TO: Education Interim Budget Committee
FROM: Tatiana Gant, Director, Montana Arts Council
DATE: December 6, 2021
SUBJECT: Quarterly Status Report

In compliance with HB 632, the Montana Arts Council (MAC) offers the following on the status of American Rescue Plan resources.

The National Endowment for the Arts (NEA) allocated $754,500 to MAC from the American Rescue Plan Act (ARPA) with a performance period ending December 31, 2022, with no matching funds requirement. MAC may allocate up to $50,000 toward operating costs.

MAC intends to direct a portion of the subgranted ARPA funds to recent and current grantees that have demonstrated financial stability and have complied with previous award conditions. MAC is responding to the needs of artists and organizations with the design of new grant programs within the ARPA award requirements. To date, no funds have been expended.

The NEA limits the use of ARPA subgranted funds.

- Awards to organizations are for operating costs, such as:
  - Salary support for staff positions.
  - Fees and stipends for artists and contractual personnel for activities that demonstrate artistic excellence.
  - Facilities costs such as rent and utilities.
  - Costs associated with health and safety supplies.
  - Marketing and promotion costs.

- Awards to individuals are considered a stipend for work undertaken and completed, with tangible outcomes.

NEA requires that MAC only issue ARPA subgrants to:

- Nonprofit, tax-exempt 501(c)(3), U.S. organizations
- Nonprofit colleges and universities
- Federally recognized tribal communities or tribes
- Units of state or local government, including institutions of higher learning
- Qualified individuals to carry out specific projects consistent with MAC objectives and of high artistic merit.

I look forward to providing updates on the implementation, expenditure, and outcome of the MAC’s ARPA funds.