to the general public ~~or whenever feasible, does not establish admission charges for the events;~~

K. the applicant does not establish admission charges for the events, although it would be feasible to do so;

L. funds are requested to start, match, add to, or complete any type of capital campaign; or

M. funds are requested to support activities that will not take place within the geographic boundaries of Minnesota.

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

A. An eligible organization must be one of the following:

- (1) a section 501(c)(3) tax-exempt organization;
- (2) a public entity such as a unit of state, local, or tribal government; or
- (3) an unincorporated group that has a written agreement with a Minnesota section 501(c)(3) tax-exempt fiscal agent.

B. In addition, an eligible organization must:

- (1) be located and operating within Minnesota; and
- (2) employ at least one paid individual, at the time of application, in a contract or salaried position, to provide administrative or artistic oversight of the project, program, or organization.

C. In addition, arts affiliates must:

- (1) be hosted by a Minnesota organization;
- (2) have a public presence and identity that is distinct from the host organization;
- (3) have professional staff with the expertise, training, or qualifications necessary for bringing arts programming or services to the public;
- (4) provide ongoing arts programming or services throughout the year or season;

(5) demonstrate broad community support through ticket sales, memberships, or class attendance;

(6) have an advisory board or committee that is separate and distinct from that of the host organization;

(7) have a budget that is separate and distinct from that of the host organization;

(8) demonstrate charitable support from multiple sources other than the host organization; and

(9) provide programming or services that are intended for the public rather than the host organization or its constituents.

Subp. 4. **Fiscal agent duties.** If a fiscal agent is identified in accordance with subpart 3, the fiscal agent must enter into a written agreement with the applicant, before the application deadline, that includes a description of both parties' responsibilities, ~~and,~~ If a grant is received, sign the grant contract the fiscal agent must be a party to the grant contract. The fiscal agent shall be legally responsible for the completion of the ~~grant activity~~ granted activities and for the proper management of the grant funds.

Subp. 5. **Individual artist.**

A. ~~The applicant must conform to the definition of an individual artist under part 1900.0310, subpart 10.~~ An eligible individual applicant must:

(1) be a professional artist applying as an individual;

(2) be a United States citizen or have attained permanent resident status;

(3) be at least 18 years old; and

(4) have been a Minnesota resident for at least six months prior to the application date, and must continue to reside in Minnesota throughout the contract period. Residency shall be determined as described in Minnesota Statutes, section 200.031.

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

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

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

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

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

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

~~(4) payment of Minnesota income taxes.~~

E. B. ~~The applicant must not engage in or propose to engage in any of the activities, conditions, or uses of granted funds listed in subitems (1) to (7)~~ An eligible individual applicant must not use granted funds to:

~~(1) covering cover~~ the costs of activities involving any organization ~~which~~ that is the applicant's employer;

~~(2) paying pay~~ for tuition, fees, or work toward any degree;

- (3) ~~paying pay~~ for the translation of another artist's literary work;
- (4) ~~developing~~ develop curriculum plans, teaching materials, or teaching programs ~~which~~ that are intended to be used in the applicant's regular course of employment;
- (5) ~~covering~~ cover the costs of relocating the applicant's legal residence outside ~~the state~~ of Minnesota; or
- (6) ~~paying pay~~ for the establishment of ~~an arts organization;~~ or any type of nonprofit or for-profit organization.
- (7) ~~paying for publishing with a vanity press.~~

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

- A. Pilot or new programs, part 1900.1410.
- B. Grant programs:
 - (1) ~~part 1900.1510, Institutional Support;~~
 - (2) ~~part 1900.1620, Arts Across Minnesota;~~
 - (3) ~~part 1900.1710, Presenter Support;~~
 - (4) ~~part 1900.1810, Folk Arts: Apprenticeships and Sponsorship;~~
 - (5) ~~part 1900.1910, Artist Assistance: Fellowship, Career Opportunity Grants, and Cultural Collaborations;~~
 - (6) ~~part 1900.2010, Arts in Education: School Support, and Organizational Support.~~
 - (1) part 1900.2215, Artist Initiative;
 - (2) part 1900.2220, Arts Access;

- (3) part 1900.2225, Arts Tour Minnesota;
- (4) part 1900.2230, Cultural Community Partnerships;
- (5) part 1900.2235, Minnesota Festival Support;
- (6) part 1900.2240, Folk and Traditional Arts;
- (7) part 1900.2245, Operating Support;
- (8) part 1900.2250, Partners in Arts Participation;
- (9) part 1900.2255, Community Arts Schools and Conservatories; and
- (10) part 1900.2260, Arts Learning.

[For text of item C, see M.R.]

1900.1110 APPEAL PROCESS.

Subpart 1. **Basis for an appeal.** There is no right of appeal for disputes of decisions with respect to interpretation of review criteria. An appeal may be made only if it is asserted that the board, or its staff, or advisory panels, did not follow ~~its~~ the policies and procedures as provided by this chapter.

Subp. 2. **Appeal procedure.** ~~Any~~ An applicant who disputes a decision of the board regarding the applicant's grant application on ~~any issue other than review criteria~~ the grounds that the board, or its staff, or advisory panels, did not follow its policies and procedures may appeal the decision of the board. The appeal shall be conducted according to ~~items A to D~~ this subpart.

A. The ~~applicant must submit~~ board must receive an appeal in writing within ~~45~~ 30 business days of the date of the letter notifying the applicant of the board's decision.

B. The appeal must specifically ~~state reasons for the appeal~~ how the board, its staff, or advisory panels failed to follow its policies and procedures and provide the board with all information or evidence the applicant has to support the appeal.

C. Board staff shall evaluate the appeal and submitted materials and make a recommendation to the board.

~~E. D.~~ An appeal that is received by the board at least 14 days in advance of a regularly scheduled board meeting shall be considered by the board at its first regularly scheduled meeting following the receipt of the appeal. An appeal received by the board less than 14 days in advance of the regularly scheduled board meeting shall be considered at the board's next subsequent regularly scheduled meeting.

~~D. E.~~ The board shall take one or more of the following actions provided in subitems (1) to (5) in response to the appeal:

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

(2) determine that the applicant shows sufficient cause for the appeal and direct staff to propose a remedy at a subsequent meeting;

~~(2)~~ (3) direct the staff to further investigate the applicant's appeal and bring a recommended resolution of the appeal to a report its results to the board at a subsequent meeting of the board;

~~(3)~~ (4) request that the applicant appear before the board at a subsequent meeting and to address the appeal at that time; or

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

(5) refer the appeal to an administrative law judge the Office of Administrative Hearings for a contested case proceeding.

Subp. 3. **Disputed decision.** Following the appeal to the board, if An applicant does not have the right to request that the board reconsider its decision. If the applicant continues to dispute the board's decision, the applicant shall notify the board in writing

within 14 business days of the date of the letter notifying the applicant of the board's decision. Upon receipt of notification of dissatisfaction from the applicant, the board shall refer the matter to an administrative law judge the Office of Administrative Hearings for a contested case proceeding. Once the board has referred the matter to the Office of Administrative Hearings, the board shall not consider the matter, pending receipt of the decision from the Office of Administrative Hearings.

1900.1210 LEGAL RELATIONSHIP BETWEEN APPLICANT AND BOARD.

A legal relationship is established between an applicant who has been awarded a grant and the board when a grantee enters into a contract. The grantee must sign and return to the board, within 45 days from the date of the written notice of the board's decision, the required number of copies of the grant contract and any necessary attachments. The grant contract shall include provisions defining the obligations and rights of the board and the grantee. ~~No action by the applicant shall be required following notification that an application was not approved for funding~~ Failure to satisfy a contract provision may jeopardize an applicant's current and future funding, as shall be specified by the contract.

1900.1310 PUBLIC ACCESS TO RULES AND PROGRAM INFORMATION.

Copies of the current rules ~~and program information~~ shall be available for public review ~~at the offices of the board during regular business hours~~ on the Web site of the Office of the Revisor of Statutes at: <https://www.revisor.mn.gov/rules/?id=1900>. Information on all programs shall be found on the Minnesota State Arts Board Web site at: <http://www.arts.state.mn.us>. People with disabilities may make special arrangements with the board to access the documents. In addition, the board shall provide program information and a copy of this chapter ~~shall be provided~~ upon request to all applicants and the public.

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

Subpart 1. **Definitions.**

A. "Artist" means an individual, or a collaborating group of individuals, practicing in the visual arts.

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

C. "Custodial agency" means the agency that controls the building or site where the artwork will be installed and is responsible for stewardship of the artwork.

~~B. D.~~ "Purchase award" means the direct purchase of an existing work of art.

E. "Registry" or "artist registry" means a nonjuried collection of images and information on visual artists interested in having their work purchased or commissioned for newly constructed or renovated state building sites across Minnesota.

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

~~Đ. G.~~ "Site selection committee" means at least five, and no more than seven, individuals who will recommend artwork for a designated site. The board and the custodial agency shall determine whether a five- or seven-member committee is needed, based on the size of the budget and the scope of the project to be completed. The committee is chaired by a designee of the board who is a nonvoting member of the committee.

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

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

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

(2) chosen by site selection committees.

Subp. 2. **Purpose of program.** The purpose of the Minnesota percent for art in public places program is to make possible the acquisition of works of art to be exhibited in areas of a state building, as defined by Minnesota Statutes, section 16B.35, or its grounds, accessible on a regular basis to members of the public.

Subp. 3. **Activities the program supports.** The program may purchase or commission original works of art with up to one percent of the total construction budget of a state building with a construction or renovation budget of at least \$500,000. This program shall enable artists to participate with client agencies and design professionals in the process of designing public spaces within and around state buildings; shall commission artists to create artworks to be integrated into the buildings and sites; or shall purchase existing artworks to be displayed throughout the buildings. In addition, the program shall manage and maintain ~~a slide~~ an artist registry as a resource for selecting visual artists and artwork when new sites are identified for the program. The registry shall also be used by other nonstate organizations or individuals interested in locating artwork for commission or purchase. With authorization from the Department of Administration, the board may use up to ~~20~~ ten percent of each site's percent for art in public places' appropriation for administrative costs.

Subp. 4. **Processes used to select artwork for site.** The board shall ~~generally~~ use a site selection committee process described in subpart 9 to select artwork for a site. ~~Under emergency~~ In circumstances where the amount of available funds do not merit commissioning new work, ~~which the board determines in close consultation with the tenant when there is a lack of time or administrative financial resources,~~ the board may determine that a purchase award is appropriate.

[For text of subp 5, see M.R.]

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

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

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

C. ~~(2)~~ one member shall represent the architect for the building; ~~and~~

D. ~~(3)~~ two members (or three, if it is a seven person committee) who have expertise as an artist, curator, critic, writer, museum director, arts educator or administrator, member of the Arts Board, architect, landscape architect, or other design professional shall be appointed by the board; and

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

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

Subp. 8. **Waiting periods for subsequent awards.** An artist who has received purchase awards through the program totaling a minimum amount as determined by the board based upon available resources and published in the current program information, ~~or more~~, in one fiscal year must wait one year from the contract execution date before being considered for other percent for art projects by the board.

An artist who has received commission awards totaling a minimum amount as determined by the board based upon available resources and published in the current program information, ~~or more~~, in one fiscal year must wait three years from the contract execution date before the artist shall be considered for other projects.

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

Subp. 9. **Processes to identify applicants for consideration.**

[For text of item A, see M.R.]

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

(1) Open competitions shall be announced ~~through a large bulk mailing of a prospectus~~ by the distribution of a request for qualifications or a request for proposals describing the project. Work samples from all eligible responsive applicants ~~who respond~~ shall be shown to the site selection committee. This type of competition is most suitable for projects with large budgets and extended timelines.

(2) Registry competitions shall use the ~~slide~~ artist registry to prescreen applicants who meet the specific criteria identified for the site by the site selection committee. The ~~slide~~ registry shall be used for all projects, often in combination with other types of competitions, but is particularly suitable for projects with limited budgets, short timelines, and if work is sought for a purchase award.

[For text of subitem (3), see M.R.]

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

The site selection committee's recommendations shall be given to the board, the Department of Administration, and other necessary state agencies for final approval. Upon approval, the board shall enter into a contract with the artist. The contract shall provide for the direct purchase of existing work; or one or both of the following: the production of schematic design proposals for a commissioned work; or the actual production of commissioned work.

Subp. 10. **Projects not eligible.** A project proposal is not eligible for consideration for the percent for art program if it is not demonstrated that unless it meets the description definition of a site or project as defined in subpart 1.

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

[For text of items A and B, see M.R.]

C. if the Department of Administration has determined it to be inappropriate.

Subp. 11. **Responsibilities of Arts Board and custodial agency after acceptance of artwork.**

A. The Arts Board staff shall monitor the condition of the artwork and shall provide oversight to ensure that routine and special routine maintenance of the artwork is being performed by the custodial agency.

B. If the board reasonably determines that the artwork presents imminent harm or hazard to the public, the board may authorize modifications of, including material changes, or removal of the artwork without prior approval of the artist.

C. Neither the board nor the custodial agency shall be required to contact the artist prior to routine or special routine maintenance, such as artist maintenance instructions.

D. Upon successful installation of the artwork, the custodial agency shall be responsible for:

- (1) protecting the artwork against loss, theft, vandalism, or other damage;
- (2) routine maintenance of the artwork; and
- (3) any conservation or restoration deemed necessary by the board.

Subp. 12. Rights of artist after acceptance of artwork.

A. Neither the board nor the custodial agency shall make changes that could reasonably be expected to affect the intended character or appearance of the artwork without written authorization from the artist.

B. In the event the board determines conservation and restoration of an artwork should be undertaken, the board shall notify the artist in writing of:

- (1) the nature of the material change;
- (2) the board's recommendations for the proposed means and methods for conservation and restoration; and
- (3) a timeline establishing the date by which the artist must respond in writing with any concerns regarding the proposed plan for conservation and restoration.

C. If a modification of the artwork occurs without the artist's permission and the artist gives written notice to the board requesting that the artist's name and the artwork be disassociated, the artwork will no longer be designated as the artwork of the artist.

D. In the event the board decides to no longer keep the artwork, the artist shall have the right of first refusal to purchase the artwork in its current condition at the greater

of salvage cost or the cost to retrieve the artwork, provided it is not integrated in a larger piece or a structure, or it can be removed without destruction of the artwork.

E. If the artwork is created and physically constructed as part of a building, facility, or public site, the installation may subject the artwork to destruction, distortion, or other modification by reason of its removal from or significant changes to the location.

1900.2215 ADDITIONAL REQUIREMENTS AND PROCESSES FOR ARTIST INITIATIVE PROGRAM.

Subpart 1. **Purpose of program.** The purpose of the artist initiative program is to support professional Minnesota artists at various stages in their careers by encouraging artistic development, nurturing artistic creativity, and recognizing the contributions of individual artists to the creative environment of the state.

Subp. 2. **Uses of grants.** Artist initiative program funds may be used for the following:

- A. to fund the creation and presentation of works by Minnesota artists; or
- B. for the artistic or professional development of Minnesota artists.

Subp. 3. **Criteria used by advisory panel and board to make grants.** Each application shall be reviewed by an advisory panel that shall make recommendations to the board based on the degree to which the advisory panel finds that the applicant meets the following criteria:

- A. artistic quality of work, as demonstrated by the artist resume and work samples submitted with the application;
- B. merit and feasibility of the proposal and its impact on the artist's creative development and professional growth; and
- C. ways in which the proposal will strengthen the creative community or the state.

Subp. 4. **Additional requirements.** To be eligible for a grant under this part, the applicant must:

- A. not have received an artist initiative grant for the previous fiscal year;
- B. not have received a cultural community partnership grant, as applicant or collaborator, in either the previous or current fiscal year; and
- C. be applying on behalf of the applicant and not on behalf of a duo, group, or organization.

Subp. 5. **Dollar amount of grants.** The minimum and maximum amounts and any matching funds requirements for an arts initiative grant shall be determined by the board based upon available resources and printed in current program information.

1900.2220 ADDITIONAL REQUIREMENTS AND PROCESSES FOR ARTS ACCESS PROGRAM.

Subpart 1. **Definition.** "Community" means a group of people located in a limited geographic area or a group of people possessing a common interest or identity.

Subp. 2. **Purpose of program.** The arts access program is designed to broaden opportunities for Minnesotans to participate in high quality arts experiences. Applicants must work with underserved groups or communities to identify barriers to participation and work collaboratively with the group or community to develop and implement strategies to reduce or remove those barriers.

Subp. 3. **Uses of grants.** Arts access funds may be used for the following purposes:

- A. to provide opportunities for artistic experiences in underserved groups or communities; or
- B. to remove barriers to participation in the arts for all Minnesotans.

Subp. 4. **Criteria used by advisory panel and board to make grants.** Each application shall be reviewed by an advisory panel that shall make recommendations to

the board based on the degree to which the advisory panel finds that the applicant meets the criteria in items A to D.

A. The quality of the arts experience that must, at a minimum, be demonstrated by the following:

- (1) the artistic, creative, and cultural value of the proposed project; and
- (2) the relationship between the artistic programming, the applicant's mission, and the audience's needs.

B. Commitment to and from the community that must, at a minimum, be demonstrated by the following:

- (1) the community is involved in the planning or execution of the project;
- (2) the project brings value, artistic or otherwise, to the community; and
- (3) efforts to make the programming accessible for persons with disabilities.

C. Capacity for effective project administration that must, at a minimum, be demonstrated by the following:

- (1) the qualifications of the staff, artists, and other collaborators to design and execute the proposed programming;
- (2) a promotion plan that will attract broad public participation, or successfully target some other group;
- (3) a realistic budget that aligns with project and applicant goals; and
- (4) evidence of an ability to achieve consistent and measurable results.

D. Effective evaluation and assessment that must, at a minimum, be demonstrated by the following:

- (1) an evaluation plan for the project that will measure the Arts Board's program and applicant's project outcomes;

(2) an evaluation plan with processes, tools, and methods that are realistic and appropriate for the project; and

(3) evidence of how evaluation plan results will be used to guide future planning and programming.

Subp. 5. **Additional eligibility requirements.** An applicant must be:

A. a Minnesota organization that primarily serves Minnesotans;

B. an organization that is exempt from taxation under section 501(c)(3) of the Internal Revenue Code, an unincorporated group that has an agreement with a Minnesota fiscal agent, or a Minnesota public entity or division of a public entity that has an arts affiliate as defined in part 1900.0310; and

C. an arts organization or an arts affiliate as defined in part 1900.0310 that is engaged in producing or presenting activities or is an artist service organization.

Subp. 6. **Dollar amount of grants.** The minimum and maximum amounts for grants, or any matching funds requirements, for the arts access program shall be determined by the board based upon available resources and shall be printed in current program information.

1900.2225 ADDITIONAL REQUIREMENTS AND PROCESSES FOR ARTS TOUR MINNESOTA PROGRAM.

Subpart 1. **Definitions.** For purposes of this part, the following terms have the meanings given.

A. "Geographic community" means a population center and its adjoining communities.

B. "Touring" means an arts activity that takes place in a geographic community other than the artist's home community that draws or serves a significantly different audience than the audience the touring artist normally draws or serves.

C. "Touring artist" means an eligible professional individual artist or an unincorporated organization that will provide the artistic content for the proposed project.

Subp. 2. **Purpose of program.** The arts tour Minnesota program is designed to provide Minnesotans greater access to high quality arts activities regardless of geographic location. Program grants support touring performances, exhibitions, and other arts activities throughout the state.

Subp. 3. **Uses of grants.** Arts tour Minnesota funds may be used for the following purposes:

A. to increase the quality and quantity of artistic experiences available to all Minnesotans by supporting touring artists; and

B. to increase the capacity for touring artists or presenters to provide the proposed artistic programming.

Subp. 4. **Criteria used by advisory panel and board to make grants.** Each application shall be reviewed by an advisory panel which shall make recommendations to the board based on the degree to which the advisory panel finds that the applicant meets the criteria in items A to D.

A. The quality of the arts experience, which must at a minimum, be demonstrated by the following:

(1) the artistic, creative, and cultural value of the proposed project; and

(2) the relationship between the artistic programming, the applicant's mission, and the audience's needs.

B. Commitment to and from the community, which must at a minimum, be demonstrated by the following:

(1) the community is involved in the planning or execution of the project;

- (2) the project brings value, artistic or otherwise, to the community; and
- (3) efforts to make the programming accessible for persons with disabilities.

C. Capacity for effective project administration, which must at a minimum, be demonstrated by the following:

- (1) the qualifications of the staff, artists, and other collaborators to design and execute the proposed project;
- (2) a promotion plan that will attract broad public participation, or successfully target some other group;
- (3) a realistic budget that aligns with the project and applicant's goals; and
- (4) evidence of an ability to achieve consistent and measurable results.

D. Effective evaluation and assessment, which must at a minimum, be demonstrated by the following:

- (1) an evaluation plan for the project that will measure the Arts Board's program and applicant's project outcomes;
- (2) an evaluation plan with processes, tools, and methods that are realistic and appropriate for the project; and
- (3) evidence of how evaluation results will be used to guide future planning and programming.

Subp. 5. Additional eligibility requirements.

A. Organization applicants must also:

- (1) be an arts producing organization that is located and operates within Minnesota, proposes to tour its own artistic production, and has previous experience producing similar work; or

(2) be a nonprofit Minnesota organization, an unincorporated group using a fiscal agent, or a public entity such as a unit of state or local government that proposes to present the work of touring artists.

B. Individual artist applicants must also:

- (1) have previous experience producing artistic work for audiences; and
- (2) propose to tour their own work.

Subp. 6. **Dollar amount of grants.** The minimum and maximum amounts and any matching funds requirements for arts tour Minnesota shall be determined by the board based upon available resources and printed in current program information.

1900.2230 ADDITIONAL REQUIREMENTS AND PROCESSES FOR CULTURAL COMMUNITY PARTNERSHIP PROGRAM.

Subpart 1. **Definitions.** For purposes of this part, the following terms have the meanings given.

A. "Applicant" means a Minnesota individual artist of color, or a Minnesota nonprofit organization that is collaborating with a Minnesota artist of color.

B. "Artist of color" means an individual who meets the definition of person of color in part 1900.0310, subpart 13, as well as individuals who are of North African or Middle Eastern descent.

C. "Collaboration" means the process that occurs when more than one artist or an artist and an organization work together to create and present artwork.

D. "Collaborator" means an individual artist of color or a Minnesota nonprofit organization working with an artist of color.

Subp. 2. **Purpose of program.** The purpose of the cultural community partnership program is to enhance the artistic and career development of artists of color, and to expose Minnesota communities to the works of artists of color.

Subp. 3. **Uses of grants.** Cultural community partnership program funds may be used for the following:

A. for activities directly related to enhancing an artist of color's artwork or career; or

B. to increase access to and appreciation of the work of artists of color.

Subp. 4. **Criteria used by advisory panel and board to make grants.** Each application shall be reviewed by an advisory panel which shall make recommendations to the board based on the degree to which the advisory panel finds that the applicant meets the following criteria:

A. artistic quality of work, as demonstrated by the artist resume and work samples submitted with the application;

B. merit and feasibility of the proposed collaboration and the degree to which the project fosters artistic growth and visibility for the artist; and

C. the degree to which the project will expand available arts programming inside and outside Minnesota communities of color.

Subp. 5. **Additional requirements.** Cultural community partnership applicants and their collaborators must meet the following additional program specific eligibility requirements:

A. the artist applicant or artist collaborator must be an artist of color;

B. all artists, applicant or collaborator, must be Minnesota residents; and

C. eligibility shall be limited for previous Arts Board grant recipients, based on available funds as shall be detailed in current program materials.

Subp. 6. **Dollar amount of grants.** The minimum and maximum amounts and any matching funds requirements for the cultural community partnership program shall be

determined by the board based upon available resources and printed in current program information.

1900.2235 ADDITIONAL REQUIREMENTS AND PROCESSES FOR MINNESOTA FESTIVAL SUPPORT PROGRAM.

Subpart 1. **Definitions.** For the purposes of the festival support program:

A. "Arts component" means a distinct arts portion of a broader, community festival that features the work of at least three Minnesota artists and lasts for at least four hours on a single day.

B. "Arts festival" means a celebration of art and culture that features the work of at least five Minnesota artists or arts groups and lasts for at least six hours on a single day.

Subp. 2. **Purpose of program.** The Minnesota festival support program is designed to build community and expose citizens in every region of the state to festivals that celebrate the arts, including diverse art forms such as folk and traditional art as defined under part 1900.2240.

Subp. 3. **Uses of grants.** Festival support funds may only be used for:

- A. costs related to planning, preparing, and presenting a festival; or
- B. professional development of staff that increases an organization's capacity to plan, prepare, and present the proposed festival.

Subp. 4. **Criteria used by advisory panel and board to make grants.** Each application shall be reviewed by an advisory panel which shall make recommendations to the board based on the degree to which the advisory panel finds that the applicant meets the criteria in items A to D.

A. The quality of the arts experience that must, at a minimum, be demonstrated by the following:

- (1) the artistic, creative, and cultural value of the proposed project; and

(2) the relationship between the artistic programming, the applicant's mission, and the audience's needs.

B. Commitment to and from the community that must, at a minimum, be demonstrated by the following:

(1) the community is involved in the planning or execution of the project;

(2) the project brings value, artistic or otherwise, to the community; and

(3) efforts to make the programming accessible for persons with disabilities.

C. Capacity for effective project administration that must, at a minimum, be demonstrated by the following:

(1) the qualifications of the staff, artists, and other collaborators to design and execute the proposed programming;

(2) a promotion plan that will attract broad public participation or successfully target some other group;

(3) a realistic budget that aligns with project and applicant goals; and

(4) evidence of an ability to achieve consistent and measurable results.

D. Effective evaluation and assessment that must, at a minimum, be demonstrated by the following:

(1) an evaluation plan for the project that will measure the Arts Board's program and applicant's project outcomes;

(2) an evaluation plan with processes, tools, and methods that are realistic and appropriate for the project; and

(3) evidence of how evaluation results will be used to guide future planning and programming.

Subp. 5. **Additional eligibility requirements.** To be eligible for a grant under this part, the applicant must:

A. not have received funds in the same fiscal year from the Arts Board's operating support or community arts schools and conservatories grant programs; and

B. have presented the proposed festival at least once prior to the date the application is submitted.

Subp. 6. **Dollar amount of grants.** The minimum and maximum amounts for grant awards and any matching funds requirements for the Minnesota festival support program shall be determined by the board based upon available resources and shall be published in current program information.

1900.2240 ADDITIONAL REQUIREMENTS AND PROCESSES FOR FOLK AND TRADITIONAL ARTS PROGRAMS.

Subpart 1. **Definitions.**

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

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

C. "Folk and traditional arts" means skills, customs, and beliefs that are passed on primarily by word of mouth, example, or observation and imitation from one generation to the next, rather than through academic or formal means.

D. "Interpretation" means helping members of the public understand the connections between specific types of folk or traditional art and the cultures from which they come.

E. "Master" means a person recognized in a community as a highly skilled folk or traditional artist.

Subp. 2. **Purpose of program.** The purpose of the folk and traditional arts program is to support the artistic traditions and customs practiced within community or cultural groups by identifying, documenting, preserving, creating, presenting, and honoring Minnesota's artistic traditions.

Subp. 3. **Uses of grants.** Folk and traditional arts funds may be used for the following purposes:

- A. to promote the development and work of folk and traditional artists; or
- B. for activities that increase the appreciation or understanding of folk or traditional art forms in Minnesota.

Subp. 4. **Criteria used by advisory panel and board to make grants.** Each application shall be reviewed by an advisory panel which shall make recommendations to the board based on the degree to which the advisory panel finds that the applicant meets the criteria in items A to D.

A. The quality of the arts experience, which must at a minimum, be demonstrated by the following:

- (1) the artistic, creative, and cultural value of the proposed project; and
- (2) the relationship between the artistic programming, the applicant's mission, and the audience's needs.

B. Commitment to and from the community, which must at a minimum, be demonstrated by the following:

- (1) the community is involved in the planning or execution of the project;
- (2) the project brings value, artistic or otherwise, to the community; and
- (3) efforts to make the programming accessible for persons with disabilities.

C. Capacity for effective project administration, which must at a minimum, be demonstrated by the following:

(1) the qualifications of the staff, artists, and other collaborators to design and execute the proposed programming;

(2) a promotion plan that will attract broad public participation, or successfully target some other group;

(3) a realistic budget that aligns with project and applicant goals; and

(4) evidence of an ability to achieve consistent and measurable results.

D. Effective evaluation and assessment, which must at a minimum, be demonstrated by the following:

(1) an evaluation plan for the project that will measure the Arts Board's program and applicant's project outcomes;

(2) an evaluation plan with processes, tools, and methods that are realistic and appropriate for the project; and

(3) evidence of how evaluation results will be used to guide future planning and programming.

Subp. 5. Additional eligibility requirements.

A. Applicant organizations must be:

(1) a Minnesota organization that is exempt from taxation under section 501(c)(3) of the Internal Revenue Code;

(2) an unincorporated organization with an agreement with a Minnesota fiscal agent; or

(3) a public entity or a division of state, local, or tribal government.

B. An individual artist must:

(1) be trained by traditional elders or master artists and have an artistic practice that is reflective of the cultural life of a community; and

(2) not create contemporary representations using folk forms as inspiration in personal art.

Subp. 6. **Dollar amount of grants.** The minimum and maximum amounts for grant awards and any matching fund requirements for the folk and traditional arts program shall be determined by the board based upon available resources and shall be printed in current program information.

1900.2245 ADDITIONAL REQUIREMENTS AND PROCESSES FOR OPERATING SUPPORT PROGRAM.

Subpart 1. **Definitions.**

A. "Charitable arts support" means:

(1) unrestricted revenue, including contributions and donations from foundations, corporations, businesses, and individuals that are tax deductible by the donor;

(2) the proceeds from benefits, special events, and memberships that are tax deductible by the donor;

(3) contributed support from a nonprofit organization or governmental host organization to its arts affiliate; and

(4) grants from government entities.

For the purposes of the operating support program, charitable arts support does not include Arts Board operating support funds or in-kind contributions or revenue associated with gaming.

B. "Presenter" or "presenting organization" means an arts organization or arts affiliate whose work consists of engaging in presenting activities as defined in part 1900.0310, subpart 14.

C. "Producer" or "producing organization" means an arts organization or arts affiliate that is primarily engaged in conceiving or creating artistic work, and in assembling the artistic elements of its productions, performances, or exhibitions.

D. "Qualifying expenses" means unrestricted expenses, but does not include in-kind expenses, nonoperating expenses, nonarts expenses, or Arts Board operating support funds.

Subp. 2. **Purpose of program.**

A. The operating support program provides general operating support to high quality, established arts organizations that produce, present, or exhibit works of art; to organizations that provide a broad range of services to artists; and to community arts schools and conservatories that make arts learning available to Minnesotans of all ages and abilities.

B. The operating support program recognizes that organizations with an established record of programmatic service and administrative stability should have access to funds to support organizational goals and objectives, and to maintain ongoing programs, services, and facilities without special emphasis on new initiatives as justification for funding.

Subp. 3. **Additional eligibility requirements.** Operating support applicants must meet the additional eligibility requirements in items A to C.

A. The applicant must be an arts organization or affiliate as defined in part 1900.0310 and also must be one or more of the following:

- (1) an arts producer;
- (2) an arts presenter;
- (3) a community arts school and conservatory; or
- (4) an artist service organization.

B. The applicant must:

(1) be physically located in Minnesota, and produce the majority of its programming in Minnesota, primarily for Minnesotans;

(2) have been in existence, actively providing arts programming or services for at least two consecutive years before applying for operating support for the first time; and

(3) meet the average qualifying expense and charitable arts support requirements printed in the most current program materials. These levels shall be calculated and adjusted in the even year of the biennium, based on the rate of change reflected by a professionally acknowledged economic indicator or index such as the Consumer Price Index.

C. The following are not eligible to receive Arts Board operating support funding:

(1) any state agency, public institution, or nonprofit organization that receives a legislative appropriation or legislatively mandated grant from the Minnesota's arts and cultural heritage fund is not eligible to receive an Arts Board operating support grant for the same fiscal year that it receives the appropriation or legislatively mandated grant;

(2) any project, program, or division housed within or affiliated with a state agency, public institution, or nonprofit organization that receives a legislative appropriation or legislatively mandated grant from the Minnesota's arts and cultural heritage fund is not eligible to receive an Arts Board operating support grant for the same fiscal year that it receives the legislative appropriation or legislatively mandated grant;

(3) an affiliate and its host institution may not both receive funding in the operating support program. However, more than one affiliate of the same host institution may receive contemporaneous funding; and

(4) two separate organizations whose work supports or is based upon the same artists or arts programming may not both receive funding in the operating support program.

Subp. 4. **Uses of grants.** Operating support grants that include arts and cultural heritage funds may only be used:

A. to produce, present, or offer programs, projects, services, or activities in the arts, arts education, or arts access, and to preserve Minnesota's history and cultural heritage;

B. to support programs, projects, services, or activities that take place within Minnesota;

C. to support programs, projects, services, or activities for which measurable outcomes have been established;

D. to supplement and not substitute for traditional sources of funding; or

E. to underwrite only those administrative, indirect, or institutional overhead costs that are directly related to and necessary for the funded programs or activities.

Subp. 5. **Criteria used by advisory panel and board to make grants.** Applications in full review under subpart 7 shall be reviewed by an advisory panel which shall make recommendations to the board based on the degree to which the advisory panel finds that the applicant meets the criteria in items A to E. Applications in interim review under subpart 7 shall be reviewed by Arts Board staff using the same criteria.

A. Artistic excellence and leadership that must, at a minimum, be demonstrated by the following:

(1) high quality activities that achieve a distinct artistic vision that is consistent with the applicant's stated mission;

(2) activities that allow the art form and artist to develop; and

(3) qualifications and achievements of artists and artistic leadership.

B. Management and fiscal responsibility that must, at a minimum, be demonstrated by the following:

(1) organizational and fiscal stability; and

(2) evidence of an ongoing ability to achieve measurable outcomes.

C. Inclusive public engagement that must, at a minimum, be demonstrated by the following:

(1) diversity of the board, staff, and participants; and

(2) evidence of efforts to reach underserved communities and steps taken to mitigate any barriers to participation.

D. Benefit to the public that must, at a minimum, be demonstrated by the following:

(1) a commitment to education and outreach to enhance quality of life in Minnesota;

(2) activities that help make the arts a vital part of community life; and

(3) activities that help achieve other shared public goals.

E. Assessment and evaluation that must, at a minimum, be demonstrated by the following:

(1) an effective self-evaluation plan that measures outcomes, the organization's progress towards goals, and the strength of its programs and operations; and

(2) evidence that self-evaluation is used to shape the organization's plans and activities.

Subp. 6. **Merit funding.** Applicants who have met all review criteria in subpart 5 may be eligible for additional merit funding if the review panel finds that the applicant has exceeded program expectations. Applicants shall be scored by an advisory panel based on the degree to which the applicant exceeds review criteria, and available merit funds, if any, shall be distributed based on scores.

Subp. 7. **Multiyear funding.** The operating support program shall use a four-year grant cycle. For each grant cycle, applicants shall undergo a full application review according to the processes in subpart 8. Each year after the full review, an abbreviated interim application and Arts Board staff review shall take place to ensure the applicant's continued compliance with program criteria.

Subp. 8. **Additional processes.** In addition to the completion of all application materials, applicant funding shall be contingent upon the following:

A. during full and interim review, a representative of the Arts Board shall attend a performance, exhibition, or other artistic activities of the applicant and shall complete a report, which the advisory panel or staff shall use in its assessments of the artistic quality of the applicant's activities;

B. during full review, between the application deadline and advisory panel meeting, applicants shall have an administrative visit from a staff member and advisory panel member who shall ask questions raised by the application and receive any updates from the applicants. An oral report on the administrative visit shall be presented to the advisory panel; and

C. monitoring visits review the grantee's progress towards outcomes, gauge the ongoing success and impact of the applicant's activities, and identify any issues or

challenges the applicant may be facing. Monitoring visits shall be scheduled in advance and may or may not be combined with an artistic or administrative visit.

Subp. 9. **Dollar amount of grants.** The minimum and maximum amounts for grant awards and any matching funds requirements for the operating support program shall be determined by the board based upon available resources and published in current program information.

1900.2250 ADDITIONAL REQUIREMENTS AND PROCESSES FOR PARTNERS IN ARTS PARTICIPATION PROGRAM.

Subpart 1. **Definition.** "Health and human services providers" means organizations that provide services that protect or improve the health, well-being, or human development of individuals or families, usually by meeting basic human needs as defined by National Taxonomy of Exempt Entities (NTEE) which is incorporated by reference, available at www.foundationcenter.org/ntee, and updated continuously. For example, organizations that provide the following types of programs and services are generally eligible to apply: health care; addiction and substance abuse services; mental health and crisis services; immigrant and refugee services; job training; and helping to provide food and housing for the indigent.

Subp. 2. **Purpose of program.** The partners in arts participation program is designed to broaden opportunities for Minnesotans to participate in arts experiences, by allowing Minnesota health and human services organizations to integrate arts programming into the services they provide their clients.

Subp. 3. **Eligibility.**

A. Health or human services organizations that are located in Minnesota and have been designated as a section 501(c)(3) organization by the Internal Revenue Service, or that operate under the auspices of a Minnesota tribal government, are eligible for partners in arts participation funds.

B. The following are not eligible to apply for partners in arts participation funds:

- (1) for-profit organizations of any kind;
- (2) Minnesota nonprofit arts organizations;
- (3) individuals;
- (4) health and human services divisions of city, county, or state government, or health and human services entities or organizations that are affiliated with city, county, or state government agencies;
- (5) economic, neighborhood, or community development organizations;
- (6) mutual or membership benefit organizations, or organizations whose primary activities are meant to promote broad public goals or benefits as defined by the National Taxonomy of Exempt Entities (NTEE) listings; and
- (7) public or private kindergarten through grade 12 schools or higher education organizations.

Subp. 4. **Uses of grants.** Partners in arts participation grants may only be used for:

A. costs associated with providing arts programming for the clients of Minnesota health and human services providers; or

B. costs associated with removing barriers to arts participation among the clients of Minnesota health and human services providers.

Subp. 5. **Criteria used by advisory panel and board to make grants.** Each application shall be reviewed by an advisory panel which shall make recommendations to the board based on the degree to which the advisory panel finds that the applicant meets the criteria in items A to D.

A. The quality of the arts experience that must, at a minimum, be demonstrated by the following:

- (1) the artistic, creative, and cultural value of the proposed project; and
- (2) the relationship between the artistic programming, the applicant's mission, and the audience's needs.

B. Commitment to and from the community that must, at a minimum, be demonstrated by the following:

- (1) the community is involved in the planning or execution of the project;
- (2) the project brings value, artistic or otherwise, to the community; and
- (3) efforts to make the programming accessible for persons with disabilities.

C. Capacity for effective project administration that must, at a minimum, be demonstrated by the following:

- (1) the qualifications of the staff, artists, and other collaborators to design and execute the proposed programming;
- (2) a promotion plan that will attract broad public participation or successfully target some other group;
- (3) a realistic budget that aligns with project and applicant goals; and
- (4) evidence of an ability to achieve consistent and measurable results.

D. Effective evaluation and assessment that must, at a minimum, be demonstrated by the following:

- (1) an evaluation plan for the project that will measure the Arts Board's program and applicant's project outcomes;
- (2) an evaluation plan with processes, tools, and methods that are realistic and appropriate for the project; and
- (3) evidence of how results are used to guide future planning and programming.

Subp. 6. **Dollar amount of grants.** The minimum and maximum amounts for grants and any matching funds requirements for the partners in arts participation program shall be determined by the board based upon available resources and shall be printed in current program information.

1900.2255 ADDITIONAL REQUIREMENTS AND PROCESSES FOR COMMUNITY ARTS SCHOOLS AND CONSERVATORIES PROGRAM.

Subpart 1. **Definition.** "Community arts school or conservatory" means an arts organization or arts affiliate that provides arts instruction to all interested individuals regardless of perceived talent, level of skill, or ability to pay. It provides rigorous, structured instruction that emphasizes the development of proficiency in an arts form. A community arts school or conservatory does not confer academic degrees, although its host organization may.

Subp. 2. **Purpose of program.** The purpose of the community arts schools and conservatories program is to provide operating support to high quality, established community arts schools and conservatories that provide arts instruction programs offered by a professional faculty to all interested individuals.

Subp. 3. **Eligibility.** Community arts schools and conservatories applicants must:

- A. be a community arts school or conservatory as defined in subpart 1;
- B. have been in existence, actively providing arts learning programming, for at least two consecutive years before applying for the community arts schools and conservatories program for the first time;
- C. not receive an operating support grant within the same fiscal year; and
- D. meet the average qualifying expense and charitable arts support requirements printed in the most current program materials. These levels shall be calculated and adjusted

in the even year of each biennium, based on the rate of change reflected by a professionally acknowledged economic indicator, or index, such as the Consumer Price Index.

Subp. 4. **Uses of grants.** Community arts schools and conservatories funds may be used only:

A. to support the direct costs associated with providing structured and rigorous arts learning programming; or

B. to underwrite only those administrative, indirect, or institutional overhead costs that are directly related to and necessary for programs that provide arts learning opportunities to Minnesotans of all ages.

Subp. 5. **Criteria used by advisory panel and board to make grants.** Applications in full review under subpart 7 shall be reviewed by an advisory panel, which shall make recommendations to the board based on the degree to which the advisory panel finds that the applicant meets the criteria in items A to E. Applications in interim review under subpart 7 shall be reviewed by Arts Board staff using the same criteria.

A. Artistic excellence and leadership that must, at a minimum, be demonstrated by the following:

(1) the qualifications and achievements of teaching artists and artistic leadership; and

(2) high quality arts learning activities that provide opportunities for individuals to develop proficiency in an art form.

B. Management and fiscal responsibility that must, at a minimum, be demonstrated by the following:

(1) organizational and fiscal stability; and

(2) evidence of an ongoing ability to achieve measurable outcomes.

C. Inclusive public engagement that must, at a minimum, be demonstrated by the following:

- (1) diversity of the board, staff, faculty, and participants; and
- (2) evidence of efforts to reach underserved communities and steps taken to mitigate any barriers to participation in the arts.

D. Benefit to the public that must, at a minimum, be demonstrated by the following:

- (1) a commitment to community arts education that fosters understanding and awareness of artists and art forms; and
- (2) efforts to engage with community leaders and partners to make the arts a vital part of community life.

E. Assessment and evaluation that must, at a minimum, be demonstrated by the following:

- (1) an effective self-evaluation plan that measures outcomes, the organization's progress towards goals, and the strength of its programs and operations; and
- (2) evidence that self-evaluation is used to shape the organization's plans and activities.

Subp. 6. **Merit funding.** Applicants who have met all review criteria in subpart 5 may be eligible for additional merit funding if the review panel finds that the applicant has exceeded program expectations. Applicants shall be scored by an advisory panel based on the degree to which the applicant exceeds review criteria, and available merit funds, if any, shall be distributed based on scores.

Subp. 7. **Multiyear funding.** The community arts schools and conservatories program shall use a two-year grant cycle. For each grant cycle, applicants shall undergo a full application review according to program materials. In the second year of the cycle

an abbreviated interim application and review shall take place to ensure the applicant's continued compliance with program criteria.

Subp. 8. **Dollar amount of grants.** The minimum and maximum amounts for grant awards and any matching fund requirements for the community arts schools and conservatories program shall be determined by the board based upon available resources and shall be printed in current program information.

1900.2260 ADDITIONAL REQUIREMENTS AND PROCESSES FOR ARTS LEARNING PROGRAM.

Subpart 1. **Definitions.** The terms in this part have the meanings given.

A. "Arts learning" means the lifelong acquisition of knowledge, skills, and understanding in the arts. It engages learners in creating, performing, and responding to art in a disciplined and intentional way guided by a teaching artist.

B. "Teaching artist" means an artist that is primarily responsible for providing the artistic content and ensuring that the arts learning goals of a project are met. Teaching artists are either individual artists who work independently or artists who are employed by an organization.

Subp. 2. **Purpose of program.** The purpose of the arts learning program is to engage individuals of all ages in the creation, performance, and appreciation of the arts in order to develop creativity and acquire knowledge, understanding, and skills in the arts.

Subp. 3. **Uses of grants.** Arts learning funds may only be used:

A. to create, execute, or expand arts learning programming for individuals of all ages in either school or community settings; and

B. to develop the skills of or provide professional development opportunities to teaching artists or program providers who are engaged in arts learning programming.

Subp. 4. **Eligibility.** Applicants must be:

A. an organization as defined in part 1900.0310; or

B. a professional artist of at least 18 years of age applying as an individual.

Subp. 5. **Criteria used by advisory panel and board to make grants.** Each application shall be reviewed by an advisory panel which shall make recommendations to the board based on the degree to which the advisory panel finds that the applicant meets the criteria in items A to D.

A. The quality of the arts experience that must, at a minimum, be demonstrated by the following:

(1) arts content is delivered by artists who exhibit levels of skill and experience in the subject matter art form that are aligned with the abilities of the targeted learners; and

(2) project goals and lesson plans are matched with the needs and abilities of the targeted learners.

B. Commitment to and from the community that must, at a minimum, be demonstrated by the following:

(1) the proposed project is built on an understanding of the diverse interests and needs of the arts learners; and

(2) efforts are made to foster collaboration between artists, arts organizations, and community institutions.

C. Capacity for effective project administration that must, at a minimum, be demonstrated by the following:

(1) the planning team is qualified to design and execute each of the arts learning provider's goals and activities;

(2) the budget supports the work of teaching artists through the payment of fees that are appropriate based on the skills and experience of the artist, the size and scope of the project, and market rates; and

(3) a realistic budget that includes a reasonable balance between artistic expenses and administrative expenses.

D. Effective evaluation and assessment that must, at a minimum, be demonstrated by the following:

(1) an evaluation plan for the project that shall measure the board's program outcomes and the applicant's project outcomes;

(2) an evaluation plan with processes, tools, and methods that are realistic and appropriate for the project; and

(3) evidence that evaluation plan results shall be used to guide future planning and programming.

Subp. 6. **Dollar amount of grants.** The minimum and maximum amounts for grant awards and any matching funds requirements for the arts learning program shall be determined by the board based upon available resources and shall be published in current program information.

1900.2310 DEFINITIONS.

[For text of subps 1 and 2, see M.R.]

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

[For text of subps 4 and 5, see M.R.]

Subp. 6. [See repealer.]

[For text of subps 7 to 12, see M.R.]

Subp. 12a. **Regional arts council or council.** "Regional arts council" or "council" means the one entity in each of the 11 regions that has gone through the designation process defined in parts 1900.3110 and 1900.3210 and is responsible for developing programs for arts funding and managing the resources allocated by the legislature for regional arts funding.

[For text of subp 13, see M.R.]

Subp. 14. **Regional Arts Council Forum or RAC Forum.** "Regional Arts Council Forum" or "~~RAC Forum~~" means an incorporated, not for profit, 501(c)(3), voluntary membership association of the 11 regional arts councils formed to provide resources, deal with common issues, and develop mutual support among regional arts councils in order to promote arts in Minnesota. The organization is registered under the name Forum of Regional Arts Councils of Minnesota. Some of its functions shall include developing the regional arts council allocation formula, negotiating the Regional Arts Council/Minnesota State Arts Board Fiscal Agent Agreement, and consulting with the board in the regional arts council designation process.

[For text of subps 15 to 17, see M.R.]

1900.2610 ELIGIBILITY FOR ALLOCATION.

Subpart 1. **Year one of biennium.** To receive a regional arts council block allocation in year one of a biennium, the council must submit a biennial plan to the regional arts advisory committee by May 15 of the fiscal year immediately preceding the biennium. In addition, the council must meet the requirements of part 1900.4110, subparts 3 and 4.

Subp. 2. **Year two of biennium.** To receive a regional arts council block allocation in the second year of the biennium, the council must submit to the board, by May 15 of the

first year of the biennium, an annual plan update that outlines either anticipated changes to the biennial plan for the ~~coming~~ second year of the biennium or a confirmation of no changes. In addition, the council must meet the requirements of part 1900.4110, subparts 2 and 3.

1900.2710 BIENNIAL PLAN COMPONENTS.

[For text of subps 1 and 2, see M.R.]

Subp. 3. **Needs assessment.** The biennial plan must be based on a needs assessment carried out in a manner which ensured input from the arts community and the arts involved public. The components of the needs assessment shall be determined by the regional arts council and may consist of any combination of constituent meetings, focus groups, program evaluations, mail, e-mail, online, or telephone surveys, individual interviews, or other evaluative tools. The assessment shall be conducted to assess and prioritize constituent needs, to evaluate appropriate community and regional resources to meet those needs, and to determine the practicality of continuing existing programming activities, service and grants assistance programs, or the feasibility of developing new programs, services, or grants by the regional arts council. The needs assessment shall be updated at intervals determined and announced by the regional arts council, but no less frequently than once every four years. The results shall be included in the biennial plan.

[For text of subps 4 to 10, see M.R.]

Subp. 11. **Public meeting.** Each council must hold at least one public meeting to solicit reaction to its preliminary biennial plan before it is approved and submitted to the board. The plan must be available for review at the council's office and on its Web site a minimum of three days before the meeting. At the meeting, the substance of the plan shall be presented to the general public in a manner that is clear and understandable and the audience given an opportunity to respond to the presentation. The meeting shall be scheduled to allow for revisions of the plan prior to its final submission. A written record

or taped recording of the public meeting must be kept in the council's office and available for public review for one year.

1900.2810 PRELIMINARY AND BIENNIAL PLAN REVIEW PROCESS.

[For text of subp 1, see M.R.]

Subp. 2. **Notice of regional arts advisory committee meeting.** The regional arts council must be notified by the board a minimum of ~~ten~~ 30 days prior to the regional arts advisory committee meeting and given the opportunity, at its option, to present the preliminary biennial plan in person before the regional arts advisory committee and to respond to questions raised by the committee.

[For text of subps 3 to 7, see M.R.]

1900.3010 PROCESS FOR RELEASING FUNDS TO REGIONAL ARTS COUNCILS.

[For text of subps 1 and 2, see M.R.]

Subp. 3. Special circumstances.

A. At the beginning of a fiscal year, if negotiations for the Regional Arts Council/Minnesota State Arts Board Fiscal Agent Agreement are still in process, the board must institute a system of partial allocation payments to each council until the agreement is completed. The payments may be contingent upon the submission of reports or receipt of information requested by the board. The Regional Arts Council Forum and each of the 11 regional arts councils must be notified by the board in writing by May 31 prior to the beginning of the fiscal year, of the board's intent to make partial payments, the conditions for the board making payments, and the conditions for the board's discontinuing the contingent payment system. If a contingent payment system is instituted by the board, it must be done in a manner which ensures that the normal operations of the councils are not impeded.

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

1900.3110 REGIONAL ARTS COUNCIL LOSS OF DESIGNATION.

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

Subp. 2. **Council designation removed; conditions.** There can only be one ~~designated~~ regional arts council in each region. A ~~designated~~ council shall remain the ~~designated~~ regional arts council until its designation is officially removed. The following circumstances shall result in the removal of designation:

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

B. The Regional Arts Council/Minnesota State Arts Board Fiscal Agent Agreement shall define the terms for a council's receipt of its block allocation. It shall also define the process of notification which the board must follow if it believes that a council is out of compliance with the agreement and the process which must be followed to remedy concerns or to rescind a council's designation. If the council successfully remedies

concerns, it shall remain the ~~designated~~ regional arts council. If it does not successfully remedy, the board shall remove the council as the ~~designated~~ regional arts council.

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

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

1900.3310 APPEALS OF DISPUTED DESIGNATION.

Subpart 1. **Initiating an appeal.** An organization seeking or affirming designation through the submission of preliminary biennial plans that disputes the decision of the board regarding the designation of regional arts council status may appeal the decision of the board. ~~This appeal will be conducted in the following manner:~~ The appellant must submit to the board a written appeal within 45 days of notification of the board's decision. The appeal must state, with specificity, the reasons for the appeal. An appeal that is received by the board at least 14 days in advance of a regularly scheduled board meeting shall be considered by the board at its first regularly scheduled meeting following the receipt of the appeal. An appeal received by the board less than 14 days in advance of a regularly scheduled board meeting shall be considered at the board's next subsequent regularly scheduled meeting.

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

~~B. the request must state the reasons for the appeal; and~~

~~C. the board shall review the request at its first meeting following the receipt of the request.~~

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

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

B. determine that the appellant does show sufficient cause for appeal and direct staff to propose a remedy at a subsequent meeting;

C. ~~and~~ request that the appellant appear before the board at a subsequent meeting to address the appeal; or

~~C. D.~~ refer the appeal to mediation or to ~~an administrative law judge as the~~ Office of Administrative Hearings for a contested case proceeding.

Subp. 3. **Dispute resolution.** ~~Following the appeal to the board, if the appellant continues to dispute the decision of the board regarding the organization's appeal, either party~~ If the board determines that the appellant failed to show sufficient cause for the appeal, the appellant may request a that the matter be reconsidered through mediation process. If the other party chooses not to mediate, the further appeal shall be conducted as a contested case. If both parties agree to mediation the board grants that request, the costs of mediation shall be shared equally. If the board denies that request, the appellant may request that the matter be referred to the Office of Administrative Hearings for a contested case proceeding. The appellant has 14 days from receipt of the board's decision not to mediate to make a written request that the matter be referred to the Office of Administrative Hearings.

1900.3410 ASSIGNMENT OF LEGISLATIVE ARTS ALLOCATION TO REGIONAL ARTS COUNCILS.

Subpart 1. **Role of Regional Arts Council Forum.** The Regional Arts Council Forum shall determine an allocation formula for distributing the legislative arts appropriation that is equitable to all regional arts councils. The forum must inform the board of the allocation formula to be used in the next biennium by June 30 of the year immediately prior to the first year of the biennium or no more than 15 days after the date that a legislative arts appropriation is passed after June 30.

Subp. 2. **Board role in allocation process.** The board must use the Regional Arts Council Forum's allocation formula to divide the legislative arts appropriation for the regional arts council system. If the Regional Arts Council Forum does not submit an allocation formula to the board ~~by June 30,~~ as required under subpart 1, the board shall prepare the fiscal agent agreements using the previous year's allocation formula.

1900.3510 REGIONAL ARTS ADVISORY COMMITTEE.

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

- A. reviewing regional arts councils preliminary biennial plans; and
- ~~B. advising the board on the administration of regional arts council functions in regions where there is no designated regional arts council;~~
- C. B. reviewing preliminary biennial plans and other information as described in part 1900.3210, subpart 5, of regions that are competing for regional arts council designation and making a recommendation to the board about designation; and

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

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

Subp. 3. **Rules affecting advisory committee members.** The board's appointments to the committee must follow part 1900.0410. For the purpose of this chapter, appointees other than the required six members shall be considered board appointees. The Regional Arts Council Forum shall define the qualifications, nominations, compensation, policies regarding conflicts of interest, and other matters pertaining to regional arts ~~councils~~ councils' appointments.

[For text of subp 4, see M.R.]

1900.3610 PARTICIPANTS IN RESOLVING DISPUTES BETWEEN REGIONAL MINNESOTA STATE ARTS BOARD/REGIONAL ARTS COUNCILS AND BOARD COUNCIL LIAISON COMMITTEE.

Subpart 1. Purpose of liaison committee. The Minnesota State Arts Board/Regional Arts Council Liaison Committee shall serve in an advisory capacity to the board on matters that affect the regional arts councils and the Regional Arts Council Forum. Specific responsibilities include:

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

A. advising the board on the administration of regional arts council functions in regions where there is no designated regional arts council;

B. hearing and making recommendations to the board about disputes between the board and a regional arts council or the Regional Arts Council Forum;

C. identifying and working cooperatively to address issues of common interest or concern to the board, forum, and the regional arts councils; and

D. other responsibilities as assigned by the board.

Subp. 2. **Member appointment.** The liaison committee shall be a board committee composed of seven members. Three members shall be appointed by the board from the board membership and three members shall be appointed by the Regional Arts Council Forum from the forum membership. The executive director of the board shall serve as a nonvoting member of the committee.

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

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

[For text of subp 2, see M.R.]

1900.3810 PROCESS TO CARRY FORWARD BLOCK ALLOCATIONS TO NEXT BIENNIUM.

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

[For text of subp 2, see M.R.]

1900.3910 UNOBLIGATED BLOCK ALLOCATION FUNDS.

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

1900.4010 AUTHORITY OF ~~DESIGNATED~~ REGIONAL ARTS COUNCILS.

A ~~designated~~ regional arts council may:

- A. establish programs and services based on needs assessments;
- B. define and establish criteria for funding eligibility and grant making;
- C. award funds;
- D. hear and arbitrate appeals using a publicly defined appeals process;
- E. devise criteria for the selection and rotation of board members;
- F. apply for grants and funding through additional sources; and
- G. operate administratively and programmatically within the framework of the approved biennial plan.

There are no limitations on programs or grants which regional arts councils may award, including the opportunity to award funds to grantees of the board.

1900.4110 REPORTING REQUIREMENTS.

[For text of subps 1 and 2, see M.R.]

Subp. 3. ~~**Biannual**~~ **Annual report.** ~~Each council must submit to the board a written report describing the activities relating to expenditures and management of its regional arts council block allocation within 90 days after the end of the second year of the biennium. The report must include:~~ By July 15 of each fiscal year, each council must submit an annual report to the board that includes information about applicants and recipients of money granted by the council for the fiscal year that ended on June 30. The information must be conveyed in an accurate and timely manner consistent with a data management process established by, and acceptable to, both the council and the board.

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

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

Subp. 3a. **Final report.** Each council must submit to the board a written report describing the activities relating to expenditures and management of its regional arts council block allocation within 90 days after the end of each fiscal year of the biennium. The report must include:

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

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

Subp. 4. **Certified public audit.** Each regional arts council must submit a certified public audit accounting for its regional arts council block allocation for the fiscal years ~~in which the biennial plan was in effect~~ according to the terms of the Regional Arts Council/Minnesota State Arts Board Fiscal Agent Agreement.

REPEALER. Minnesota Rules, parts 1900.1510; 1900.1620; 1900.1710; 1900.1810; 1900.1910; 1900.2010; and 1900.2310, subpart 6, are repealed.