Clearinghouse Rule 00-063

CERTIFICATE

STATE OF WISCONSIN)
) SS
ARTS BOARD)

I, George Tzougros, Executive Director and Custodian of the official records of the Arts Board do hereby certify that the annexed rules relating to the distribution of arts challenge initiative incentive grant funds were duly approved and adopted by the Board on July 12, 2000.

I further certify that said copy has been compared by me with the original on file in the Board offices and that the same is a true copy thereof, and the whole of the original.

IN TESTIMONEY WHEREOF, I have here unto set my hand as Director at 101 East Wilson Street in the City of Madison, this 12th day of July 2000.

George Tzougros

Executive Director



9/1/00

ORDER OF THE ARTS BOARD

The Arts Board adopts an order to amend s. AB 2.09 (5) relating to the distribution of arts challenge initiative incentive grant funds.

Analysis Prepared by the Arts Board

Statutory authority: s. 44.565(4), Stats. Statutes interpreted: s.44.565, Stats.

Current rules that govern the distribution of arts initiative funding under the incentive program for large arts organizations provide that each eligible recipient receives a "raw award" one dollar for each four dollars of growth in eligible income during the previous fiscal year. If there is insufficient funding, the final awards are determined by proration. When proration is employed to determine the distribution of funding, the total funding available is divided by the total of all "raw awards". Each eligible recipient receives that fractional amount of its "raw award.

During each year of the program proration has been required for distribution of the funds. In the most current distribution, one organization received \$203,846 (approximately 35%) of the \$573,860 funding available. The smallest award during that same distribution was \$14.

The proposed rule establishes maximum and minimum grant amounts for the incentive program when proration is required to be employed to determine the distribution. The maximum proposed by the rule is 12% of the available funding, and the minimum is the greater of \$1,000 or .1743% of the available funding.

The proposed rule will produce a more equitable distribution of the arts challenge initiative funding and eliminate the situation where the administrative cost of providing a grant substantially exceeds the grant amount



Text of Rule:

SECTION 1. AB 2.09 (5) is amended to read:

AB 2.09 (5) When the total amount of raw awards exceeds the total amount of available board funds, final awards shall be determined by proration as specified in s. 44.565 (3), Stats. When proration is required under this subsection, the maximum award shall not exceed 12% of available board funds, and the minimum award shall not be less than the greater of \$1,000 or .1743% of available board funds.

<u>EFFECTIVE DATE</u>. The regulations set forth in this order shall be effective on the first day of the month following publication in the Wisconsin administrative register as provided in s.227.22(2) (intro.), Stats.

STATE OF WISCONSIN ARTS BOARD

Dated: 7/12/2000

Agency:

George Tzougros Executive Director