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Rough Draft

Appropriations Committee
February 04, 2014

[AGENCY 69]

SUZANNE WISE: (Exhibits 1 and 2) Thank you. I have a handout coming around which I'll be referring to. At the Arts Council, we like to think of food as an art form as well, so...especially on a cold day, it's nice to have the extra calories. Should I go ahead without the Chairman? [AGENCY 69]

SENATOR WIGHTMAN: Yes, please. [AGENCY 69]

SUZANNE WISE: Good afternoon, members of the Appropriations Committee. My name is Suzanne Wise, that's S-u-z-a-n-n-e W-i-s-e. I'm the director of the Nebraska Arts Council, and that's Agency 69. Want to begin by thanking the committee and the Legislature for your continuing support of our agency. We try to do our very best to be good stewards of the funds you entrust to us, and we appreciate you honoring our request for the IT services in the amount of \$12,210. I would now like to make a case for supporting our request of \$6,000 to support stipends for grant reviewers listed on pages 12 through 18 of your deficit budget request for our agency. Our agency grants on average \$2,750,000 annually, which represents an average of 380 submitted grant proposals. We average requests for over twice what we have available to distribute. The work of determining who should receive funding and why falls to a group of professionals that volunteer their services. Now I've distributed a flowchart, because I'm not sure everybody knows how it works, and this is the flowchart that you can see, if you look at the boxes in the middle, those are the people that are actually reviewing the grants. So they are an extraordinarily important part of the process. We want experts and we wanted diversity of opinions to ensure that every group that meets the basic criteria for submitting a grant receives a fair, impartial, and knowledgeable review. Grants to the Nebraska Arts Council that receive funding basically look at that as their "Good Housekeeping Seal of Approval." And because you cannot get a grant from the Nebraska Arts Council without at least a one-to-one match from private sources, they often use that to help with their fund-raising. They can go in and say, we got a grant

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from the Nebraska Arts Council; therefore, the business that they're asking money from can say with certainty that there's fiscal responsibility there, it's a quality application. So the role that these volunteers play for us is extremely important. The second sheet I've distributed, which is titled, I hope helpfully, "Why Stipends for Volunteer Grant Reviewers are Needed," outlines the barriers we are encountering for recruiting and retaining people to do the work. The \$6,000 we've requested for FY '14 and the \$10,800 requested for FY '15 will allow us to offer a \$200 honorarium to each panelist, in addition to paying the per diem and travel expenses we currently pay for their services. This amount is by no means equivalent compensation for the salary most of these individuals receive, but it is an acknowledgment that we know their time is valuable and that the Nebraska Arts Council appreciates the effort they put forth to ensure that only the most worthy proposals are funded. So on that sheet, you can see that this is an industry trend. Over 60 percent of our peers nationally pay their panelists. Our sister agency, Humanities Nebraska, pays their panelists, the ones that are not on the Nebraska Humanities Council. The National Endowment for the Arts and various other foundations also pay their panelists as well. It's demanding work. They devote an average of an hour for each proposal. And so if they are given/assigned, on average, seven, that's seven hours of work at home, not to mention the time that they spend at our agency, because it's all open meeting law. So they have to come for the panel meeting itself. We try to mirror Nebraska demographics in our panels, which means that, while two-thirds of a panel may be comprised of Omaha and Lincoln people, one-third are from greater Nebraska, which means they have a ways to travel. So for them to travel to Omaha to be there from 8:30 in the morning until 2:00 or 3:00 in the afternoon sometimes means an overnight stay. It's a lot of time out of their day to do this. Demographically, we also...17 percent of our population are ethnic minorities; therefore, at least one or two of our panelists are from minority communities. Often, they are in relatively low-income jobs themselves, so for them to take the time and volunteer effort for us, it simply doesn't pay off for them to do that. So I hope that this is something that you will seriously consider. We're having trouble, quite honestly, retaining them. They'll do it once, but we like to have them for at least a three-year period because, of

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course, the more you review a grant, the more you understand how our system works and more about the process itself. So we like them for at least three years. But if we can't get them for most than once, then I have to devote a lot of staff time to trying to find panelists. Finally, I have a request that was not submitted in our budget due to the fact that the information was not known at the time of submission. Kathy Kuszak, our longtime deputy director of administration, will be retiring at the end of 2014. In order to accommodate her retirement payout, our agency will require \$27,746, and an additional \$24,741 in PSL for 2014-15. I would like to take this opportunity to state publicly, for the record, that the state of Nebraska will be losing one of its finest, most-dedicated employees. Our agency's reputation for fiscal responsibility and efficiency is due in large measure to Kathy's leadership, and she will be extremely difficult to replace. So with that, I'm finished. [AGENCY 69]

SENATOR WIGHTMAN: Thank you, Ms. Wise. [AGENCY 69]

SUZANNE WISE: Any questions? [AGENCY 69]

SENATOR WIGHTMAN: Do we have any questions? Seeing none,... [AGENCY 69]

SUZANNE WISE: Great. Thank you. [AGENCY 69]

SENATOR WIGHTMAN: Thank you. Do we have anyone else wanting to address us? If not, we'll close the hearing on Agency 69 and move forward to Agency 54, the Historical Society. Welcome. [AGENCY 69]