




April 2, 2024

MEMORANDUM

TO: Wanika Fisher, Chair
Health, Human Services and Public Safety Committee (HHSPS)

THRU: Joseph R. Hamlin 
Director of Budget and Policy Analysis

FROM: Malcolm Moody - *MM*
Legislative Budget and Policy Analyst

RE: The Prince George's Arts and Humanities Council
Fiscal Year 2025 Budget Review (Non-Departmental Grants & Transfer Payments)

The Prince George's Arts and Humanities Council (PGAHC) is a not-for-profit organization established through the County Charter and funded, in part, by Prince George's County government grants through Non-Departmental allocations.

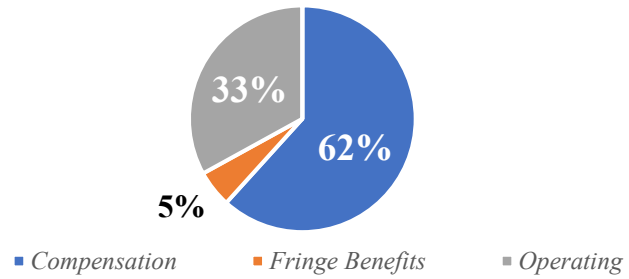
Budget Overview

FY 2025 Proposed Budget

- FY 2025 proposed revenues for PGAHC total \$1,663,300, an increase of \$197,500, or 13.5%, above the FY 2024 Approved Budget. In FY 2025, proposed revenues include:
 - *County sources:* A grant from the County Executive in the amount of \$414,000, which is unchanged from the FY 2024 funding level of \$414,000.
 - *County sources:* County Council grant funds are included in the proposed budget to support PGAHC in amount of \$100,000, representing a decrease of \$100,000 from the FY 2024 funding level. The Council typically provides funding for PGAHC through Non-Departmental allocation.
 - *Other funding sources:* PGAHC's other main sources of revenue include funding from Maryland State Capital Grants (\$300,000), Maryland State Arts Council (\$264,300) representing an increase of \$19,500 from the FY 2024 funding level, M-NCPPC (\$120,000), and other sources.

- In FY 2025 PGAHC proposes to spend \$1,026,500 on operating expenses (62%), \$549,000 on compensation (33%), and the remaining \$87,800 on fringe benefits (5%).

FY 2025 Proposed Budget Expenditures by Category



Multi-Year Revenues and Expenditures by Category

County Grant-County Executive	\$ 400,000	\$ 400,000	\$ 414,000	\$ 414,000	\$ 414,000	\$ -	0.0%
County Grant-County Council	100,000	100,000	200,000	200,000	100,000	\$ (100,000)	-50.0%
Office of Central Services-Arts in Public Places	375,176	112,200	75,000	161,800	75,000	\$ -	0.0%
M-NCPPC	125,946	120,000	120,000	120,000	120,000	\$ -	0.0%
Maryland State Arts Council	296,342	582,188	244,800	419,300	264,300	\$ 19,500	8.0%
Emergency Relief Funds	-	-	-	-	-	\$ -	n/a
American Rescue Plan Act Grant	164,714	387,214	-	500,000	-	\$ -	n/a
Maryland State Capital Grants	-	150,396	300,000	300,000	300,000	\$ -	0.0%
Public/Private/Other Revenue	409,115	388,410	77,000	103,000	150,000	\$ 73,000	94.8%
Facility-Based Revenue	142,091	153,746	-	155,000	155,000	\$ 155,000	n/a
Film Office Revenue	-	-	-	-	50,000	\$ 50,000	n/a
Other Service Contracts	6,932	-	10,000	10,000	10,000	\$ -	0.0%
Special Events	-	-	25,000	25,000	25,000	\$ -	0.0%
Total Revenues	\$ 2,020,316	\$ 2,394,154	\$ 1,465,800	\$ 2,408,100	\$ 1,663,300	\$ 197,500	13.5%
EXPENDITURES:							
Compensation	\$ 339,311	\$ 595,923	\$ 520,000	\$ 649,000	\$ 549,000	\$ 29,000	5.6%
Fringe Benefits	209,653	65,571	86,400	103,800	87,800	\$ 1,400	1.6%
Sub-Total	\$ 548,964	\$ 661,494	\$ 606,400	\$ 752,800	\$ 636,800	\$ 30,400	5.0%
Operating:							
Accounting & Audit	\$ 52,568	\$ 56,000	\$ 38,500	\$ 56,000	\$ 56,000	\$ 17,500	45.5%
Program & Marketing	12,679	7,119	40,000	8,000	12,000	\$ (28,000)	-70.0%
General Arts Programming	188,715	259,372	458,000	260,000	160,000	\$ (298,000)	-65.1%
Facility Based Arts Program	272,235	282,787	191,800	290,000	290,000	\$ 98,200	51.2%
General & Administrative	128,073	193,603	109,100	194,000	195,000	\$ 85,900	78.7%
Film Office Program	174,906	356,853	0	500,000	50,000	\$ 50,000	n/a
Public Art Creating Placem	413,342	273,474	0	326,800	241,500	\$ 241,500	n/a
Office of Poet Laureate	22,000	23,907	22,000	20,500	22,000	\$ -	0.0%
Total Operating Expenditures	\$ 1,264,518	\$ 1,453,115	\$ 859,400	\$ 1,655,300	\$ 1,026,500	\$ 167,100	19.4%
Total Expenditures:	\$ 1,813,482	\$ 2,114,609	\$ 1,465,800	\$ 2,408,100	\$ 1,663,300	\$ 197,500	9.3%
Excess Revenues over Expenditures:	\$ 206,834	\$279,545	\$0	\$0	\$0	\$0	

FY 2024 Spending

- FY 2024 estimated revenues for PGAHC total \$2,408,100, representing an increase of \$942,300, or 39%, above the FY 2024 Approved Budget of \$1,465,800. The top categories where estimated revenues have significantly exceeded initial budget include:
 - American Rescue Plan Act Grant (\$500,000 increase in estimated spending above the initial budget)
 - Maryland State Arts Council (\$174,500 increase in estimated spending above the initial budget)
 - Facility-Based Revenue (\$155,000 increase in estimated spending above the initial budget)
 - Office of Central Services – Arts in Public Places (\$86,800 increase in estimated spending above the initial budget)
 - Public/Private Sector Grants/Other Revenue (\$26,000 increase in estimated spending above the initial budget)
 - All categories in which FY 2024 estimated level of revenues and expenditures is different from the FY 2024 initial budget level are depicted in the accompanying table.

<u>REVENUES:</u>							
County Grant-County Executive	\$	414,000	\$	414,000	\$	-	0.0%
County Grant-County Council		200,000		200,000	\$	-	0.0%
Office of Central Services-Arts in Public Places		75,000		161,800	\$	86,800	115.7%
M-NCPPC		120,000		120,000	\$	-	0.0%
Maryland State Arts Council		244,800		419,300	\$	174,500	71.3%
Emergency Relief Funds		-		-	\$	-	n/a
American Rescue Plan Act Grant		-		500,000	\$	500,000	n/a
Maryland State Capital Grants		300,000		300,000	\$	-	0.0%
Public/Private/Other Revenue		77,000		103,000	\$	26,000	33.8%
Facility-Based Revenue		-		155,000	\$	155,000	100.0%
Film Office Revenue		-		-	\$	-	100.0%
Other Service Contracts		10,000		10,000	\$	-	0.0%
Special Events		25,000		25,000	\$	-	0.0%
Total Revenues		\$ 1,465,800		\$ 2,408,100		\$ 942,300	64.3%
<u>EXPENDITURES:</u>							
Compensation	\$	520,000	\$	649,000	\$	129,000	24.8%
Fringe Benefits		86,400		103,800	\$	17,400	20.1%
	Sub-Total	\$ 606,400	\$ 752,800	\$ 146,400			24.1%
Operating:							
Accounting & Audit	\$	38,500	\$	56,000	\$	17,500	45.5%
Program & Marketing		40,000		8,000	\$	(32,000)	-80.0%
General Arts Programming		458,000		260,000	\$	(198,000)	-43.2%
Facility Based Arts Programming		191,800		290,000	\$	98,200	100.0%
General & Administrative		109,100		194,000	\$	84,900	77.8%
Film Office Program		0		500,000	\$	500,000	n/a
Public Art Creating Placemaking		0		326,800	\$	326,800	100.0%
Office of Poet Laureate		22,000		20,500	\$	(1,500)	100.0%
Total Operating Expenditures	\$	859,400	\$	1,655,300	\$	795,900	92.6%
Total Expenditures:		\$ 1,465,800		\$ 2,408,100		\$ 942,300	64.3%

Staffing Changes and Compensation

- In FY 2025, compensation is proposed at \$549,000, which is an increase of \$29,000, or 5.6%, above the FY 2024 approved level. FY 2025 proposed compensation includes a cost-of-living and merit increase for PGAHC employees. FY 2025 proposed compensation budget represents a 15% decrease from the FY 2024 *estimated* level of compensation expenditures.
- Currently, PGAHC uses Prince George’s County Government funding sources to fund six (6) full-time employees. PGAHC also has four (4) part-time employees at Arts’tination, and PGAHC uses contractors when a division has inadequate staffing levels.
- The FY 2025 proposed budget includes Prince George’s County Government funding sources to fund six (6) full-time employees.

Fringe Benefits

- Fringe benefit expenditures are proposed at \$87,800 in FY 2025. This is an increase of \$1,400, or 1.6%, above the FY 2024 approved level, to align with anticipated costs. FY 2025 proposed fringe budget represents a 15% decrease from the FY 2024 estimated level of fringe expenditures.

Operating Expenses

- In FY 2025, operating expenditures are proposed at \$1,026,500, which is an increase of \$167,100, or 19.4%, above the FY 2024 approved operating expenses level. FY 2025 proposed compensation budget represents a 38% decrease from the FY 2024 estimated level of operating expenditures.
- The most significant dollar increase/decreases between the FY 2025 Proposed Budget and the FY 2024 Approved Budget are in the following categories:
 - *Operating* – proposed to increase by \$167,100, or
 - *Public Art Blue Line Corridor/TOD* – proposed to increase by \$124,500 due to it being a new project for FY 2025.
 - *General Arts Programming* – proposed to decrease by \$298,000, or 65% below the FY 2024 approved level (or \$100,000, 38%, decrease from FY 2024 estimated level of expenditures).

Program Management

- PGAHC is governed by a 15-member Board of Directors with a mission to promote artistic excellence and expand arts opportunities for all citizens of Prince George's County and beyond. PGAHC provides advocacy, education, and financial support, and its core services include:
 - administer grant programs for individual artists, arts organizations and other entities including the County's signature Community Grants Program (Artist Fellowships, County Arts, Arts-in-Education, and Public Art);
 - administer the County's Arts In Public Places (AIPP) program on behalf of the County's Office of Central Services as well as other public art and creative placemaking programs throughout Prince George's County;
 - provide industry standard best practices and professional development training for educators and artists to build a creatively engaging and vibrant arts community;
 - manage the Prince George's County Office of the Poet Laureate which highlights literary arts and culture by promoting literacy and a countywide appreciation of poetry; and
 - administer the Prince George's Film Office which promotes the advancement of the film and digital media industries in Prince George's County.

- FY 2025 PGAHC's goals remain unchanged:
 - To provide diverse and high-quality arts experiences, cultural engagement, and humanities programming with a focus on equity and inclusion.
 - To enhance equitable learning environments with a focus on increasing high quality artisan education programs that support and enrich learning priorities for students and teachers, and diverse cultural experiences for K-12 aged children.
 - To expand high-quality multicultural programming to the residents of Prince George's County with a focus on arts deserts and underrepresented populations.
 - To advance arts-centered economic development through beautification initiatives revitalization programs and services to the County's creative community and industry sectors.
 - Transform/revitalize neighborhood and public spaces in the County through public art projects, creative placemaking initiatives and community engagement.
 - To increase film, television, and entertainment industry projects in the County.

- Film Office:
 - The Film Office did not receive any additional American Rescue Plan Act (ARPA) funding in FY 2024. This is the only source of funding for this program and provides crucial support

for the Film Office. The funding would help with the new film grant program, the FY 2025 film festival, and technical assistance programs.

- PGAHC reports that in the Fall of FY 2025 the office will produce its 3rd County-Wide Film Festival which is currently scheduled for September 26 – 29, 2024.
- Office of the Poet Laureate:
 - The Office focuses on literary arts and culture by promoting literacy and appreciation of poetry. Key programs administered by the Office are the Festival of Literary Arts (FOLA), and the inaugural Poetry Anthology.
 - As a part of the Arts and Wellness event the office held the Poet’s Day Party that honors the literary achievements of local poets, writers, and spoken word artists. The event also worked toward the office’s goal of providing a platform for community members to come together and celebrate the poetry to inspire, uplift, and unite.
 - The PGAHC launched a new Office in the South County. The goal of this was to assist the literary community developing a capital project strategy for a Writers Center Capital Project. The program and revenue strategy will include the publishing an Anthology of Local Poets.
- Art in Public Places and Creative Placemaking:
 - Blue Line Corridor Public Art Strategy: PGAHC has secured funding to develop and implement a public art strategy that includes McCormick Drive, UMD Regional Medical Center Garage, Largo Metro Station, and the Addison Road/Central Avenue Corridor.
 - Blue Line Corridor Central Library and Cultural Center: PGAHC is planning in collaboration with PGCMLS in the development and execution of this capital project. The operational focus will be on community outreach, design, and developing a capital campaign and sustainability strategy. There will be continued project management services for OCS and the expansion of Environment Public Art Program in collaboration with the Department of the Environment.
 - Targeted Communities:
 - In South County there are plans for the implementation of key projects with the assistance of the Brandywine Revitalization Committee and community organizations.
 - Central County – Addison Plaza/Addison Road – Implementation of public art (bus shelter at Addison Metro and at Addison Plaza) in Seat Pleasant/Capitol Heights regions. This will be a part of long-term efforts to assess feasibility to nurture and grow the creative community in Central County.
 - In addition to various public art initiatives, PGAHC continues to administer the County’s Arts in Public Places program on behalf of the Office of Central Services.
 - Additional details about art in public places are provided in response to the *FY 2025 Budget Review First Round Question No. 21 (page 23)*.

- PGAHC operates two (2) facility-based arts incubator programs: DPark331 (Design Park 3311) and Arts'tination at National Harbor.
 - DPARK3311, which is located at 3311 Rhode Island Ave. in Mount Rainier, MD, is a creative arts incubator which is home to PGAHC' s Fashion Design Residency Program & Media Lab. It also houses the Welcome Center for the City of Mount Rainier. DPARK3311 provides the following services 24 hours/day, at below market pricing to resident artists of the Gateway Lofts and non-resident members which include two (2) PC workstations and media suites (a Recording Studio, Film Editing Booth, Podcast Booth and a SMART Conference Room).
 - Arts'tination at the National Harbor is an experiential gallery and artist marketing hub that allows Artists to exhibit and sell their artwork and allows the community to participate in creative workshops.
- Other:
 - PGAHC partners with the Bowie State University, Department of Fine and Performing Arts. This partnership formalizes a long-term collaboration with student, faculty, and community engagement relationship to sponsor events and program that strengthen and expand workforce pipeline initiatives in the visual, performing arts, film, and entertainment industries.
 - In March 2022, the PGAHC sponsored 55 Bowie State University students to travel and experience Broadway “MJ: The Musical”.
 - Gateway Community Development Corporation partnership allowed the PGAHC to accomplish its goals to provide County residents and visitors with diverse high-quality arts experiences, cultural engagement, and humanities programming with a focus on equity and inclusion.
 - The Gateway Arts and Entertainment District agreement assigned PGAHC as the management agency of record to facilitate the development of a new Gateway Arts District management structure.
 - The partnership with the Prince George’s County Office of Stakeholders Engagement helps outline support and advocacy for the arts and humanities through grants, artistic programs, and creative partnerships among businesses, education, government, and residents. The partnership works toward the PGAHC’s goal to advance arts-centered economic development through beautification initiatives, revitalization programs and services to the county’s creative community and industry sectors.
 - PGAHC, in partnership with the Prince George’s County Community College’s Center for Performing Arts, expanded opportunities for performing art events to the County community by providing financial assistance to non-profit organizations and artists for rental expenses incurred when staging performances at the PGCC CPA.
 - The Mission of Love will help expand opportunities for participating in the arts to marginalized and vulnerable communities. This will help reach the PGAHC’s goal of expanding cultural programming to County residents in Arts Deserts and under-represented populations.

- The partnership with the Prince George's County Memorial Library System includes the installation of Pebble Pop-up Library at Arts'tination, a mini library with a circulating collection in coordination with the Oxon Hill Library, library and joint programming for adults and children at Arts'tination, and collaborative creative arts programming provided by PGAHC at the Oxon Hill Library with Arts'tination resident artists and other local artists from the County.
- PGAHC partners with the Prince George's County Public Schools to provide collaborative programming for Artist-in-Residencies, the student exhibition and support for PGATI – a conference for teacher training and supports for arts integration.
- The Washington Metropolitan Area Transit Authority partnerships focuses on the installation of public arts pieces at selected Metrorail facilities within the County.
- The Experience Prince George's partnership is focused on actively marketing the County's cultural assets and programs to promote the County as a prime Mid-Atlantic destination for leisure travelers, residency, meetings, conventions, reunions, group tours, sporting events, and special events.
- PGAHC will partner with Employ Prince George's to operate their newly established public art apprenticeship program. PGAHC will be established as a partner on their agency Local Training Provider List.
- PGAHC has established strategic partnerships with an array of organizations. These partnerships have allowed PGAHC to pursue collaborative environments for programs and facilities. For details on the existing partnerships, please refer to the response to the *FY 2025 Budget Review First Round Question No. 27*.
- PGAHC has identified the following most critical issues it faces as the following:
 - Diversification of Funding Sources
 - The PGAHC currently being heavily reliant on county funding, grants, and allocations as its primary source of funding. These funding sources are important but are subject to fluctuations.
 - Community Engagement and Outreach
 - Currently the PGAHC conducts various community engagement activities. However, the PGAHC feels that additional improvements can be made in this area.
 - Please refer to the response to the *FY 2025 Budget Review First Round Question No. 22* for details.
- Below is a table giving additional detail on the PGAHC Community Grants Program across multiple Fiscal Years:

PGAHC Community Grants Program				
FY20	Number of Applicants	Funds Requested	Number of Grant Recipients	Funds Awarded
Artist Fellowships	16	\$ 76,004	5	\$18,079
Arts in Education	20	\$ 75,475	9	\$29,645
County Arts	11	\$ 78,573	2	\$12,180
Public Art (not offered)	N/A			
FY21	Number of Applicants	Funds Requested	Number of Grant Recipients	Funds Awarded
Artist Fellowships	72	\$347,841	29	\$125,213
Arts in Education	6	\$23,500	3	\$8,550
County Arts	9	\$77,750	6	\$41,250
Public Art	6	\$40,000	5	\$25,000
FY22*	Number of Applicants	Funds Requested	Number of Grant Recipients	Funds Awarded
<i>(One category)</i>				
Artist Fellowships	N/A			
Arts in Education	21	\$120,460	10	\$32,000
County Arts	N/A			
Public Art	N/A			
FY23	Number of Applicants	Funds Requested	Number of Grant Recipients	Funds Awarded
<i>(Not announced - TBD)</i>				
Artist Fellowships	N/A			
Arts in Education	N/A			
County Arts	N/A			
Public Art	N/A			

- PGAHC top priorities in FY 2025 are:
 - Sourcing contractual expertise to temporarily solve inadequate staffing levels across all divisions (Fundraising, Facility-based programming, creative place-making, Film Office, and Marketing).