

Attachment C – Cultural, Arts, and Festivals Review Process

BACKGROUND

The County has historically funded contributions to cultural, arts, and festival community non-profits and because the criteria used for Agency Budget Review Team (ABRT) agencies does not align well for evaluating these agencies, a separate process exists for evaluating these agencies. Applications are reviewed by staff representatives from the County Executive's Office, Office of Equity and Inclusion, Economic Development Office, Parks and Recreation Department, and Communications and Public Engagement. This team is selected because the departments represent a diverse group of perspectives of services that engage directly with the community. Staff has prepared a modification for the Board's feedback.

DISCUSSION

Because this process received several more questions than usual during the FY 24 budget development process, staff has prepared an option to modify the process if the Board desires. Currently:

- Cultural, Arts, and Festivals agencies are eligible if they meet the following criteria:
 - o 501(c)3 organizations or Incorporated and registered with Virginia Department of Agriculture and Consumer Services (VDACS)'s Office of Charitable and Regulatory Programs
 - o With a volunteer board
 - o That has been in existence for 2 years
 - o If awarded funding, an audit must be submitted
- These agencies are all evaluated using the same 13 criteria, as follows, that were developed by the Office of Equity and Inclusion in 2020. These criteria reflect that these programs create value in the community in different ways, from larger programs that bring visitors to the community and support the local economy, to those that are smaller local cultural programs, to those that are arts-focused, to those that may provide recreational or educational opportunities.
 - o Service to a Broad Population
 - o Service to Youth
 - o Quantity of citizens served
 - o Quantity of Albemarle County Residents Served
 - o Measurability of Populations Served
 - o Contribution to Economic Development
 - o Contribution to Cultural Infrastructure and/or Heritage
 - o Contribution to Creative Place Making
 - o Contribution to Diversity, Equity, and Inclusion
 - o Financial Benefit to Albemarle County
 - o Social Benefit to Albemarle County
 - o Extent to Which the Program Meets the Needs of the Community
 - o Extent to Which the Program Meets the Needs of Specific Beneficiaries
- The current process has a high administrative impact relative to the amount of funding, as the total time spent by five staff evaluating 13 criteria for 18 applications in FY 24 was proportionally

high compared to other areas of the budget. For perspective, total funding for these community non-profits is \$73,500 or 0.02% of the FY 24 adopted General Fund budget.

- Funding recommendations have been recently prioritized to first support existing programs and providing new programs on a limited basis. This creates a framework where new programs that are comparable in mission may receive different funding levels than existing funded programs, and larger amounts of funding are provided to fewer agencies, rather than smaller amounts of funding to more agencies.

For FY 25, if the Board desires a different approach from the status quo, staff proposes:

- Programs must meet the same existing eligibility criteria, described above.
- The process would be revised to reclassify these community non-profit agencies into one of four categories:
 - larger programs that bring visitors to the community and support the local economy
 - smaller local cultural programs,
 - those that are arts-focused,
 - those that may provide recreational or educational opportunities
- The evaluation process would focus on qualification as an eligible program request, rather than a prioritization of the program based on the 13 criteria, which would streamline the administrative review.
- Funding recommendations would create tiers by category that consider prior funding decisions by category, e.g. larger programs that bring visitors to the community and support the local economy are currently funded greater than smaller local cultural programs.
- Funding recommendations would intend to provide funding among agencies regardless of whether they were new or existing in the FY 24 budget. Depending on the context of the total recommended budget, staff may recommend funding more agencies at a lower amount per agency rather than a greater amount of funding for fewer agencies.
- Funding will continue to be subject to total budget considerations including, but not limited to: County mandates and obligations, investment in the Strategic Plan, and available revenues.

RECOMMENDATION

Staff requests Board direction to move forward with a modified process, or retain the previous process, for the Cultural, Arts, and Festivals Process.