

# United Arts Fund Retreat Notes

Hosted by ArtsBuild

Chattanooga, TN October 25-26, 2018

**Attendees:** Kat Abner (Fund for the Arts, Louisville, KY), Dan Bowers (ArtsBuild, Chattanooga, TN), JP Davis (Fund for the Arts, Louisville, KY), Randy Eaddy (Arts Council of Winston-Salem and Forsyth County, Winston-Salem, NC), Flora Maria Garcia (United Arts, Orlando, FL), Kelley Gibson (Cultural Alliance of York County, York, PA), Mari Horita (ArtsFund, Seattle, WA), Leslie Keller-Biehl (Lex Arts, Lexington, KY), Tracy Lauritzen Wright (ArtsMemphis, Memphis, TN), Karen Maner (CultureWorks, Dayton, OH), Susan Mendenhall (ArtsUnited, Fort Wayne, IN), Abby Shue (Fund for the Arts, Louisville, KY), Maury Sparrow (Lex Arts, Lexington, KY), Rodney Van Valkenburg (ArtsBuild, Chattanooga, TN), Dorie Watts (CultureWorks, Dayton, OH), Mary Anne Winkelman (Cultural Alliance of York County, York, PA), Liza Zenni (Arts & Culture Alliance of Greater Knoxville, Knoxville, TN).

**Americans for the Arts Staff:** Emily Peck, Jessica Stern

## THURSDAY OCTOBER 25

### Primary Themes from Community Updates

As UAFs continue to evolve from strictly funding legacy organizations to funding a broader swath of groups and to providing capacity-building services, the following discussion topics and questions came up:

- How are donors engaged beyond a campaign cycle? Year-round donor engagement, workplace giving, major donor engagement.
- Public options taxes and dedicated funding streams, how to advocate for them, get them and manage them.
- Strategic planning and design thinking processes to help guide evolving organizations.
- Building endowments
- Providing common definitions of local arts agencies and united arts funds so they as a field can better describe themselves.
- Social impact, evaluation and reporting for both UAFs and their grantees.

## Shifting from Grantmaking -> Full Service Arts Agencies

### Conversation Facilitated by Fund for the Arts

FFTA worked to adopt 5 priorities after strategic planning process: Access, Cultivation, Education, DEI, Promotion. Access: FFTA added 9 more organizations to operating support grants. They are now working with chamber and mayors to participate in economic development efforts.

**Question:** What was the request from the community to add services?

Arts and culture organizations were thirsty for community. FFTA was making changes before strategic plan, community asked for the work and the shifts.

**How to have the sector reflect the community they serve?** DEI initiatives were driving forces of changes at FFTA. The Fund knew that if they didn't take bold moves the sector wouldn't change. Flaw of

Louisville is systematic racial inequities. Once changes were actually made, they received threats from community – the community said “fund the arts not the Fund”. People wanted the Fund to be successful, but nobody wanted to be with them when allocations changed to reflect the broader community. It’s taken several years for minds and hearts to change.

Sustaining Impact grants moved from funding 12 orgs to 21 and the Fund had to find new money. Some traditional orgs saw cuts via a cap system. Historically funding was by invitation-only with nebulous criteria. They had not added a new organization for almost 30 years and some organizations were receiving a huge percentage of their gen ops support from them.

**How else was FFTA able to add services in addition to changing allocations?** Went from a staff of 12 to 17 through more unrestricted funds to grow programming. Staff can spend more time with applicants to build capacity in the application process to strengthen the administrative side of the organization.

15k of the 16k donors are through workplace giving making \$1/week donations. They’re really trying to grow individual giving outside of workplace giving. Earned revenue is down, but engagement is way up.

## **UAFs and Advocacy**

### **Conversation facilitated by Rodney Van Valkenburg at ArtsBuild**

ArtsBuild runs the Holmberg Arts Leadership Institute and has about 30 people each year. For advocacy, they have time to show people the behind the scenes working of arts groups and arts education. When Chattanooga recently went through a superintendent search, there were about 20 Holmberg alumni through the whole process continually asking about the arts. As a result, the new superintendent heard about the arts all the time as a central focus of the community. Of 42 elementary schools only 12 had an arts teacher. The first priority of the superintendent was to hire visual arts teachers. Did not have a full-time arts coordinator at central office, it was the first position they hired as new superintendent.

### **Question: Are community members asking your UAF to participate in advocacy?**

Overall, yes after the 2016 election people wanted to be more civically involved. Some UAFs are the primary advocacy organization in their community, while for others it is a new role as they step into providing broader services to the arts community beyond funding.

## **Small Breakout Conversations**

### **Workplace giving**

The strongest case for UAFs in attendance for attracting companies has been through employee engagement and talent attraction. Staff are working with CEOs of newly located companies to directly engage them with the arts, and to provide opportunities for employees to connect so they don’t want to leave once they’ve relocated. Staff are working to make sure that those who do payroll deduction feel like individual donors who have a relationship with the organization. One city created a young donor group that doesn’t raise money for the organization, but they are their own affinity group and participate in arts event together. UAFs are continuing to see a loss of corporate funding when local leadership or headquarters aren’t located in the community.

### **Grantmaking & Allocations**

As organizations change grantmaking guidelines, how do you ensure that non-arts orgs are integrating the arts in authentic ways and not just to gain access to funding. Need to make clearer guidelines for grant panels since some of the arts integration in the grants seemed like add-ons

Some are moving from allocations based on the availability of funds or projects to a tiered model based on budget size.

### **Evaluation & Reporting**

Moving from measuring financial health of grantees to measuring community impact. Ft. Wayne looks at access, excellence and advocacy in their grants.

Question that needs longer discussion – **how do UAFs prove their own effectiveness?** Is it the impact that the arts organization they support in the community have or is that only measuring their grantees effectiveness?

- In some communities they see the collective campaign as being the impact, not what their grantees are doing
- UAFs provide vetting, seal of approval which the community values

What other resources can UAFs provide grantees? Examples include emergency loans, consolidated health plans, providing space.

### **Discussion: Grants v loans**

**Facilitated by Jessica Stern**

**Are your UAFs looking at any kinds of loans to organizations?** Some have offered emergency loans only for organizations receiving sustaining impact grants. One organization that was facing bankruptcy – offered a loan with interest. Have advanced grant payments. It's not a regular practice and it's not advertised.

**Question to group: Are there regulatory issues when becoming a lender?**

What about different types of funding for artists (about half of the UAFs in the room fund individual artists)? In Fort Wayne artists are considered individual businesses. Loan idea with very low interest? Winston-Salem is looking to expand funding through an equity lens to fund individual artists. Some UAFs are acting as a fiscal agent to community groups as a means of earning revenue.

### **AFTA Update**

**Facilitated by Emily Peck**

New resources were recently released: The [Social Impact Explorer](#), [Business Contributions to the Arts 2018 Edition](#), [Public Opinion Poll](#).

Private Sector Initiatives is looking to bring its BCA study to local communities. It's a small sample, it's not going to measure amount of business giving, but shows trends in how businesses think about giving to the arts. Local data will feed into the national survey and give us a bigger sample to work with.

Local Arts Agency Profile coming is out in January, and has a lot of data points. AFTA will rotate modules every year to focus on different themes.

**AFTA Action:** PSI Staff will email a discussion topic via the listserv once per month based on questions and topics that came up during the retreat to get more frequent conversations started. AFTA will also research what tool the UAF field can use to share documents.

**FRIDAY, OCTOBER 26, 2018**

## **Leadership Succession**

**Facilitated by Mary Anne Winkelman**

Mary Anne gave an overview of the process of how she prepared herself and her board for her upcoming retirement. She recommended to outline a set of things to accomplish (finances, partner relationships etc) and create a blueprint with the board on how to get there.

At ArtsBuild, Dan informed his Deputy Directory about his plan for the organization and started preparing him. Board wanted about 10 months lead time and put out a simple release when the board was told so there wasn't any prospect of breaking confidentiality. Formed a search committee comprising of half board members.

**Question to group: As the field evolves and this might not necessarily be someone's last job before retirement, how do you handle shorter lead time for leadership succession?**

## **Equitable Investment in Grantmaking**

**Facilitated by Mari Horita**

AFTA convened an advisory group designed to guide a process to launch AFTA's work around supporting the LAA field in equitable grantmaking. AFTA has had one in-person meeting and has two conference calls planned.

**Themes:** People feel impatient, hopeful, slow progress, and real progress is slow. Outcomes caused by historical structural barriers – changing mindsets, turning talk/theory into action and practice to reallocate resources, time, money and space. AFTA cultural equity statement is fairly inclusive and encompasses diversity beyond race. The group is identifying barriers, and then will propose potential actions to address those barriers.

How do you build trust with arts organizations that have always been on the outside? Need to support new organizations not just teach your old organizations not to be racist.

**Equitable Investment program models:**

Seattle: ArtsFund is starting to remove some inequities. ArtsFund was only funding 60 organizations. Worked with the Power to Give model to \$200k in matching funds only if 40% of grantee organizations are new recipients, small and ideally diverse. They raised \$1 million and are now supporting 115 organizations. Organizations shouldn't have to separately raise money for culturally specific organizations. Multicultural arts project grant \$60k/year to small ethnically specific orgs with a 1-page

application. ArtsFund created a partnership with the Seattle Foundation – Creative Equity Fund – working to address structural racism through arts-based strategies.

**How did you make sure the actual tools of the application would facilitate the types of diversity you were looking for?** ArtsFund created an application based on the City Office of Arts and Culture applications – 5 questions only – to create a low-barrier application. The grants aren't going through a massive vetting process. The reporting is anecdotal. The process is designed to lower the barrier.

UAFs were founded specifically to fund legacy organizations and were bound by the donors. Having to change mindset of leaders, donors and board members. Starts at staff level, and board level. Once the make up of the board starts to shift, the priorities shift.

With the legacy funding in mind, participants asked: Where should the money go? To large institutions to do programming or send directly to communities? Many said send it to communities – the pot of money is shrinking, and we are taking from the big organizations. But it's not about cutting more slices of the pie, it's about building a new bake shop.

New initiatives could result in cuts to legacy organizations. Messaging to grantees that it's not responsible for one organization to fund 35% of an organization's budget.

There was an equal amount of resentment on the other side (the non-legacy side). FFTA had to work really hard to build relationships outside of the invite-only pool. The response they received was, "What's the catch, are we going to become your token?" Successful outreach looked like raising money specifically for a neighborhood. They need to work with new grantees to understand what those organizations needed. UAF staff need racial equity and implicit bias training. Not just bringing cash but investing staff time shows an investment of other resources besides throwing money at 'it'. Donors are looking at UAFs for advice on where to invest. The legacy organizations have to acknowledge that they've had privilege. The distribution has to be broader otherwise the entire community will suffer.

One UAF started a roundtable networking group with CEOs and legacy leaders. This evolved into a group focused on DEI. It's become monthly presentations by organizations on what they've done which is solidifying the importance of it across the sector.

Another UAF is holding diversity training with their grantee organizations. Paid internship/training program for students of color interested in arts administration. Grantees are not required to go through training. However, organizations who go through the training receive extra points on their operating support grant.

**How are UAFs changing organizational structures to be more inclusive:**

- Tapping into diversity officers at major corporations to help guide policies.
- Setting inclusion goals for board, don't have that yet for staff.
- Focusing on accessibility. Working with partner organizations to provide inclusive sensory activities. How do we hire more people who have diverse abilities? What are the barriers in interview processes? Have a training with an expert in hiring people with disabilities.
- Adopted a cultural equity statement and is looking deeply at how to operationalize it. Started with board, the next wave is staff when there's turnover.

- Examining why people engage with DEI work: 1. It's the right thing to do. 2. It's good for business. It's the business case that will drive success. Don't mess with the dollars in case you're prepared to make a bold stand. But should you raise special dollars for 'diversity' initiatives? Yes you can have a diverse board, but it doesn't help on the grantmaking issue. It's where the dollars are coming from that you are allocating. Increase the perception that diverse communities are contributing financially to the organizations. The equity initiative isn't about taking money from one place and putting it somewhere else, but it's about more people contributing to the pot. Develop a special campaign to get new communities contributing, which will make it easier to use those dollars. Everyone is contributing and not just taking.
- Not all people of color are poor. There are many that have resources that could be board members and donors. How are you engaging them?
- Diverse communities are contributing to your organization and also should have a say in who is funded. They aren't just grantees.

**What do people want/need at Convention?** How is UAF field evolving into LAAs. Most UAFs are no longer guaranteeing funding to legacy organizations as they did in the past. The line is becoming blurrier between UAFs and LAAs. How do we facilitate more shared learning between UAF and LAA leaders? How do we continue to support UAFs as they evolve their fundraising and allocation models?