

## Grant Funding Strategy for Fiscal Year 2022

The Iowa Arts Council has updated its approach to grant funding for the State of Iowa's fiscal year 2022 (July 1, 2021 - June 30, 2022) with an emphasis on supporting:

- Operational stability, capacity and agility
- Greater equity in arts funding

### I. Summary

Iowa's creative community has faced unprecedented challenges during the pandemic. Along with the broader tourism and hospitality industry, the arts and cultural sector remains among the most impacted industries in our state, in terms of employment and revenue losses. Consider that:

- More than 300 Iowa nonprofit arts and culture organizations reported total realized losses of more than \$46 million, between March-December 2020<sup>1</sup>
- Professional creative artists are facing unemployment rates well above the national average, while one national estimate puts losses for Iowa creative businesses at nearly \$660 million.<sup>2</sup>
- Nationally, the net effect of COVID-19 on the nonprofit arts and culture sector equates to an average organizational deficit of 26%, comparing annual expenses to income.<sup>3</sup>

The varying levels of financial resources and fiscal health, within Iowa's creative community and among arts and cultural organizations nationally, also reflect inequities faced by many individuals, organizations and communities.

The Iowa Arts Council's grant funding strategy for fiscal year 2022 recognizes these challenges and the current needs in the field. It is also informed by an extensive review of data and research literature; conversations with local, state and national partners; and an ongoing commitment to strengthen its existing funding priorities and policies.

Research conducted during the pandemic shows that the arts can improve broader economic conditions at the state and local levels. According to one recent study, "the findings reveal that the arts are an agile and resilient sector with the capacity to ignite job growth, reduce economic risk through diversification, stimulate commerce and attract tourism."<sup>4</sup>

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<sup>1</sup> Iowa Arts Council, Iowa Arts and Culture Recovery Grant Program applicant-provided figures.

<sup>2</sup> Americans for the Arts, [COVID-19 and the Creative Economy in Iowa](#), 2021.

<sup>3</sup> SMU Data Arts, [Arts and Cultural Organizations: In It for the Long Haul](#), 2020.

<sup>4</sup> National Assembly of State Arts Agencies, [The Arts And Culture Sector's Contributions to Economic Recovery and Resiliency in the United States](#)

## II. FY22 Funding Priorities

### **Priority #1: Capacity and Agility**

Many artists and arts and cultural organizations have realized the need to undertake strategic activities to address previously unforeseen challenges or to take advantage of new opportunities related to:

- adapting or transitioning operations, programs and services in response to the pandemic
- increasing operational capacity through training, upskilling, and upgrading services;
- Improving their financial position through business planning, revenue generation, etc.
- advancing diversity, equity, accessibility and inclusion initiatives;

### **Priority #2: Equity**

The inequities and barriers faced by some individuals, organizations and communities to access and accumulate financial resources have now put many of those same individuals, organizations and communities at an even greater disadvantage and diminished ability to deliver and access arts and culture programs.

Beginning with fiscal year 2022, the Iowa Arts Council will place additional consideration upon all eligible and competitive applicants across all of its programs that can demonstrate that they primarily serve and/or are led by [communities of color](#) and/or primarily serve a county that meets the definition of [rural geography](#) or [low socioeconomic status](#) (SES). Currently, 79 of Iowa's 99 counties fit into one or both of the rural geography and low SES categories.

Demographic information, collected voluntarily and separately as part of the applicant survey, is only used for tracking and reporting purposes, including for the National Endowment for the Arts, a federal agency.

## III. Policy Updates

### ***Matching Funds***

The Iowa Arts Council will allow greater flexibility with matching requirements. For fiscal year 2022 only, applicants may satisfy the 1:1 matching funds requirement entirely with in-kind match. Cash match is still encouraged but not required for the fiscal year 2022 grant period.

## IV. Individual Program Updates

### ***Cultural Leadership Partners***

For fiscal year 2022, the Iowa Arts Council will calculate Base Awards based on an organization's annual cash operating expenses for their two most recently completed fiscal years, excluding 2020 (2019 and 2018). Applicants must review the Cultural Leadership Partner guidelines before applying.

### ***Iowa Arts & Culture Resilience Grants for Nonprofits***

For fiscal year 2022 only, the Iowa Arts Council has transitioned its traditional Arts Project Grants, Capacity Building Grants and Cultural Heritage Project Grants to Iowa Arts & Culture Resilience Grants - Nonprofits. Iowa Arts & Culture Resilience Grant funds may be used to support programmatic and operating expenses incurred within the eligible funding period. Applicants must review the Iowa Arts & Culture Resilience Grant guidelines before applying.

### ***Iowa Arts & Culture Resilience Grants for Artists***

For fiscal year 2022 only, the Iowa Arts Council has transitioned its traditional Arts Project Grants for artists to Iowa Arts & Culture Resilience Grants - Artists. Iowa Arts & Culture Resilience Grant funds may be used to support projects that enhance an artist's professional career within the eligible funding period. Applicants must review the Iowa Arts & Culture Resilience Grant guidelines before applying.

**Please note we are not accepting applications to the following grant programs at this time:**

- Art Project Grant
- Arts Build Communities Grant
- Capacity Building Grant
- Cultural Heritage Project Grant
- Iowa Arts & Culture Emergency Relief Fund
- School Arts Experience
- Virtual Arts Experience

Announcements about these and other programs, including designation programs like Iowa Great Places and Iowa Cultural and Entertainment Districts, will be made at a later time.

Applicants are encouraged to sign up for the Iowa Arts Council's and Iowa Department of Cultural Affairs's [newsletters](#) for future program announcements.

All policy and program updates described in this Grant Funding Strategy are for the State of Iowa's fiscal year 2022 (July 1, 2021 - June 30, 2022) only.