GENERAL QUESTIONS

Who does the Cultural Funding Review Impact?

- Creative individuals, community groups, and organizations interested in pursuing project or organizational support through the City's cultural funding programs.
- Tourists and residents that have an interest in the activities cultural funding programs support.
- Cultural groups, legacy businesses, and organizations working on community-centered cultural, heritage, and historic preservation projects.
- Performing musicians, live music venues, and music industry businesses that produce events.

We are in the middle of a pandemic, are changes appropriate right now?

We understand that changes are hard at any time, and especially during a pandemic. But these changes are made with equity in mind, helping to support those most impacted by the pandemic as well. If we delay this process further, we would be perpetuating inequities that currently exist, maintaining a closed door to new applicants, and denying opportunity for us to make progress as an inclusive cultural community.

Due to reductions in Hotel Occupancy Tax (HOT) projections, we expect to have significantly less money to award out as we have had in the past. With that in mind, supporting more equitable distribution of the reduced amount of funds is an even more critical priority for the Cultural Funding Review Process and our new programs.

How are you defining cultural organization?

A cultural organization is a business established with the primary goal of preserving, producing, and/or promoting artistic expression, traditions, customs, or stories within creative or historic contexts.

How are you defining racial equity?

Throughout the Cultural Funding Review we have defined racial equity in keeping with the City of Austin's Equity Statement: Racial equity is the condition when race no longer predicts a person's quality of life outcomes in our community. The City recognizes that race is the primary determinant of social equity, and therefore we begin the journey toward social equity with this definition. The City of Austin recognizes historical and structural disparities and a need for addressing these wrongs by critically transforming its institutions and creating a culture of equity.

How will racial equity be prioritized and implemented in these new programs?

To honor this commitment to racial equity, our programs will prioritize proposals that:

- Directly enhance cultural experiences for tourists and convention delegates, including projects that highlight underrepresented histories and narratives.
- Support the work of individuals and organizations from the Black/African American, Native American, Asian, Hispanic/Latino, Middle Eastern, Pacific Islander, LGBTQIA+ and Disability communities and other historically under-represented and underserved communities.
- Sustain and grow Austin's cultural infrastructure so that all may share in the economic and employment benefits of the heritage preservation and creative sectors.

Can I apply to more than one Hotel Occupancy Tax (HOT)-funded program with the City?

Yes, organizations can apply for funding from the Heritage Tourism, Cultural Arts, and Music & Entertainment Divisions if eligible, but must apply with different proposals. Proposals must be for different scopes of work, and expenses can only be paid for once with grant funds. In the Cultural Arts Division Cultural Funding Program, applicants can only receive funding in one Cultural Funding program at any given time.

Will all musicians, live music venues, professional music organizations and music-focused nonprofit organizations now be directed to apply to the Music & Entertainment program? What will happen to music genre applicants who previously received funding through the Cultural Arts Division?

Music discipline applicants will be empowered to choose the funding programs that best fit their scope of work and needs.

The Cultural Arts Division's funding programs will still be open to individual artists, groups, and organizations proposing collaborative music projects through Nexus, Elevate, and Thrive.

We strongly encourage all music discipline applicants to read the separate program descriptions for both the Music & Entertainment and the Cultural Arts Divisions. Each funding program will have specific requirements and funding priorities. Staff are working on designing tools and materials that will help potential applicants best determine what funding opportunities might be the right fit for their body of work.

How can members of the community share their feedback on the new program designs?

If you have additional questions, the Cultural Funding team hosts Virtual Open Office hours on the second and fourth Tuesdays of each month, from 10am – 12pm.

To directly contact a member of the Cultural Funding team, contact Jesus Pantel by email jesus.pantel@austintexas.gov or by phone 512-974-9315, and he will route your question to the appropriate staff member.

Is Community Initiatives being replaced with Nexus, and Core being replaced with Elevate?

That is correct. Nexus, Elevate, and Thrive will be the only Cultural Funding programs starting in FY22. Nexus and Elevate will retain many of the positive elements of Community Initiatives and Core, but will improve on the areas that have historically created inequities within our funding model.

Cultural Heritage Festivals program applicants will be able to apply for funding within these three new programs.

Thrive is a new program that contains the key elements of Elevate, but with added investment and a longer funding cycle to build organizational stability.

Can I apply to more than one Cultural Funding program?

In the Cultural Arts Division Cultural Funding Program, applicants can only receive funding in one Cultural Funding program at any given time. However, the application process and timeline

will be managed so that applicants can consider all of their available options. Eligible applications to the Thrive program that do not receive funding will be eligible for consideration under the Elevate program. The Cultural Funding team is working on developing systems to reduce or eliminate the need for duplicate applications. Applications that do not receive funding in the Elevate program can apply for the twice yearly Nexus cycle if they wish.

With these new programs, is the maximum award amount $100,000?

No, the maximum award is no longer $100,000. Based on anticipated amount available in the HOT fund for FY 22 the maximum award in Thrive has been reduced to $80,000 and the maximum award amount in Nexus is will be $5,000. The anticipated award amount in Elevate is still being determined and will be based on available funds.

HOWEVER, as with any year, but especially in these uncertain economic times, all programs will only be funded to the extent that HOT funds received are able to accommodate the anticipated award amounts.

In keeping with community feedback and our work in moving towards a more equity centered funding model, award amounts within these ranges will be primarily determined by how well the applicant's proposal aligns with the funding purpose and priorities of each program and the score received.

Our work in how awards will be determined for these programs is ongoing. Scoring methodologies and criteria are being examined closely. For example, for the Elevate program, staff is currently researching best practices for reducing the harmful and inequitable barriers created when budget size is the prime factor in determining award size. More information about this can be found below in the specific questions about Elevate.

How will the Cultural Funding staff handle the additional workload?

We realize that contracting and payment issuance are taking place slower than in past years, which is due to the pressures of the pandemic and a large number of contracts for current staff to manage. The Cultural Arts Division (CAD) is remedying this in part by utilizing staff, both within the Economic Development Department (EDD) and in other City departments, to help review and process simpler aspects of the contracting process that are nonetheless time consuming. Additionally, EDD is working with the City's Office of Design & Delivery to look at ways to streamline the contracting process for various City departments: from CAD and EDD/Financing to Purchasing and Accounts Payable, and from Risk Management to Law, to benefit all contractors served through the City's Cultural Funding programs.

Are your new programs considering the implication of the tourism requirement?

Our programs are funded through the maximum allowable percentage of the City of Austin's portion of Hotel Occupancy Tax as authorized by the State of Texas Hotel Occupancy Tax (HOT) Statute. This statute requires that our funding be used for the "the encouragement, promotion, improvement, and application of the arts" for the promotion of tourism to Austin. For this reason, all operational expenses paid for by HOT funds must be in service of programs and activities that are marketed and accessible to the public and tourists. That requirement will not change for any of our programs.

However, the City recognizes that the local arts and cultural community is an extremely valuable asset in attracting tourists. Austinites are what make Austin an interesting and vibrant place. For that reason, we have prioritized funding a diverse pool of artists, organizations, and groups that elevate the City's local cultural communities and showcase our rich cultural tapestry to tourists.

Nexus, Elevate, and Thrive will each have specific priorities, but these priorities seek to work holistically to invest in the different parts of the City's cultural tourism economy to sustain and grow our vibrant and diverse cultural capital into the future.

ELIGIBILITY QUESTIONS

Do you have to be a non-profit to apply for Elevate, Thrive, or Nexus?

Cultural organization non-profits may apply directly for funding. Creative businesses such as individual artists, art studios, galleries, and some performance spaces are also eligible. Fiscal Sponsorship will not be a requirement for Nexus or Elevate applications. However, applicants may choose to work with a Fiscal Sponsor.

For the Thrive program, we are currently focused on cultural organization non-profits for the first cohort of this program. We are open to the possibility of other business structures in the

future and will be reassessing as the planning progresses. It is important for us to recognize the value of all cultural practitioners in our local creative ecosystem, and that not all produce work through the same business model.

What if allowing for-profits to apply for funding leads to big businesses and companies taking advantage of funding that should go towards nonprofits and artists?

We have been receiving great feedback and valid concerns from the community about this topic. We are also looking critically at this element of the program guidelines for Nexus and Elevate.

The Cultural Arts Division recognizes that small businesses and individual artists who operate as sole-proprietors or businesses are an integral part of our cultural ecosystem. Many communities of color throughout Austin rely on local small-businesses and individual community organizers as important cornerstones for local culture and arts. "For profit" applicants will include individual artists, unincorporated artist groups and collectives, creative businesses like arts studios, galleries, independent music producers, bands, choreographers, filmmakers, and some community-centered festivals.

For this reason, the Cultural Arts Division has often funded creative business entities that do not necessarily fit the non-profit model. After listening to feedback from our community over the past year and a half, in consultation with our partner Divisions, and under the guidance of MJR Partners, we have determined that opening some of our funding to applicants of different business structures is an important step towards equity.

However, we also recognize that Nexus and Elevate seek to invest in individuals, organizations, and entities that are representative of and work in the best interest of the local arts and culture ecosystem. We also recognized the importance of financial need in our programs' purposes. Financial need will be a strong consideration in our guidelines design and the panel process. We are reviewing how we define local small-business through standards set by our own Department and in keeping with the shared values of our partner Divisions.

This issue will involve more work and discussion on the part of staff. We hope to have more specific updates on how it will be addressed through the guidelines, the application, and the peer panel process as planning progresses.

Our organization works with artists of color and serves communities of color, but we are white-led. How does this impact my scoring or eligibility for different programs?

Our team recognizes that racial makeup of an organization can vary at different points in the organization's lifecycle and are currently working through how to best capture and recognize

those nuances. However, we do not consider audience makeup as part of organizational makeup. Thrive is reserved for arts organizations that are led by and representative of communities of color in order to help them grow into more stable cultural institutions.

We are also working with MJR partners to investigate potential non-monetary resources and support materials that will help white-led organizations deepen their own internal racial equity work and build greater diversity within their leadership.

Are women considered as a diversity qualifier in your new programs?

Intersectionality is incredibly important in racial equity work. Within communities of color, women, LGBTQIA+, and disability community members often experience even more acute challenges. We will be working closely with MJR partners to ensure that these intersectional communities are being closely considered in our application scoring rubric and receive focus in our training of peer panelists.

In addition, we are working with MJR partners on non-monetary resources and materials that will help white-led organizations interested in committing to their own internal racial equity work. These resources will be available to women-serving organizations that wish to better serve women of color or women and gender non-binary individuals within the LGBTQIA+ and disability communities.

It is the goal of the staff to reduce time spent on contract administration to better serve the cultural community as liaisons, through technical assistance, and forging critical connections between organizations with resources. This goal is achieved by reducing the number of contracts awarded and a reallocation of staff time towards these other needed avenues of professional support.

What sorts of expenses are eligible for funding?

Expenses that are incurred directly from implementing events and programs that are open to and marketed to tourists are eligible. In many cases, this will include a portion of administrative and operational expenses necessary to the production of public events and programs. However, each program is different, and applicants should look at the list of eligible and ineligible expenses in the guidelines for each corresponding program once they are released.

Are educational programs eligible for funding?

Currently, the HOT-funded Cultural Funding programs are not able to award funds for educational programs, unless the program culminates in an event that is open to and marketed to tourists. We are exploring how the City can remain invested in arts education activities.

I know someone who is a good fit for the Cultural Funding programs. How can I put them in touch with staff?

We encourage you to share information about our programs! The best way for new applicants to hear announcements is via our Facebook page and our Cultural Arts newsletter. You can also direct them to Jesus Pantel at jesus.pantel@austintexas.gov or 512-974-9315.

FISCAL SPONSORSHIP QUESTIONS

Why are fiscal sponsors not required anymore?

The Cultural Arts Division recognizes that fiscal sponsorship is often an asset for emerging artists and new organizations. We also recognize that not all applicants require a fiscal sponsor to apply for funding or execute their programming. In the interest of equity and empowering all applicants to determine their own needs and best use of funds, we have decided to make fiscal sponsorship optional for Nexus and Elevate.

If an applicant finds support and benefits through a fiscal sponsor that they see as being of value to their work, that relationship is welcomed and will be supported through those programs.

Fiscally sponsored applications will not be eligible for Thrive as that program is focused on non-profit organizations.

OTHER REQUIREMENTS QUESTIONS

Do the events that funded applicants offer need to be free or can they be paid, ticketed events to qualify for these funds?

Events are not required to be free in any of our funded programs. Ticket sales is one way in which many of our contractors raise needed earned revenue, and we support that work. However, in considering access by all audiences, it is important to consider affordable and free options and offerings whenever possible.

Will these new programs have matching requirements?

We realize that requiring matching funds is a way to ensure a more equally invested partnership between the City and the funded organization; however, it is also a barrier to equity for those contractors who find it difficult to match the City's award amount. Because it is the program for entry level access for new, emerging, or less experienced contractors, Nexus and Thrive are designed without a matching fund requirement. Elevate's matching requirements are yet to be determined, but we are considering how a match might be a benefit or a hardship for these program participants. More complete program information will be available soon.

PROGRAM SPECIFIC QUESTIONS

Elevate

Why are you getting rid of Organizational Support?

Our commitment to supporting organizations, artists, and businesses with operational expenses is not going away. The Elevate program does eliminate the distinction between Organizational Support and Project Support as funding sub-categories (from the previous Core program), but by removing this distinction, the Elevate program will now offer the same flexibility previously afforded in Organizational Support to all contractors.

We recognize that this distinction between Organizational Support and Project Support was creating and perpetuating inequity by placing unnecessary boundaries around how funds could be used by organizations at various budget levels. The future Elevate program seeks to open access to the highest tier of funding to organizations who may have previously been shut-out from the Organizational Support category. Our data shows that many of our most racially diverse applicants were in the Project Support categories, which typically resulted in lower award amounts than those in the Organizational Support categories. It is essential that these applicants have access to the same opportunities afforded to the organizations that have historically received the majority of City funding.

The staff continues to work towards developing sub-categories that will support a more equitable panel process while removing the barriers to funding that were inequitably impacting organizations and artists of color in Austin.

Elevate: Why does this program have a funding cap of $100,000?

In the past, only those in the Organizational Support program of Core were eligible for awards over $100,000, about 22 out of 393 contracts. By transitioning to the new Elevate program and the proposed cap on the highest award amounts, the majority of former Core: Project Support applicants will now have access to potentially higher award amounts (depending on available HOT funds). The future of Elevate seeks to offer higher award amounts for applicants that align

with program priorities and have been historically limited in funding due to inequitable division of HOT funds through the Organizational Support category.

Specific tiers of award amounts are still being considered, but again we are determining those tiers through an equity lens.

Again, Thrive is anticipated to be the only program with two-year awards that may potentially exceed $100,000.

Is there consideration for sub-tier approach to this program? An organization with $15K budget has very different challenges, needs and STRENGTHS vs an organization with $80K budget.

That is an excellent observation and something the Cultural Funding staff is also taking into consideration as we draft maximum request amounts, the scoring rubric, and the award matrix. Our goal is to remove the barrier that budget size would restrict an applicant's ability to apply for more impactful award amounts, but more work is needed to ensure we meet that goal.

Thrive

Why is this program limited to ten awards when other programs do not have a limit?

In FY 22 Thrive will be awarded to up to 45 applicants.

If future iterations, when funds allow, it is planned to reduce the total number of contracts awarded in Thrive to 10-20. There are two reasons why Thrive may have a limited number of contracts. We anticipate Elevate to fund the greatest number of applicants among the three programs, and thus, will need a larger proportion of the available overall HOT funds. While we want to support Thrive awardees, we also want to ensure that there is sufficient funding in Elevate, especially considering the current economic impact to the cultural community. This means that there would be a smaller funding pool available for Thrive. Additionally, Thrive's deliverables are tailored in a way that our other programs are not. It is a cohort-based program that requires significantly more staff time per contractor than Elevate contracts require. This individualized approach necessarily limits the number of contractors who can be served effectively in the cohort.

These limits will be routinely evaluated by staff and may change in accordance with community need and available HOT funding.

Can this program also be available to Social Business Enterprises?

Great question about social enterprise. While we are currently focused on non-profits for the first cohort of this program, we are open to reassessing this in the future and will take your insight on this issue into consideration.

What are the professional development offerings in this program?

Professional development offerings will include a range of options, such as mentorship opportunities, workshops, and access to resources that directly meet the growth goals of the funded organization. The Cultural Funding team will be working with MJR Partners over the coming months to develop curriculum frameworks based on community feedback and industry standards.

QUESTIONS SUBMITTED BY THE ARTS COMMUNITY VIA AUSTIN CREATIVE ALLIANCE

THE WHY - DATA COLLECTION AND ANALYSIS

The Why of the Cultural Funding Review Process is addressed in the presentation from Meghan Wells during the January 21st Arts Commission meeting.

Watch the presentation (item 3.b) on the ATXN website - https://austintx.new.swagit.com/videos/111947

1. **Will the data gathered during the Cultural Funding Review process be made public?**

Yes. Much of the data collected so far has already been made public through the Interim Report, as well as the Cultural Funding Review Web page.

Once the final report is completed at the end of the MJR contract term any new data collected will be shared (Spring 2022).

2. **Will there be a detailed report linking the data collected to the proposed changes?**

The [Interim Report](#) provides the latest data collected relating to the proposed changes. A final report will be provided by MJR once the contract has concluded next spring

3.   **What business sectors besides non-profit arts and artists were consulted in the cultural review process?**

See MJR presentations from January and February 2020

[January Presentation](#)
[January Event Handouts](#)

[February Presentation](#)
[February Event Handouts](#)

4.   **Was the City Law Department consulted during this process, and if so, will its opinions be included in the final report?**

Yes. The feedback from Law has been incorporated into the draft guidelines. Final guidelines will be reviewed by the Law Department and will be but updated with any recommendations.

5.   **Did the review process include investigation of how and why the current system came into being?**

Yes. The last time the Cultural Funding programs were reviewed holistically was in 2005 when the programs were brought over to the Economic Development Department from the Parks and Recreation Department. Many of the standards established in the Core, Community Initiatives and Cultural Heritage Festivals Programs were created at that time.

6.   **What research was conducted on other model programs and best practices?**

MJR Partners has provided staff with examples of funding programs across the country. Staff has also researched a variety of funding programs offered in other cities such as Portland, Seattle, and the other major cities in Texas.

7. **Can any of these other models be used as templates for the current proposal that can show its potential?**

Yes. Many of the proposed changes were inspired by the models provided by MJR

8. **How will the new model for equity integrate arts organizations from the LGBTQ+ and disability communities?**

Both LGBTQIA and Disability Communities are considered in the rubrics for all proposed programs

9. **What is the reason for dropping the requirement that contractors be non-profits?**

We have been receiving great feedback and valid concerns from the community about this topic. We are also looking critically at this element of the program guidelines for Nexus and Elevate.

The Cultural Arts Division recognizes that small businesses and individual artists who operate as sole-proprietors or businesses are an integral part of our cultural ecosystem. Many communities of color throughout Austin rely on local small-businesses and individual community organizers as important cornerstones for local culture and arts. "For profit" applicants will include individual artists, unincorporated artist groups and collectives, creative businesses like arts studios, galleries, independent music producers, bands, choreographers, filmmakers, and some community-centered festivals.

For this reason, the Cultural Arts Division has often funded creative business entities that do not necessarily fit the non-profit model. After listening to feedback from our community over the past year and a half, in consultation with our partner Divisions, and under the guidance of MJR Partners, we have determined that opening some of our funding to applicants of different business structures is an important step towards equity.

However, we also recognize that Nexus and Elevate seek to invest in individuals, organizations, and entities that are representative of and work in the best interest of the local arts and culture

ecosystem. We also recognized the importance of financial need in our programs' purposes. Financial need will be a strong consideration in our guidelines design and the panel process. We are reviewing how we define local small-business through standards set by our own Department and in keeping with the shared values of our partner Divisions.

This issue will involve more work and discussion on the part of staff. We hope to have more specific updates on how it will be addressed through the guidelines, the application, and the peer panel process as planning progresses.

10. Was the transparency inherent in fiscal sponsorship considered?

Fiscal Sponsorship will continue to be an option for any applicant who is not a 501c organization. Nexus will continue to allow fiscal sponsorship, but it will be up to each applicant to decide if it is the right fit for their project. Fiscal Sponsorship is not allowed in Thrive, as that program is only open to 501c organizations, who would not need the non-profit umbrella provided by a fiscal sponsor.

11. What data suggested that fiscal sponsorship was a barrier to equity?

Staff recognizes that fiscal sponsorships will continue to be a valuable option for many applicants. However, every requirement presents a barrier. In the case of fiscal sponsorship, in which sponsors may charge up to 10% of a contractor's award, it can be construed as an unofficial tax on small projects. Additionally, having to find an organization to serve as a fiscal sponsor can be a barrier for an applicant who does not have an existing relationship and just wants to create their art.

12. Were fiscally sponsored projects surveyed about their experience of fiscal sponsorship, its benefits and drawbacks?

Yes, MJR met with several sponsored projects early in the funding review who provided some feedback about their fiscal sponsorship experiences.

For FY 22, final reports will include a survey for sponsored projects to provide feedback about their fiscal sponsorship experiences. This data will be used in the future to possibly establish a baseline for a "platinum level" of fiscal sponsorship services.

13. **Were the different fiscal sponsors evaluated to determine what services and support they provided to their sponsored projects?**

It is our intention to gather this data in FY 22.

14. **Will there be a process to replace the vetting normally conducted through fiscal sponsorship?**

Cultural Funding staff has built in extra capacity to support an increase of direct applicants. Additional vetting will be built into the application process for each program.

15. **Has there been an assessment on the impact that lower funding caps could have on jobs in the non-profit arts sector?**

Not directly, but with a 75% decrease in available funds from pre-pandemic levels, we are not able to award at previous funding levels. With that being said, we utilized the data from the [Equitable Economic Resiliency Framework](#) to prioritize funding for the most economically vulnerable artists and arts groups.

16. **Has there been a measure of the number of jobs for artists and technicians of color created annually by diverse organizations that are not considered culturally specific?**

We currently do not collect demographic data of artists paid by any contractors. However, our prioritization of applicants representative of communities of color intends to support those who center historically underrepresented communities in their work, which includes artists and technicians of color.

17. **What is the reason for funding only production expenses in the Elevate program?**

Elevate will fund operating and production expenses.

Expenses that are incurred directly from implementing events and programs that are open to and marketed to tourists are eligible, including operating expenses. This means that operating support that was only available to a handful of recipients in the past is now available to everyone. In many cases, this will include a portion of administrative and operational expenses necessary to produce public events and programs. However, each program is different, and

applicants should look at the list of eligible and ineligible expenses in the guidelines for each corresponding program once they are released.

18. **Does the research recognize how a healthy arts ecosystem through the fostering of arts service and arts education inherently impacts the overall cultural vibrancy of a city that drives tourism?**

Our program administrators do and if art service and art education activities meet all program requirements, they may still be submitted as proposals.

19. **Was there an investigation into how cultural contracts could provide a scaffold for growth that creates more sustainable organizations and increased living wage jobs in the local arts economy?**

This is the purpose of all three new programs

20. **What are the long term goals that the funding program is looking to address in regards to supporting the growth of arts organizations?**

This has been covered in our [October 2020 public presentation](#).

21. **How do the proposed changes address administrative challenges such as the length of time it takes contractors to receive payments, particularly those whose events occur early in the fiscal year?**

Reducing amount of Nexus cycles and moving those deadlines away from the bottleneck of the beginning of the fiscal year, shifting to Adobe Sign, and continuing the work with ODD and Purchasing to simplify processes will help to speed up the contracting and payment processes.

The proposed programs will also have a reduced total number of contracts, therefore providing staff more time to complete the required activities to enter into contracts more quickly.

THE WHAT - PROGRAM STRUCTURE

22. Who is defining equity/diversity and how are they defining it?

We are using the City of Austin's Equity Office's Equity statement and the American's for the Arts cultural equity definition

23. Is there a tangible equity goal in place?

Yes. Evaluation of the proposed programs is currently in development, but we will be measuring the following:

- Increase in funds awarded to equity priority groups

  o Number and percent of BIPOC-led

  o Number and percent of LGBTQIA-led

  o Number and percent of Disability Community-led

- New BIPOC-led Fiscal Sponsors

- Increase funding available to supplement HOT funds

- Invest in groups who build racial equity into their organizational policies and practices

- Increase availability of materials in languages other than English

Nexus participants might measure community impact through number of attendees and satisfaction percentage.

Thrive participants reaching their self-identified sustainability/growth goals. Examples may include: increasing assets owned and diversifying sources of investment.

Elevate participants might measure attendance at events and how they are meeting their self-identified equity goals. This might include: increasing the number and percent of non-white staff, board members, and artists; increasing audience diversity.

24. What metrics will be used to measure the success of changes made to the cultural funding programs?

See the Goals section above

25. Will the diversity of the audiences served and artists and staff employed be considered when evaluating equity?

Staff leadership and board make-up are already considered. *Community-voice and Intersectionality* as well as *Audience Development* sections of the scoring rubrics take into consideration the audiences served by the applicant.

From the Nexus Rubric:

- Community Voice - Project centers from the start the stories and experiences of Black/African American, Native American, Asian, Hispanic/Latino, Middle Eastern, Pacific Islander, LGBTQ, or disability communities
- Audience Development - Project includes strategies to reach historically marginalized audiences.

26. If leadership of a company determines the racial classification of an organization, who is considered 'leadership'?

From the Thrive Rubric:

- Representation of communities of color - 51% or more of the organization's leadership roles (directors and board executives) are held by individuals that identify primarily as a member of the Black/African American, Native American, Asian, Hispanic/Latino, Middle Eastern, or Pacific Islander communities.
- Representation of communities of color - Primary staff leadership role (Executive Director, Artistic Director, or Board Chair) is held by an individual that identifies primarily as a member of the Black/African American, Native American, Asian, Hispanic/Latino, Middle Eastern, or Pacific Islander communities.

27. Where do the arts education organizations that were previously eligible for funding fit in under these new programs?

Arts Education organizations will continue to be eligible in both Thrive and Nexus as long as the applicant and activities meet all eligibility requirements.

Find both draft guidelines here: https://bit.ly/fy22_draft

28. Where do the artists development organizations that were previously eligible for funding fit in under these new programs?

Artist development organizations will continue to be eligible in both Thrive and Nexus if they meet all eligibility requirements.

Find both draft guidelines here: https://bit.ly/fy22_draft

29. **Where do the arts service organizations that were previously eligible for funding fit in under these new programs?**

Arts Service Organizations will continue to be eligible in both Thrive and Nexus as long as they meet all eligibility requirements.

Find both draft guidelines here: https://bit.ly/fy22_draft

30. **Will arts education, development and service organizations still have their funding tied to developing tourism through the requirement of events production?**

Yes, Arts education, development and service organizations will need to continue offering programs and services that are tied to developing tourism through event production, as this is a requirement of Hotel Occupancy Tax state statute.

> As per Austin City Code Chapter 11-2-7(B)(4), the City allocates 15% of the municipal allocation of Hotel Occupancy Tax revenue to the Cultural Arts Fund to support arts and cultural organizations, as permitted by the Texas Tax Code, and may be used for the following:
>
> The encouragement, promotion, improvement, and application of the arts, including instrumental and vocal music, dance, drama, folk art, creative writing, architecture, design and allied fields, painting, sculpture, photography, graphic and craft arts, motion pictures, radio, television, tape and sound recording, and other arts related to the presentation, performance, execution, and exhibition of these major art forms
>
> [Texas Tax Code, Chapter 351.101 (a)(4)]. Read the State of Texas Hotel Occupancy Tax Code at http://www.statutes.legis.state.tx.us

31. **Will an arts organization's longevity and/or past record be figured into their funding?**

To a certain extent. To be eligible in Thrive an applicant must have been in existence for at least 5 years. Applicants must also demonstrate an ability to execute their proposals.

32. **How are "productions" defined?**

Cultural Production as defined in the Thrive and Nexus Guidelines:

cultural production - a planned and managed event or experience that falls under an arts and culture category

33. How will the content of productions affect their equity evaluation?

From the Nexus Rubric

Community Voice - Project centers from the start the stories and experiences of Black/African American, Native American, Asian, Hispanic/Latino, Middle Eastern, Pacific Islander, LGBTQ, or disability communities

From the Thrive Rubric

Community-voice and Intersectionality - Organization's primary activities center from the start the stories and experiences of Black/African American, Native American, Asian, Hispanic/Latino, Middle Eastern, Pacific Islander, and other intersectional groups as described by the applicant. Intersectionality is a key component.

34. What is the timeline for implementing the Nexus program and how will it impact the FY21 Community Initiative grants?

The tentative timeline will release the FY 22 Nexus Program in January of 2022, with the first application due early February 2022. There will not be an impact to the FY 21 Community Initiatives contracts.

35. Will Nexus contractors be liable for failures in execution or deliverables by their community partners?

All contractors are responsible for meeting the contract requirements, however if a contractor runs into issues producing the proposed activity they may reach out to their contract administrator to discuss options available for changing the contracted activity or project budget if a contract partner is unable to fulfill their portion of the agreement.

36. Why is the Thrive program limited to ten organizations?

Under the current program revisions Thrive is now limited to a maximum of 45 organizations.

In the future Thrive may be limited to 10 organizations. Thrive's deliverables are tailored in a way that our other programs are not. It is a cohort-based program that requires significantly more staff time per contractor than Elevate or Nexus contracts. This individualized approach necessarily limits the number of contractors who can be served effectively in the cohort.

These limits will be routinely evaluated by staff and may change in accordance with community need and available HOT funding.

37. Will Thrive contract amounts be linked to budget history?

No, Thrive contract amounts will not be linked to budget history.

38. Will there be a limit on the number of times an organization can receive a Thrive contract?

No, there is currently not a plan to limit the number of years an applicant may receive Thrive Funding

39. Why are the funding amounts decoupled from the organization's budget in the Elevate program?

This is to eliminate a systemically racist practice. Historically, organizations that have had access to more resources, which tend to be white-led organizations, have been given access to increasingly larger amounts of funding. Meanwhile, organizations led by and for people of color have had less access to resources and so tying funding amount to budget size perpetuated that inequity. Additionally, these groups are supported by the community that they serve, which typically has less discretionary income to allow for individual donations. These factors limit the ability of these organizations to increase their budgets. Tying award amounts to an organization's budget limits the ability for an organization to receive larger award amounts.

40. What business sectors will be eligible for Elevate contracts?

Cultural organization non-profits may apply directly for funding. Creative businesses such as individual artists, art studios, galleries, and some performance spaces are also eligible. Fiscal Sponsorship will not be a requirement for Nexus or Elevate applications. However, applicants may choose to apply under a Fiscal Sponsor.

41. Will there be tiers in the Elevate program that facilitate organizational growth?

Specific tiers of award amounts are still being considered, but again we are determining those tiers through an equity lens.

42. **Can a music-oriented organization (or arts organization with music programming) apply to both Cultural Funding (whether Nexus, Elevate, or Thrive) and to the Live Music Fund?**

Yes, organizations can apply for funding from the Heritage Tourism, Cultural Arts, and Music & Entertainment Divisions if eligible, but must apply with different proposals. Proposals must be for different scopes of work, and expenses can only be paid for once with grant funds. In the Cultural Arts Division Cultural Funding Program, applicants can only receive funding in one Cultural Funding program at any given time.

43. **Was a maximum budget limit considered, whereby large organizations over a specific budget size would not be eligible for cultural contracts, freeing up resources for culturally specific and emerging organizations?**

This has been addressed with a request amount cap, rather than a limit on budget size of the applicant. Nexus is the only Cultural Arts Funding program that will have a budget cap. Eligible applicants in Nexus must have a annual budget under $250,000.

44. **Will operational expenses such as staff and facility costs be allowable within the new proposed programs?**

Yes, if they are directly related to the contracted activities. Complete lists of eligible and ineligible activities, expenses, and applicants will be included in the guidelines

45. **Will the applications be made available in Spanish?**

Yes. All application materials including the guidelines, training materials and the application itself will be made available in Spanish.

46. **Will there be matching requirements? If so, in which programs and at what ratio?**

There will be no matching requirement for any of the proposed programs.

47. **What has the research shown in the potential barriers of matching requirements and how is this being addressed in the matching levels being set?**

Matching requirements may be prohibitive for contractors located in economically distressed communities. Matching requirements also can induce a paradoxical fundraising

cycle (needing to raise money to raise money) that might induce more budgetary stress than it alleviates.

48. **Will there be a cap on the maximum number of organizations served and/or the minimum amount granted and how will those two numbers be reconciled with each other?**

Nexus has a set award amount and the number of applications funded will depend on the total amount available for the program. In Thrive, the number of organizations served, as well as the minimum award amount, will depend on request amounts and application scores.

49. **Does the city have a proposal for how independent artists and small organizations get affordable liability insurance without having a fiscal sponsor that won't add another barrier?**

Fiscal sponsorships have been made optional, not banned. People can still choose to get a Fiscal Sponsor as a path for insurance.

The City is looking into opportunities for providing access to general liability insurance. No final decisions have been made at this time.

The award amount in Nexus is $5,000. Applicants will submit a project budget as part of their application demonstrating how they will use the funds. This amount was determined with consideration of insurance requirements, so be sure to include insurance coverage in your budget.

50. **What is the reason for keeping the peer panel process only in the Elevate program?**

Thrive will have a review panel process. Nexus will be staff reviewed.

51. **How is the peer panel being retooled to address the issues that were raised at the listening sessions?**

The review panel process in still in the process of being reviewed. Feedback provided by community members during the Cultural Funding Review will be considered as changes are made to the panel process.

52. How will the goals of equity be maintained with the inclusion of a subjective panel?

The new rubrics have been designed to reduce subjectivity and ensure consistent scoring. Explanations are provided for each criterion to ensure the panel can clearly understand the program goals, including those goals involving equity.

53. How will the peer panels be involved in the decisions of equity?

The scoring rubrics of each proposed program clearly defines equity scoring mechanisms.

See the Thrive and Nexus Rubrics in the draft guidelines for more details

Find both draft guidelines here: https://bit.ly/fy22_draft

54. What are the criteria by which peer panelists will be picked and how will it address problems seen in the past?

This criterion is in development.

55. What training will the peer panel be given?

Training materials for review panelists is in development.

56. How can the artists have confidence that the peer panelists have basic knowledge of the discipline or category they are reviewing?

Thrive applications will be reviewed by a multidisciplinary panel. Panelists will have a wide variety of expertise and will have the requisite knowledge and training to review the applications. Panelist criteria and training materials are still being developed.

57. Will the peer panel present their findings in writing for the applicant' review?

Written panel comments have always been available upon request. This will continue to be the case for all programs

58. Will there be an appeals process to peer panel scores?

The appeal process is currently under review. No specific changes have been recommended at this time

59. What resources will be available for organizations who score low in the new system?

Applicants who do not receive a score high enough to receive funding will have the opportunity to speak with Cultural Funding staff to discuss their score and application. The Scores, panelist notes, and panel review recording will be made available to all applicants.

THE HOW - EXECUTION AND RESULTS

60. **Will the city assign applications to their corresponding program within the Cultural Arts grants programs?**

No, applicants will need to determine in which program they should apply. However, Cultural Funding Staff will be available to help direct applicants to programs that they would be eligible to receive.

61. **Will previous contract amounts affect future funding amounts?**

No. Previous award amounts will not affect future awards for an applicant.

62. **What metrics will be used to determine the overall success of the cultural review funding process?**

Evaluation of the proposed programs is currently in development, but we will be measuring the following:

- Increase in funds awarded to equity priority groups

    o Number and percent of BIPOC-led

    o Number and percent of LGBTQIA-led

    o Number and percent of Disability Community-led

- New BIPOC-led Fiscal Sponsors

- Increase funding available to supplement HOT funds

- Invest in groups who build racial equity into their organizational policies and practices

- Increase availability of materials in languages other than English

Nexus participants might measure community impact through number of attendees and satisfaction percentage.

Thrive participants reaching their self-identified sustainability/growth goals. Examples may include: increasing assets owned and diversifying sources of investment.

Elevate participants might measure attendance at events and how they are meeting their self-identified equity goals. This might include: increasing the number and percent of non-white staff, board members, and artists; increasing audience diversity.

63. **What metrics will be used to determine the equity of the new versus old funding processes?**

See answer above.

64. **How will the City avoid further siloing the community while prioritizing organizations of color that work within their cultural sphere focusing on culturally specific work above organizations that seek to have a mix of representation?**

We recognize that prioritizing organizations of color that are actively engaged in creative programming that highlights Austin's diverse communities is an important step toward more racially equitable funding. To achieve this goal elements of scoring rubrics in both Thrive and Nexus include working with communities of color and expanding reach to underserved audiences. In addition, both rubrics also prioritize proposals lead by applicants of color as well as members of the LGBTQIA and Disability Communities. In Thrive specifically, the rubric looks at representation in leadership in both board representation and staff leadership.

This intersection of representation in leadership, emphasis on community voice, and programmatic relevance to community served is an important part of the Cultural Arts Division's commitment to racial equity. Keep in mind, however, we don't require orgs of historically underrepresented groups to only serve their specific communities. We encourage everyone to think with intersectionality.

65. **Will only culturally specific work by artists of color be considered relevant to equity?**

No. Artists and organizations of color are welcome to apply for funding to support activities that are not culturally specific. Equity consideration is also given to LGBTQIA artists/organizations and to artists/organizations from the disability community.

66. **How will the increase in the number of cultural contracts be managed without causing increased administrative challenges?**

We anticipate a reduced number of contracts as we move away from funding 99% of applications. Additionally, the amount of funding available for Fiscal Year 2022 is greatly reduced from previous years, which will ultimately result in a fewer number of contracts awarded.

67. Will the staff be expanded and will that cost be covered by HOT funds?

The total number of staff is not currently expected to increase.

68. How will the city be evaluating economic vitality and fiscal responsibility in regards to the Cultural Arts Division grants?

The Cultural Arts Division will be using the City's Strategic Direction 2023 (SD23) metrics. You can learn more about SD23 at https://www.austintexas.gov/financeonline/afo_content.cfm?s=73&p=160

69. What resources will be in place to assist arts organizations through this new process?

Virtual Open Office Hours will continue to be offered on the second and fourth Tuesday of each month from 10am to noon. Application workshops will also be offered once the funding programs are launched. Additionally, 1:1 appointments will be available with Cultural Funding staff by request.

70. What resources will be in place to collect arts organizations' feedback through this process?

There are several ways that feedback can be provided -

- Submit questions directly to Cultural Funding staff by email or phone.

- Submit questions through the VOOH held on the second and fourth Tuesday of each month from 10am to noon.

- Submit questions comments through Arts Commission meetings