



# Minnesota State Arts Board Grant Administration

Update to 2019 Evaluation Report

February 2020

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## Problems Identified

- **Insufficient Grantee Monitoring.** The Minnesota State Arts Board did not require organizations that had received an Operating Support grant to report how they used state funds. In addition, the board did not complete monitoring visits of some grantees that it should have.
- **Inadequate Documentation of Staff Reviews.** The final reports of a sample of Operating Support and Artist Initiative grantees showed that some grantees in each program did not appropriately acknowledge state funding, as required by state law and grant contracts. Some report content raised questions about the use of funds, and some Artist Initiative grantees did not request grant contract amendments for substantial changes. However, there was no indication that board staff identified or followed up on these issues.
- **Sent Grant Contracts to Regional Arts Councils Too Early.** In administering legislatively mandated grants to regional arts councils, the board sent grant contracts, and in some cases released grant funds, before receiving the councils' final biennial plans for the state funds. State statutes indicate that the board must distribute appropriations to regional arts councils upon receipt of the biennial plan. And, Minnesota rules direct the board to send the regional arts councils their grant contracts within ten days of accepting their biennial plans.
- **Disclosed Not Public Information.** The Minnesota Government Data Practices Act classifies much data in grant applications as "not public" until the applicant and agency have negotiated a contract. However, the board made applications available to the public during public meetings to discuss the applications.

## Changes Implemented

- **Sent Grant Contracts to Regional Arts Councils When Required.** The Arts Board sent Fiscal Year 2020 grant contracts to regional arts councils after it had accepted the councils' final 2020-2021 biennial plans.
- **Minnesota Government Data Practices Act Amended.** The 2019 Legislature amended the act so that grant applications submitted to the Arts Board or to a regional arts council become public data at the public review meeting during which they are considered for grant funds. The law provides an exception for trade secret data.

## Action Needed

- **Improve Oversight of Grantees.** According to the Arts Board's executive director, the board is in the process of implementing several recommendations related to its monitoring of Operating Support and Artist Initiative grantees. For example, Arts Board staff are developing requirements for Artist Initiative grant contract amendments that the board plans to implement during the Fiscal Year 2021 grant cycle. However, the executive director indicated that the board has not begun to address several other recommendations.