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Washington, D.C. 20506
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From: FOIA
Date: Jul 21, 2014 3:57:45 PM
Subject: RE: FOIA request

This e-mail responds to your request for records under the Freedom of Information Act (FOIA), 5 U.S.C. 552. Your request has been assigned file number F14-055. In your below e-mail, you requested a copy of each response to a QUESTION FOR THE RECORD (QFR) provided to Congress by the NEA. Responses to QFRs are the responses to formal questions posed in associated with testimony before a Congressional Committee.

Attached are the responsive documents for your FOIA request.

The National Endowment for the Arts is governed by the provisions of the National Foundation on the Arts and the Humanities Act, 20 U.S.C. 951 et seq., and the Freedom of Information Act with respect to the release of agency records. In accordance with the NEA's FOIA regulations, 45 C.F.R. 1100.5(b)(1), you may appeal the Agency's determination. Such an appeal must be made to the Chairman within ten working days following the receipt of this e-mail. Additional information on the appeal process may be found at the following link:
<http://www.nea.gov/about/FOIA/index.html#appeal>.

Please contact me if you have any questions about this response.

Sincerely,

FOIA Officer
National Endowment for the Arts
Office of the General Counsel
400 7th Street, SW
Washington, DC 20506
Ph: (202)682-5746/Fax: (202)682-5572
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Hearing Questions for the Record (QFR)
Hearing: National Endowment for the Arts FY 12 Budget Oversight
Wednesday May 11, 9:30am Rayburn B308

Questions for the Record from Chairman Simpson

OUR TOWN

One of the NEA's priorities for the next fiscal year is to establish a new program called "Our Town," using the arts for economic development in communities. Your budget request includes \$5 million for this new initiative—which was also a part of last year's budget request. Again, I'm concerned that this program, if funded, would ignore established law that clearly states that 40 percent of NEA program funds must be allocated to the states through their State Arts Agencies.

Simpson Q1: Does "Our Town" circumvent the 60/40 split that Congress put in place years ago? I'm concerned that ignoring this safeguard would undermine State Arts Agencies causing these funds to gravitate toward urban centers with already established arts infrastructures.

Simpson R1: Our Town is a funding program designed to enhance the vibrancy and livability of communities by using the arts as a strategy alongside other traditional efforts. As this signature program takes shape, I want to ensure that it has the funding required to be a viable program. The guidelines for the Our Town program, however, were written specifically to allow state arts agencies to apply competitively for this money. Thus, they are not being denied access to Our Town funding, but rather it will be available to them through a different process. Additionally, the guidelines also specified that whole counties, and not just municipalities, could apply for Our Town funding, so this program will reach deeply into and across States throughout the country. We have received applications from rural areas, suburban communities, as well as urban centers and anticipate making Our Town grant awards in all three types of areas.

Simpson Q2: It sounds like the NEA is proposing to spend \$5 million in grants largely for economic development. Isn't this function better left to HUD?

Simpson R2: No, the Our Town program seeks funding to award grants to communities across the country that wish to engage the arts as a resource to improve the livability and vibrancy of these communities. While economic development is often a derived benefit of these types of projects, the focus of Our Town is engaging the arts in a community to shape its social and physical characters, in addition to its economic character.

Simpson Q3: Should the NEA be pursuing new initiatives like “Our Town” at the expense of other popular programs with a proven record of success, many of which are being terminated or scaled back dramatically?

Simpson R3: One of the outcomes of the NEA’s strategic plan is to strengthen communities through the arts and to make communities more livable. The Our Town program represents an important funding stream, previously missing, that the NEA will employ to accomplish this goal. Given the current fiscal reality, it is only reasonable that programs are scaled back to sustainable levels, and programs that overlap with other Agency funding streams are combined.

NEA PARTNERSHIPS

Your budget justification explains that the NEA has formed strategic partnerships with the Departments of Education, Agriculture, Defense, and Interior. It also mentions that in June, 2010 the Department of Housing and Urban Development announced funding availability for its Sustainable Communities Initiative, a partnership with both the Department of Transportation and the EPA.

Simpson Q4: Is the Department of Transportation and the EPA (which is funded by this subcommittee) now in the business of providing grants to support the arts in local communities?

Simpson R4: While the NEA has formed strategic partnerships with other agencies to discuss how the arts can play a role in their ongoing activities, the NEA remains the primary federal agency for supporting arts organizations in local communities.

Simpson Q5: What is the Sustainable Communities Initiative and how much annual funding does the NEA provide to it?

Simpson R5: The Sustainable Communities Initiative seeks to create strong, sustainable communities by connecting housing to jobs, fostering local innovation, and helping to build a clean energy economy. As part of its goal to foster local innovation, NEA has partnered with HUD to bring arts, culture, and design organizations into the conversation of how communities can become more livable. The NEA does not provide any annual funding to this partnership.

Simpson Q6: Can you submit for the record a list of each federal agency involved in similar partnerships with the NEA and the amount of annual funding they provide?

Simpson R6: While there are no similar partnerships the NEA is currently involved in, below is a list of all interagency agreements the NEA has been involved in for FY 2009 and FY 2010.

**NEA Programmatic Federal Partnerships
FY 2009 - 2010**

FY	# of IAs Transferring Funds <u>FROM</u> the NEA	Amount Transferred <u>FROM</u> the NEA	# of IAs Transferring Funds <u>TO</u> the NEA	Amount Transferred <u>TO</u> the NEA	Memoranda of Understanding (no funds)	Total Federal Partnerships
2009	6	\$790,000	12	\$2,720,735	0	18
2010	7	\$676,680	9	\$1,966,080	3	19
2009 thru 2010	13	\$1,466,680	21	\$4,686,815	3	37

NOTE: Includes *appropriated program* funds only; *excludes gift* funds.

FY 2009 NEA Programmatic Federal Partnerships

IAs	Department	Agency	Project Name	Funds from NEA	Funds to NEA
1	Appalachian Regional Commission	(independent agency)	Appalachian Gateway Communities Initiative	30,000	
2	Education	Office of Innovation and Improvement	Arts Education Partnership		350,000
3	Environmental Protection Agency	(independent agency)	Governors' Institute on Community Design		195,000
4	Institute of Museum and Library Services	(independent agency)	AFI Project: 20/20 (3rd year)		80,000
5	Institute of Museum and Library Services	(independent agency)	Big Read		500,000
6	Institute of Museum and Library Services	(independent agency)	Coming Up Taller		91,500

7		Interior	National Park Service	Save America's Treasures			809,123
8		Japan-US Friendship Commission	(independent agency)	Artists exchange	100,000		
9		Justice	Bureau of Prisons	Artists in residence	25,000		
10		Justice	Office of Juvenile Justice and Delinquency Prevention	Shakespeare Programming for At-Risk Youth			125,000
11		Library of Congress	(legislative agency)	National Book Festival	100,000		
12		National Endowment for the Humanities	(independent agency)	105 Voices of History Concert			5,000
13		National Endowment for the Humanities	(independent agency)	AFI Project: 20/20 (3rd year)			160,000
14		National Endowment for the Humanities	(independent agency)	AFI Project: 20/20 (4th year)			160,000
15		National Endowment for the Humanities	(independent agency)	Coming Up Taller			91,500
16		National Endowment for the Humanities	(independent agency)	Coming Up Taller administrative expenses			153,612
17		Open World	(legislative agency)	Artists exchange	500,000		

18		Smithsonian Institution	National Museum of American History	Jazz Masters Oral Histories	35,000	
18		18	<i>programmatic interagency agreements for</i>		790,000	2,720,735

FY 2010 NEA Programmatic Federal Partnerships

IA's		Department	Agency	Project Name	Funds from NEA	Funds to NEA
1		Appalachian Regional Commission	(independent agency)	Appalachian Gateway Communities Initiative	30,000	
2		Defense	Morale, Welfare and Recreation	Operation Homecoming: Phase II	0	0
3		Defense		Stars and Stripes	0	0
4		Education	Office of Innovation and Improvement	Arts Education Partnership		550,000
5		General Services Administration	(independent agency)	Excellence in Federal Design	90,000	
6		Institute of Museum and Library Services	(independent agency)	International Film Exchange Project (4th year)		80,000
7		Institute of Museum and Library Services	(independent agency)	Big Read		22,500
8		Institute of Museum and Library Services	(independent agency)	Coming Up Taller		91,500

9		Interior	National Park Service	Save America's Treasures		810,940
10		Japan-US Friendship Commission	(independent agency)	Artists exchange	100,000	
11		Justice	Bureau of Prisons	Artists in residence	25,000	
12		Library of Congress	(legislative agency)	National Book Festival	100,000	
13		National Endowment for the Humanities	(independent agency)	105 Voices of History Concert		3,000
14		National Endowment for the Humanities	(independent agency)	International Film Project (5th year)		160,000
15		National Endowment for the Humanities	(independent agency)	Coming Up Taller		91,500
16		National Endowment for the Humanities	(independent agency)	Coming Up Taller administrative expenses		156,640
17		Open World	(legislative agency)	Artists exchange	100,000	
18		Smithsonian Institution	National Museum of American History	Jazz Masters Oral Histories	231,680	
19		State, Department of	Bureau of Educational and Cultural Affairs (ECA)	Federal Advisory Council on International Exhibitions (FACIE)	0	0
19		19	<i>programmatic interagency agreements</i>		676,680	1,966,080

NEA STAFFING LEVELS

The NEA's budget justification lists five priorities for FY 2012. Your first priority (on page 4) is for the NEA to maintain its staff and to interact with the arts community and the public. Overall, your budget request returns funding levels to just above the FY08 levels but doesn't reduce the number of staff to administer fewer funds. In FY08, the NEA had 155 FTE; today the NEA has 169 FTE.

Simpson Q7: One could easily conclude that the NEA is using limited funds to maintain current staffing while cutting programs. With less funding and fewer programs to administer, should the NEA propose to maintain current staffing levels?

Simpson R7: NEA is always looking at ways to do its work more effectively and efficiently, and to use technology to reduce workload. While our funding request for FY 2012 is just above the FY 2008 appropriated level, our workload has not remained stagnant. The Agency's workload is driven primarily by applications for grant funding. In FY 2008, we received 4,781 applications for funding. Applications for FY 2010 funding increased by 1,550 to a total of 6,331. Likewise, we received 6,031 applications to date for funding in FY 2011. Given the current economic climate, we are not anticipating a reduction in the number of applications for funding. As such, we believe a staffing level of 169 FTEs is appropriate to effectively and efficiently carryout the mission and responsibilities of the Agency.

GRANTS FOR INDIVIDUAL ARTISTS

The NEA has been successful in recent years because of its emphasis on promoting arts for all Americans rather than individual artists. This was one of the reforms instituted by the subcommittee 15 years ago in response to controversy generated by specific grants to individual artists. In the past, you've been outspoken in your support for supporting individual artists. You have said, "We're the National Endowment for the Arts and our mandate is to support the arts, and the best way to support the arts is to support artists." My concern is that this change would undermine bipartisan support for the NEA.

Simpson Q8: Is it your intent to try to change this policy relating to funding individual artists? Does the Administration support your efforts? Why specifically do you believe grant funding should be provided to individual artists?

Simpson R8: It is not our intention to change the policy relating to funding individual artists. The Administration supports our request.

NEA REAUTHORIZATION

The NEA, like many other agencies funded through this bill, continues to receive federal funding even though it hasn't been authorized in years (last authorized in 1993, we believe).

Simpson Q9: Are you or the Administration reaching out to the appropriate authorizing committees in the House and Senate to pursue reauthorization this year?

Simpson R9: We have had no discussions with the authorizing committees in the House and Senate regarding reauthorization this year.

SALARIES AND EXPENSES

The request for Salaries and Expenses reflects a \$1.1 million increase over the FY10 enacted level. Two items within this account got my attention. The first was a request for \$55,000 for express mail charges. The second was \$460,000 for staff computers which are replaced every three years.

Simpson Q10: Why does the NEA need \$55,000 to pay for express mail charges as opposed to using regular mail or even using technology (e-mail, scanning images, etc)?

Simpson R10: The NEA uses priority mailing services to ensure secure and timely mailing of panel books containing grant application review materials to panelists, as well as for the return of these materials to the Agency from the panelists. Likewise, the Agency uses priority mailing services for the delivery of grant recommendations for review by members of the National Council on the Arts prior to their meetings.

In FY 2011 and FY 2012 we will begin implementing an e-review panel process. Through the use of technology, it is our intent to reduce the use of priority mailing services for shipping of panel materials; we should see a reduction in costs for this in FY 2013.

Simpson Q11: Is it possible to get more than three years of life out of the computers that the NEA uses? Can't these computers get software upgrades like computers used by Hill staff?

Simpson R11: In FY 2012, we budgeted \$460,000 for equipment costs of which \$250,000 is for the replacement of staff computers.

NEA is at a critical juncture with respect to both its hardware and software. We are moving to new cloud-based applications, modernizing our grants system, and implementing government requirements for a Trusted Internet Connection, two-factor authentication, and IPV6 capability. It is essential that our equipment meet the performance and compatibility demands of this new architecture and that our software be up-to-date. Two examples follow:

- We currently use Windows XP operating systems, which are not compatible with the latest version of Internet Explorer (IE) (ver 9) from Microsoft. We require the most current browser software to access cloud applications some of which use free open source code that require IE-9 to operate. In order to use IE-9, we need the latest operating system, Windows 7.
- The NEA is contracting to build an electronic work sample and panel review system. Electronic work samples (video in particular) are bandwidth and processor intensive products. Our current equipment is minimally able to handle the workload. When we move beyond a pilot this fall, the need for more powerful equipment becomes essential.

It is important to note that we have in the past extended procurements beyond three years when it made sense; however, at this time the upgrades are essential to operations. We need both hardware and software upgrades to handle the growing systems workload.

NEA PROMOTING THE ARTS IN SCHOOLS

Thousands of school-aged children have benefitted over the years through the Shakespeare toolkits and Jazz in the Schools toolkits that the NEA has distributed free to thousands of teachers nationwide.

Simpson Q12: How many of these toolkits were distributed last year to how many teachers and schools? What are your plans for continuing the distribution and use of this popular resource?

Simpson R12:

- **Shakespeare.** Last year, we distributed 7,000 *Shakespeare in American Communities* toolkits; 6,400 went to teachers in 5,627 different schools, and the remaining 600 are being used by participating theater companies. We plan to produce 7,000 more toolkits this summer. Since the inception of the program, 82,000 toolkits have been distributed to middle and high schools nationwide.
- **Jazz.** The last of the toolkits were distributed in 2008. Since then, the resource has been available exclusively online.

Questions for the Record from Mr. Flake

UNIVERSITY GRANTS

Reviewing the NEA's grant awards in 2010 and 2011 on the NEA website, there are a number of grants awarded either directly to or on behalf of institutions of higher education. It is my understanding that such institutions, take a portion of certain types of grant awards to cover "overhead" or administration costs.

Flake Q1: For all of the colleges and universities listed as grant recipients in 2010 and 2011, could you please provide details as to whether or not these institutions took out any overhead or administrative costs from an NEA grant before passing the funds onto the intended recipient?

Flake R1: In FY 2010 and FY 2011, the NEA awarded a total of 174 grants to colleges and universities (representing 3% of total grants awarded). All of the recipients, consistent with Federal government-wide policy, applied "indirect cost rates" to their project budgets. This is a method available to all colleges and universities receiving Federal financial assistance for allocating their administrative overhead costs within their project budgets. Each educational institution negotiates its indirect cost rate with the Federal agency from which it receives the greatest amount of Federal funds (the "cognizant agency"); the rates vary by institution and type of project. Virtually all NEA grants require a 1:1 match; universities and colleges typically use the contribution of their indirect costs to partially match the award.

REPEAT RECIPIENTS

Reviewing the NEA's grant awards in 2010 and 2011 on the NEA website, there appear to be numerous organizations that received NEA grants funding in both years.

Flake Q2: Could you please provide details as to which organizations were awarded NEA grants in both 2010 and 2011 and the sum of each of these awards?

Flake R2: In FY 2011, of all the organizations that have received (or have been recommended to receive) awards, 1,281 received NEA grants in FY 2010 as well. The amount awarded to these organizations in those two years totals approximately \$101 million. Note that "organizations" refers to those that receive awards through our direct grantmaking; it excludes the Partnership Agreements awarded to the State Arts Agencies and their Regional Arts Organizations. It also excludes Recovery Act awards.

Flake Q3: In addition, what percentage of all NEA grants awarded for 2010 and 2011 is made up of funds provided to recipients who have received one or more NEA grant in the past?

Flake R3:

Of all organizations that received grants in **FY 2010:**

- 17.2% received no grants in the previous ten years.
- 28.0% received no more than one grant in the previous ten years.
- 37.6% received two or fewer grants in the previous ten years.

Of all organizations that have received (or have been recommended to receive) grants in **FY 2011:**

- 13.1% received no grants in the previous ten years.
- 23.0% received no more than one grant in the previous ten years.
- 31.2% received two or fewer grants in the previous ten years.

Note that “organizations” refers to those that receive awards through our direct grantmaking; it excludes the Partnership Agreements awarded to the State Arts Agencies and their Regional Arts Organizations. It also excludes Recovery Act awards.

CONFLICT OF INTEREST

Flake Q4: With so many organizations having been awarded grants over consecutive years, how does the NEA ensure there are no conflicts of interest during the grant review and award process?

Flake R4: The Arts Endowment has several safeguards in place to ensure conflict-free application review.

There are three groups with responsibilities in the review of applications, and each has a role in the review for conflicts of interest:

- 1) Staff
- 2) Advisory Panelists
- 3) National Council on the Arts

Staff Review

Several offices in the agency are charged with the review for conflicts of interest at different points in the process:

- Program staff, who review for conflicts as they process applications, recommend panelists, and facilitate panel meetings.

- Office of Guidelines & Panel Operations staff, who review for conflicts when they approve panelists.
- Office of the Deputy Chairman for Programs & Partnerships staff, who review for conflicts when they approve panelists, and review and approve recommendations from panelists on applications.
- Ethics Officer, who is consulted for a determination if there is question as to whether a situation constitutes a conflict of interest.

In general, staff members do not have conflicts of interest with applicants. However, should a staff member have a conflict with an applicant, that staff member will not participate in any discussion or decision regarding the applicant.

Advisory Panelists' Review

Applications are reviewed by independent, national panels of artists and other arts experts.

There are three points of advisory panelist review for conflicts:

- 1) Potential panelists are sent confidential lists of applicants to review for conflicts of interest. Individuals with conflicts are not invited to serve.
- 2) Once approved as conflict-free panelists, all panelists are sent the full applications and are provided with the *Standards of Conduct for NEA Panelists* and additional information regarding conflicts of interest. Panelists are asked to review the full applications for conflicts of interest.
- 3) At the panel meeting, panelists are provided with an orientation which begins with a discussion of conflicts of interest and reiterates the importance of conflict-free application review. Panelists are once again asked to review for conflicts of interest for a final time.

Throughout the review process, panelists are asked to contact staff immediately if they have questions regarding conflicts of interest.

If a conflict arises during the process, there are two mechanisms for ensuring conflict-free application review:

- 1) The panelist with a conflict is removed from the panel and is replaced.
- 2) The application with which there is a conflict is moved to another panel for review.
(Application pools are often divided into groups and are reviewed by separate panels.)

National Council on the Arts Review

The National Council on the Arts, the Arts Endowment's advisory body, comprises nationally and internationally renowned artists, distinguished scholars, and arts patrons appointed to six-

year terms by the President, and members of Congress. The National Council on the Arts reviews and votes on the recommendations sent forward by panelists and staff.

Members of the National Council on the Arts are also given *Standards of Conduct* information and they provide us with lists of their conflicts. Those conflicts are indicated in the application materials sent to all Council members prior to their meetings. Council members do not discuss or vote on any applications with which they have conflicts.

APPLICANTS VS. AWARDS

During questioning, the subcommittee discussed the disparity between the number of grant applications submitted to the NEA and the number of grant applications actually funded by the NEA.

Flake Q5: Could you please provide the number of grant applications submitted versus grant applications funded for both FY 2010 and FY 2011?

Flake R5:

FY 2010 – 6,331 applications received; 2,731 grants awarded,
FY 2011 – 6,031 applications received; 2,329 grants awarded.

**Maria Lopez De Leon, National Council on the Arts Nominee
US Senate Committee on Health, Education, Labor and Pensions
December 10, 2012
Re: Questions for the Record from Sen. Enzi**

A publicly available document (<http://www.scribd.com/doc/16298758/WH-Briefing-Report-6309>) suggests that you participated in a program, including a May 12, 2009 White House meeting, that may have involved promoting elements of the President's legislative and/or policy agenda. News reports also indicate that your employer, the National Association of Latino Arts and Culture (NALAC), was a recipient of federal grants before and/or following the May 12, 2009 meeting.

- 1) Please describe your involvement in the May 2009 White House meeting, what occurred at that meeting, and what, if any, actions you took as a result of the White House meeting.

I was invited to the May 12, 2009 meeting at the White House but did not have a speaking role. My understanding was that we, the participants, were there to represent and affirm the diversity and vibrancy of the national arts and culture community. I did not promote the President's legislative and/or policy agenda as a result of this meeting. The National Association of Latino Arts and Culture applies for and competes for funding from the National Endowment for the Arts. The funding that we received following the May 12, 2009 meeting was based on an application we submitted in August 2008 for support of NALAC's programs. This application for funding was reviewed by an NEA peer review panel months before the May 12, 2009 meeting and funding was provided based on the merits of our application and strength of our proposal. All of NALAC's applications to the National Endowment for the Arts have always been rigorously reviewed by a peer panel. The peer panel's funding recommendations are sent to the National Council on the Arts for final approval and authorization. The federal grant awards to NALAC are not based on our participation in meetings or advocacy efforts.

- 2) What was the purpose of any federal grant(s) NALAC received following the May 12, 2009 meeting and did NALAC use those grants to support any of the policies discussed at the May 2009 meeting(s)?

The purpose of the federal grant(s) NALAC received following the May 12, 2009 meeting did not support any of the policies discussed at the May 2009 meeting. The grant awards were based on the artistic merit and artistic excellence of the projects.

NEA Grant Number

NEA Grant Number 09-5400-7159

Application Submitted: August 11, 2008

Award Date: July 27, 2009

Grant Project: To support NALAC's Ninth Annual Leadership Training Institute and the Seventh Latino Arts National Conference.

NEA Grant Number 10-5488-7001

Application Submitted: April 2, 2009

Award Date: November 20, 2009

Grant Project: To support staff jobs to continue implementing NALAC's programs that include the Annual Leadership Training Institute; Regional Arts Training Workshops; National Latino Arts Conference and professional development and technical assistance activities.

NEA Grant Number 09-5400-7260

Application Submitted: April 27, 2009

Grant Award Date: August 25, 2009

Grant Project: To support three NALAC National Conversations with Latino artists and arts leaders on the topics of (1) Next Generation Leadership Development; (2) Organization Capacity Building; (3) Latino Aesthetics. These conversations served as the basis for the publication of three white papers on each topic.

NEA Grant Number 11-5400-7088

Application Date: August 10, 2010

Grant Award Date: June 29, 2011

Grant Project: To support the annual Leadership Training Institute and two Professional Development Regional Arts Training Workshops.

- 3) What, if any, safeguards have you put in place to ensure that grant money obtained from the federal government by your employer(s) is not improperly spent on political advocacy or lobbying?

NALAC accounting practices designate program line items for all grant awards and federal grant awards are restricted for use for the approved grant purposes and programs only. Funds are spent only for the purposes stipulated in the grant request. Policies are reviewed annually to ensure compliance with federal guidelines restricting use of federal funds for political advocacy or lobbying.

NALAC By-Laws also state:

ARTICLE III – PROHIBITED ACTIVITIES

No part of the net earnings of the corporation shall inure to the benefit of, or be distributable to the directors or officers of the Corporation, except that the Corporation shall have the authority to pay reimbursement for expenses incurred

in the line of business conducted for the organization. Directors who have an indirect interest in any financial transaction with the Corporation shall be required to disclose said interest and acquire approval from the Board of Directors. Except as provided in Section (h) of the Internal Revenue Code, no substantial part of the activities of the Corporation shall consist of carrying propaganda, or otherwise attempting to influence legislation, and the Corporation shall not participate in, or otherwise intervene in (including the publication or distribution of statement(s), any political campaign on behalf of or in opposition to candidates for public office. Notwithstanding any other provisions of the State of Texas governing or pertaining to the Corporation, the Corporation shall not engage in or carry on any activities not permitted to be engaged in or carried on by a corporation described in Section 501(c)(3) of the Internal Revenue Code of 1954 (or the corresponding provision of any future Federal Income Tax Law) and exempt from taxation under section 501(c) (3) of the Internal Revenue Code of 1954 (or the corresponding provision of any future Income Tax Law).

- 4) Have you read the White House's memorandum sent on September 22, 2009 to all federal executive agencies outlining the guidelines for public outreach meetings? If confirmed, will you ensure to the best of your ability that the National Endowment for the Arts abides by that memorandum during your tenure?

I have read the memorandum and if confirmed, I will ensure to the best of my ability that the National Endowment for the Arts abides by that memorandum during my tenure.

Questions for the Record
Questions from Chairman Dicks
National Endowment for the Arts – FY 2009 Budget Request
Hearing Date: April 1, 2008

Dicks Question 1. Let me ask you to update the Committee on the latest data on the Big Read program which has encouraged reading of great literature not just by more people but by more communities. How many programs have been funded and how many American communities are participating?

Dicks Answer 1. Initiated to help stem the decline in reading by Americans of all ages, *The Big Read* was piloted in 2006 in 10 towns and cities, both large and small. *The Big Read* has grown exponentially over the past two years to include 325 programs in 2,000 communities. We anticipate another 200 programs to take place during 2008-09. Altogether, *The Big Read*, the largest Federal literary program in U.S. history, will engage Americans in reading and discussing the same book in thousands of communities, and is expected to serve every congressional district.

Dicks Question 2. What is the cost of the Big Read program to the taxpayer?

Dicks Answer 2. Since the beginning of the program some three years ago, \$10.208 million in Federal funds have been obligated in support of 325 *Big Read* programs. Of this amount, the National Endowment for the Arts provided \$7.958 million and the Institute of Museum and Library Services provided \$2.250 million. In addition, the NEA has expended \$917,000 in private funds donated to the agency for *The Big Read*. During 2008-2009, the NEA expects to support another 200 *Big Read* programs with Federal program funds of \$5.795 million, including \$.500 million from IMLS, and donated funds of \$.250 million. Grant awards to communities require a one-to-one match from non-Federal sources. The Arts Endowment has requested \$13.289 million in FY 2009 for *American Masterpieces*, including its literary component, *The Big Read*.

Dicks Question 3. Using the Big Read program as an example, can you tell us how NEA evaluates whether a good concept when broadly implemented is actually effective in accomplishing its goals?

Dicks Answer 3. *The Big Read* is a program developed by the National Endowment for the Arts to respond to U.S. Census findings that the majority of Americans no longer engage in literary reading. The continual decline is detailed in NEA's 2004 survey *Reading at Risk* and the NEA's 2007 report, *To Read or Not To Read: A Question of National Consequence* which provides comprehensive data – collected from the U.S. Department of Education, U.S. Department of Labor, universities, foundations, and other sources – about the reading habits of Americans.

In absolute terms, *The Big Read* aims to help restore reading rates to significantly higher levels – particularly for young adults and the teenage and male populations for whom

reading is in sharpest decline. With regard to *The Big Read*, we have a statistical benchmark based on results from a large, nationally representative survey we conducted in collaboration with the U.S. Census Bureau. Titled the “Survey of Public Participation in the Arts” (SPPA), the survey showed that in 2002 less than half of American adults read a work of literature, and that only 57% read any book whatsoever in the previous year. According to SPPA trend data, the percentage of young adults reading literature has declined sharply, from 60% in 1982, the first year of the survey, to 43% in 2002.

The NEA realizes, however, that performance targets for *The Big Read* cannot be based on quantitative inputs alone. Certainly, the Agency would like *The Big Read* to generate future survey results showing that well over half of American adults and youth read a literary work within the last year. Such clear outcomes would go a long way toward proving the success of *The Big Read* program. Yet one-to-one correspondences of this sort, though desirable, are difficult to measure through a general population survey. For example, the next SPPA – which occurs in May 2008 – may yield higher nationwide reading rates than in 2002, but how much of that growth could be directly attributable to *The Big Read*?

To account for this complexity, we have adopted multiple methods to evaluate the success of the program. For the last three grant cycles of *The Big Read*, a third-party evaluator has administered print and online surveys to participants, grantees, and partners involved in *The Big Read*. The participant surveys include a “pre-” and “post-” component and allow us to track demographic information about participants and their self-reported reading rates before and after completion of *The Big Read* in their communities. Reported reading rates are benchmarked to the 2002 SPPA data. A realistic measurement would be how many new readers come into the program and how many frequent readers engage in the many community and literary activities surrounding *The Big Read*.

At present we are engaged in measuring the growth in first-time visits to libraries, literary events, book clubs, and author readings, frequency of conversations about reading and literature (as reported by participants), and circulation of print and broadcast news coverage of *Big Read* events. Separate surveys to grantees and *Big Read* partners – along with qualitative data gleaned from interviews, focus groups, site visits, and grantee final reports – help the evaluator to understand which aspects of *The Big Read* work efficiently and which need improvement.

Apart from positive responses to multiple questionnaires, another measure of the program’s success is its geographical reach: how Americans with access to *Big Read* events throughout the country are responding to its programming, audio guides, and educational materials. We are pleased to report that at the current rate of applications received by the Agency, we expect 525 high-quality proposals to have been funded by the end of 2008, which should allow us to reach thousands of communities in every congressional district with *Big Read* programming. Efforts are also under way to analyze changes in the percentage of repeat grant applicants.

Dicks Question 4. How do you validate the scientific validity of your evaluation studies?

Dicks Answer 4. The NEA's Office of Research & Analysis (ORA) works to ensure the scientific validity of national evaluations. For *The Big Read*, the office convened an expert panel to review proposals to evaluate the program. Knowledge about survey design and analysis – as well as experiences conducting case studies – were rated highly in the panel review process. After selecting a qualified third-party evaluator, the office carefully reviewed all survey instruments, the sampling framework, and protocols for interviews and focus groups, so that the questions minimized risks of bias. Additionally, the statistical methods for data collection and the analysis plan for the evaluation were subject to stringent review by the Office of Management & Budget.

In reviewing each interim report from the evaluator, the ORA demanded clear explanations of the sample sizes, survey response rates, and representativeness (geographically and by age, gender, and race/ethnicity) of the study population. Working with the ORA, the evaluator used this information to recalibrate the study design, where possible, to produce more accurate measurements. Non-respondent surveys and oversampling techniques were some of the tools we used in later phases of the evaluation.

Dicks Question 5. How much money is budgeted for evaluation studies and how has this changed over the last several years?

Dicks Answer 5. In FY 2008, \$370,000 is allocated in program support funding for research and analysis. This funding supports the production of unique data sets and analyses that provide important insights into public policy issues affecting artists, arts organizations, and the general public. Funding in previous years for these efforts has ranged from \$229,000 in FY 2007 to \$454,000 in FY 2006. This funding made possible NEA's survey, *Reading at Risk*, and the Agency's November 2007 report, *To Read or Not To Read: A Question of National Consequence* consisting of comprehensive data about the reading habits of Americans of all generations from Federal, university, and other sources.

Additionally, program funding may be provided for evaluation of National Initiatives and/or leadership projects. For example, a total of \$330,000 was awarded to Arts Midwest in FY 2006 and FY 2007 for evaluation of *The Big Read* programming. NEA also awarded \$120,000 in both FY 2006 and FY 2007 to the Council of Chief State School Officers for the evaluation of the *NEA Summer Schools in the Arts* initiative.

Evaluations of NEA programs are also provided through our partners. For example, the Poetry Foundation has spent approximately \$35,000 to \$45,000 annually since FY 2005 to evaluate NEA's *Poetry Out Loud: National Poetry Recitation Contest*.

Dicks Question 6. Last year the Congress included language in the Omnibus bill creating a domestic indemnity program to insure traveling art exhibits. This was supported by a broad spectrum of the American museum community and, informally by

the NEA. I believe that you have just issued draft regulations for the new program. Can you tell the Committee why such a program is justified and how NEA will administer the program?

Dicks Answer 6. In recent years, there have been huge increases in the valuations of major works of art, enormous increases in insurance premiums to cover temporary exhibitions of both international and domestic loans, and a combination of prohibitive expense and scarcity of available commercial insurance to cover the perils of earthquake, terrorism, and war. These factors combined have significantly limited the ability of American museums to share significant works from their collections with other U.S. museums and the American public. Numerous exhibitions have been canceled, postponed, or curtailed due to the high cost of insurance. Because the existing indemnity program has covered international exhibitions successfully for nearly 33 years, with virtually no claims for loss or damage, it is believed that a program for coverage of domestic exhibitions would provide effective relief to American museums with little additional risk to the U.S. Treasury.

The domestic indemnity program will be administered in the same way that the international program has been managed by the NEA: the guidelines are nearly identical (with the same safeguards and rigorous questions); an advisory panel of museum experts will review the applications; and the Federal Council on the Arts and the Humanities (composed of the heads of nineteen agencies) will make the final decisions on which exhibitions will be indemnified. There will be two application deadlines per year starting later this year.

Dicks Question 7. The domestic indemnity program has a cap of \$5 billion in any given year. In your opinion how much risk has the American public taken on in creating the new domestic indemnification program?

Dicks Answer 7. There are statutory and regulatory limits in place in the indemnity legislation and the guidelines, including a cap on the amount of coverage for a single exhibition (\$750 million), a limit to the dollar amount on any single conveyance (\$80 million), and a deductible layer to cover the first losses, which is the responsibility of the organizing museum, all of which protect the U.S. Treasury. Given the stringent requirements of the program, and the low loss record of the international indemnity program over 33 years, we believe the risks have been minimized to the greatest extent possible.

Dicks Question 8. Over the history of the international indemnification program, how much money has been paid out of the Treasury for losses? We have heard it is less than a million dollars.

Dicks Answer 8. Throughout the 33-year history of the international indemnity program, the U.S. Treasury has paid a total of \$104,700 in claims.

Dicks Question 9. Does this budget maintain the traditional 40 percent set aside of NEA program dollars for the State Partnership programs?

Dicks Answer 9. Yes. Of the \$101.632 million in grantmaking funds requested in FY 2009, 40 percent or \$40.653 million is allocated to State and Regional Partnerships.

Dicks Question 10. Approximately 20 percent of your State Partnership funding, about \$8.6 million, is allocated for the category called “underserved.” Can you tell us who qualifies under this program and how funding is used?

Dicks Answer 10. The Arts Endowment defines an underserved community as one in which individuals lack access to artistic excellence due to geography, economic conditions, ethnic background, or disability. State Arts Agencies and Regional Arts Organizations utilize the NEA’s Underserved funds through strategically designed programs and initiatives that reach and strengthen underserved communities. They work with artists and arts organizations to improve their business practices and expand opportunities for residents to experience and participate in the arts. The impact of these investments is a driving force in the revitalization of communities.

Examples:

The **Washington State Arts Commission** reaches underserved communities through several avenues. Its *Project Support Program* funds small arts organizations and community service groups in remote rural areas from Anacortes to Wenatchee to provide performances, workshops, and other participation opportunities. Examples of projects supported:

The **Chinese Opera R&D Association** in Lakewood received project funding for the Chinese opera, *The World of Love*. This event broadened the organization’s audience in Tacoma and included a sold out performance held at the Meydenbauer Center in Bellevue. Their productions introduced audiences and younger generations to a significant aspect of Chinese traditional culture.

Youth Theater NW conducts a theater arts education program to a diverse audience of children, youth, and their families who may not have the financial resources or the exposure to the arts in their communities. The Washington State Arts Commission helped support Youth Theater NW’s summer production of the musical *Seussical*, which provided technical training and engaged more than 60 youths.

The **Kansas Arts Commission** places a special emphasis on increasing arts access for its underserved citizens. The KAC provides funding to Accessible Arts, Inc., to conduct *Creating Arts for All* training workshops and one-on-one consulting for educators and program administrators to learn how to provide increased creative opportunities for students with physical disabilities.

New Mexico Arts has developed and supported a cultural economic initiative - *Fiber Arts Trail* - that helps build the market for weavers in the poorest, most rural parts of New Mexico. A Trail Guide directs visitors to the studios and work of more than 200 artists and fiber-related businesses at 71 sites throughout the State. This initiative honors the State's native traditions, and fosters entrepreneurship and a sustainable future for individual artists. This has enabled artists to stay in their own communities rather than move to larger cities to find employment. Through their art, they preserve and expand upon their fiber arts traditions, maintain and strengthen their communities, and help build New Mexico's creative economy.

The **Massachusetts Cultural Council's** *YouthReach Initiative* awards grants to local cultural organizations that promote out-of-school arts, humanities, and science opportunities for young people in need. The Initiative links cultural organizations with human service agencies to help at-risk youth challenged by a disability, violence, or poverty. After-school and out-of-school arts programs provide these young people with structure and an environment that support their intellectual and creative development. This Initiative is a model program that has received national recognition, with many projects cited for excellence by the *Coming Up Taller* awards given by the President's Committee on the Arts and the Humanities.

Dicks Question 11. Chairman Gioia, the authorization for the NEA expired I believe in 1993. Can you tell us if there has been any movement on a reauthorization? Can you also tell us if the Administration has proposed any changes to your authorization?

Dicks Answer 11. Authorization of the National Endowment for the Arts expired in 1993. There is no movement by the Administration to seek changes to the Agency's authorization. The House Education and Labor Subcommittee on Healthy Families and Communities has scheduled a hearing for the NEA to provide information on National Initiatives and other programs undertaken by the Agency in recent years. The hearing is scheduled for May 8, 2008.

Dicks Question 12. Chairman Gioia, could you explain appointment process for the position of Chairman of the NEA and also tell the Committee when your term expires?

Dicks Answer 12. According to the National Foundation on the Arts and the Humanities Act of 1965, as amended, the Chairman of the National Endowment for the Arts is appointed by the President with the advice and consent of the U.S. Senate for a term of four years. The individual nominated by the President is considered by the Senate Committee on Health, Education, Labor and Pensions. I was unanimously confirmed by the Senate in 2003 and again in 2006. My second term as Chairman expires on February 15, 2011.

Dicks Question 13. Your staff have indicated that you need a technical change in your bill language related to recovery and use of prior year balances in the Challenge Grants program. Can you explain this language for us?

Dicks Answer 13. In FY 2001 and FY 2002, Congress appropriated Challenge America funds to a no-year “Challenge America” account. Appropriations bills since then have provided “That funds previously appropriated to the National Endowment for the Arts ‘Matching Grants’ account and ‘Challenge America’ account may be transferred to and merged with this account [our ‘Grants and Administration’ account].” The language was deleted from NEA’s FY 2008 appropriation bill. The NEA continues to need the authorization to merge these accounts to access funds available within them.

Questions for the Record

Questions from Congressman Tom Udall

National Endowment for the Arts – FY 2009 Budget Request

Hearing Date April 1, 2008

Udall Question 1. It is clear from the testimonies of the witnesses today, and from countless studies that the arts are fundamental to our young people's educational and social development. Many of your nation-wide programs reach into the schools. Is the NEA doing any direct coordination with the Department of Education to strengthen arts programs in the schools?

Udall Answer 1. National Endowment for the Arts and the U.S. Department of Education are partners and primary funders of the Arts Education Partnership designed to strengthen and deepen existing arts education programs in schools and outside schools. Also engaged in the Partnership are the Council of Chief State School Officers and the National Assembly of State Arts Agencies.

Udall Question 2. With the funding outlined in the President's FY09 budget, what national NEA initiatives would be prioritized and what national initiatives would see reductions?

Udall Answer 2. Under the FY 2009 budget request, *American Masterpieces* and *The Big Read* would remain at FY 2008 levels approved by Congress. The other National Initiatives would experience reductions in funding. For example, *Poetry Out Loud* would be funded at FY 2007 levels resulting in a reduction of \$5,000 per award to each State Art Agency and certain territories from FY 2008 levels. Likewise, *Shakespeare in American Communities* would be funded at FY 2007 levels, which is \$150,000 less than the FY 2008 allocation.

Udall Question 3. With the funding outlined in the President's FY09 budget, what NEA grant programs would be prioritized and what grant programs would see reductions?

Udall Answer 3. Under the FY 2009 budget request, *American Masterpieces* and *The Big Read* would remain at FY 2008 levels approved by Congress. However, under the FY 2009 budget request, all other NEA grant programs – Access to Artistic Excellence, *Challenge America: Reaching Every Community*, and Learning in the Arts – would see reductions from FY 2008 levels.

Questions for the Record
Questions from Congressman Todd Tiahrt
National Endowment for the Arts – FY 2009 Budget Request
Hearing Date April 1, 2008

The Big Read

By all accounts, the NEA's national literary initiative – *The Big Read* – has become a tremendous success in a very short period of time. Your budget justification notes that it began in 2006 as a pilot program, was expanded to reach 200 communities last year, and that you expect to reach 250 to 300 communities this year. During our recent meeting, you mentioned that your eventual goal is to have *The Big Read* serving every congressional district.

Tiahrt Question 1. Based on the initial early success of this program, what is a reasonable expectation of when you will achieve this goal? What are the greatest obstacles to realizing this objective? (Funding? Organization?)

Tiahrt Answer 1. Upon completion of the first four programming cycles in June 2008, *Big Read* activities will already have occurred in nearly 2,000 communities covering 300 congressional districts, as well as the District of Columbia, Puerto Rico, and the U.S. Virgin Islands. The fifth programming cycle, for which grantees have yet to be selected, will run from September 2008 through June 2009. We expect that by June 2009, *Big Read* program activities will have served every congressional district.

We have faced several challenges in this ambitious quest. First among them has been how to sponsor effective *Big Read* programs in very large, rural States. We have been fortunate that some rural States have taken on the challenge by using the media and other resources to engage citizens locally and often statewide. Montana, North Dakota, and South Dakota have hosted three *Big Read* programs each, and Alaska has hosted four. In urban areas we have encountered the opposite dilemma, where there are multiple enthusiastic applicants. The challenge is to encourage them to work in partnership, so that they adopt the same book and programming timetable, creating a unified *Big Read*.

Some communities want to participate but lack the infrastructure to manage the many and diverse partnerships necessary for effective programming. In such cases we have had some success persuading a neighboring *Big Read* community to expand its programming to include the smaller community. We also have cities with popular, pre-existing citywide reading programs that are resistant to including *The Big Read* in their communities because they have established branding and protocols with their ongoing programs. We have made some inroads in persuading participation by such communities by pointing out that *The Big Read* complements and enhances their existing programs.

By participating in a national program, they gain publicity to encourage more readers. There is no shortage of American communities eager to promote multi-generational reading and discussion of a classic novel through *The Big Read*.

The NEA and Indian Country

The mission of the Arts Endowment is “to support excellence in the arts, both new and established; bring the arts to all Americans; and provide leadership in arts education.” In addition, the NEA is charged by Congress to fund arts projects in underserved communities, those communities that have not traditionally had access to the arts for a variety of reasons.

Tiaht Question 2. To what extent does the NEA provide grants or fund programs that reach Indian Country? How many tribes and how many reservations do you reach presently?

What goals and/or expectations do you have for reaching underserved communities in Indian Country in the future?

Tiaht Answer 2. The NEA serves Indian Country and the nation’s Native Americans in numerous ways. Annually, the NEA awards direct grants to tribes and their non-profit organizations, honors exemplary Native American artists with lifetime achievement awards, and engages tribes in NEA’s National Initiatives.

Between FY 2004 and 2007, the NEA awarded 140 grants totaling \$3.2 million to 35 Native American tribes and funded many more projects serving Native Americans in 30 States. The vast majority of NEA’s tribal funding helps support projects that preserve and transmit Native arts traditions between generations. For instance, a FY 2004 grant of \$10,000 to the Nez Perce Tribe in Idaho helped support a two-week summer camp for youth to deepen their appreciation of Nez Perce language, arts, song, dance and traditions; a grant of \$10,000 to the Pawnee Nation of Oklahoma supported an artist in residence program in Native Pawnee storytelling, poetry and painting; and a grant of \$20,000 to the Four Bands Community Fund in Eagle Butte, South Dakota, helped the Lakota preserve their folk and traditional arts.

NEA grants are also awarded to non-profit organizations established by tribes. For instance, an FY 2007 grant of \$100,000 to the Institute of American Indian Arts Foundation in Santa Fe, New Mexico, funded scholarships for Native American students to study the visual arts. The Wisdom of Elders, Incorporated, located in Portland, Oregon, received an NEA grant to help fund a public radio program managed by Native Americans. The Northwest Native American Basketweavers Association, based in

Seattle, received NEA funding to support their annual gathering of basket weavers from tribes throughout the Northwestern States.

Native Americans are well represented among the recipients of the NEA National Heritage Fellowship, the highest award given to traditional and folk artists by the U.S. Government. Between Fiscal 2004 and 2007, the Agency recognized the lifetime achievements of six Native Americans from six different tribes: Gerald "Subiyay" Miller of Washington State, a member of the Skokomish tribe; Grace Henderson Nez, a Navajo; Delores Churchill of Alaska, a Haida; Esther Martinez of New Mexico, a Pueblo; Pat Courtney Gold, a Wasco; and Julia Parker, a Kashia Pomo. In addition, novelist N. Scott Momaday, a Native American from New Mexico who is the current Poet Laureate of Oklahoma, received the 2007 National Medal of Arts, the U.S. Government's highest award to artists and arts patrons.

NEA's *American Masterpieces* National Initiative recognized from the beginning the contributions of Native American artists by awarding a grant of \$140,000 to the Artrain to tour an exhibition called "Native Views: Influences of Modern Culture" consisting of 170 contemporary artworks by Native Americans. The train took the exhibition through 15 rural States, including Alaska, stopping in small towns so local citizens could board and see the exhibit.

At least eight *Shakespeare in American Communities* grants have engaged theater companies in providing Shakespeare performances for Native American students. Most noteworthy was the statewide tour of *Macbeth* by the Perseverance Theater of Alaska, set in the context of the Tlingit culture, fusing Shakespeare's language with the drumming, dancing, and visual design of the Tlingit people. More recently, with funding from the NEA, the Arizona Theatre Company performed *The Twelfth Night* in reservation schools from Northern Arizona to the Mexican border and brought Navajo students from four Indian schools into their Phoenix theater to experience live theater.

Native American communities are participating in *The Big Read*. Six tribes have received grants to date, with another six tribal applications received for future participation. For instance, the Grand Traverse Band of Ottawa and Chippewa Indians in Suttons Bay, Michigan, hosted a *Big Read* program that brought the community together including both the Tribal Elders Cultural Sessions and the Kitchi Minoginning Tribal School in reading and discussing Amy Tan's *The Joy Luck Club*. At present, in Oklahoma, the Comanche Nation elders are active partners in the Lawton Public Library's reading and discussion of Steinbeck's *The Grapes of Wrath*.

In addition, NEA State Partnership funds and their underserved allocation are used by State Arts Agencies to award grants to tribes and tribal organizations. Between FY 2004 and FY 2007, 45 State Arts Agencies report that they awarded more than 928 grants totaling \$3.6 million to tribes or their organizations.

The National Endowment for the Arts is proactive in reaching out to underserved communities and welcomes suggestions of how to serve the Native American community better. In recent years, the NEA has undertaken a number of efforts to engage more fully Native Americans in all of NEA's programs. NEA makes every effort to be inclusive and encourages the State Arts Agencies to include representatives of tribes, tribal colleges, and non-profit 501(c)(3) organizations that serve Native Americans in their grants workshops and programming.

As an active member of the White House Initiative on Tribal Colleges and Universities, the NEA uses the network of 32 colleges and universities to reach out to tribes about funding opportunities and opportunities to participate in NEA's National Initiatives. In November 2007, an NEA grants specialist participated in a technical assistance workshop, "Strengthening Academic Competitiveness for Tribal Colleges and Universities," held in Bloomington, Minnesota. Representatives from ten tribal colleges learned about funding opportunities from the NEA and other Federal agencies: Blackfeet Community College in Browning, Montana; Chief Dull Knife College in Lake Deer, Montana; College of Menominee Nation in Keshena, Wisconsin; Keweenaw Bay Ojibwa Community College in Baraga, Michigan; Leech Lake Tribal College in Cass Lake, Minnesota; Nebraska Indian Community College in Macy; Salish Kootenai College in Pablo, Montana; Sisseton Wahpeton College in Sisseton, South Dakota; Turtle Mountain Community College in Belcourt, North Dakota; and White Earth Tribal and Community College in Mahanomen, Minnesota.

Following the workshop, Chairman Gioia sent a letter in January 2008 to the presidents of all 32 tribal colleges and universities to encourage them to either sponsor or participate in *The Big Read* in their community. An unprecedented six applications are now under consideration from tribes and tribal colleges for *Big Read* programs to take place in 2008-09.

NEA and the Role of Partnerships

The NEA has had tremendous success in launching successful programs in conjunction with both governmental and corporate partners. The Boeing Company and the U.S. military services, for example, were instrumental to the success of *Operation Homecoming*. The Department of Defense and Boeing also teamed up to provide opera and musical theater performances to military families across the United States through the *Great American Voices Military Base Tour*.

Tiahr Question 3. Can you elaborate on the role of partnerships with both governmental and non-governmental partners? How much money is the NEA able to

leverage from other government agencies? How much from corporate and other non-governmental partners?

Tiahr Answer 3. The American system of arts support is a decentralized and constantly evolving system that combines a multitude of funding streams including Federal, State, and local government support with private subvention from individuals, corporations, and foundations, as well as earned income from box office receipts. The National Endowment for the Arts facilitates conversations about our culture, out of which emerge thousands of collaborations, large and small, national, regional, and local. NEA operates most effectively when it is engaged in fostering and sustaining these partnerships.

The NEA has established strong working relationships with numerous Federal departments and agencies, including legislative branch agencies. For instance, we currently have programs in partnership with the Appalachian Regional Commission, the Department of Justice, the National Park Service, the Social Security Administration, and all the Federal cultural agencies. In FY 2007, the NEA partnered with 12 Federal agencies to fund 21 different arts projects. Under 13 partnership agreements, Federal agencies transferred \$2.4 million to the NEA for projects such as *Save America's Treasures*, the *Coming Up Taller* awards, *The Big Read*, the *Governors' Institute on Community Design*, and the Social Security Administration's National Forum on Careers in the Arts for People with Disabilities.

Under nine other Federal partnership agreements, the NEA transferred \$866,000 to other Federal or legislative agencies to enhance the artistic merit of programs. For instance, the NEA helps support the Library of Congress' National Book Festival at which the NEA has its own tent that showcases the work of contemporary poets. Also, the NEA joins with other Federal cultural agencies to support a number of projects, such as the Institute of Museum and Library Services' National Conservation Summit. We also help support bilateral cultural exchanges providing funding to the Japan-US Friendship Commission for residencies of U.S. artists in Japan, and funding to the Open World Leadership Center for Russian artists and arts administrators to come to the United States.

The NEA receives donated funds, solicited and unsolicited, restricted and non-restricted, from private sources. In FY 2007, the NEA received \$1.256 million for both restricted and unrestricted purposes from corporate and other non-governmental partners. The Boeing Company continued its donations to the NEA, providing funding for *The Big Read* for military bases. Previously, The Boeing Company donated funds to the NEA to support NEA's *Operation Homecoming* and *Great American Voices Military Base Tour* programs for military personnel and their families. Darden Restaurants Foundation is a major supporter of NEA's *National Heritage Awards* events.

We are proud to report that XM Satellite Radio airs a series of NEA-produced Jazz and Literary "Moments." The total fair market value of the donated air time for these public service announcements in FY 2007, which run numerous times each month on a number of different XM channels, is estimated at \$2.6 million. Additionally, in the final month of FY 2007, the NEA and XM partnered to launch a daily radio broadcast series focusing

on books and authors featured in the NEA's *Big Read* initiative. The NEA-produced moments are available also to other radio stations for broadcast.

Questions for the Record
Senate Committee on Health, Education, Labor, and Pensions
Nomination of Dr. Jane Chu for Chairman of the National Endowment for the Arts

Senator Sanders:

It is my understanding that the National Endowment for the Arts (NEA) distributes 40 percent of its budget directly to states and regions, which has a significant impact not only on the nation's arts sector, but also on school engagement and employment. As the NEA Chair, what types of collaborative efforts will you promote to further the relationship between the NEA and the states and regions?

As Chairman, I will continue to promote the longstanding positive partnerships that the NEA has with its state and regional partners. This includes awarding 40% of the Agency's grant funds to state arts agencies and regional arts organizations as well as working collaboratively with state arts agencies on leadership and professional development projects mostly focused on topics related to arts education and folk and traditional arts.

Senator Whitehouse:

Throughout its history the NEA has had a significant partnership the state and regional arts organizations. In fact, many state arts agencies came into existence as a direct result of the founding of the NEA. Rhode Island has a long history of supporting the arts. Former Rhode Island Senator Claiborne Pell was the NEA's original champion in the Senate, and our own state art agency, the Rhode Island State Council on the Arts, still maintains a strong relationship with the endowment. In many states the most significant federal investment in the arts comes through similar partnerships with state agencies. Given that, in what ways do you anticipate working most productively with the state arts agencies to achieve the goals of the NEA and advance the arts nationally?

The NEA has longstanding partnerships with all state arts agencies, and if confirmed as Chairman, I will continue to support the awarding of 40% of the Agency's grant funds to state arts agencies and regional arts organizations. It is through these partnerships that the NEA can most productively fulfill its Congressionally-mandated mission of bringing excellent and meritorious art to Americans throughout the country.