

**Texas Commission on the Arts  
5% Reduction Analysis**

Priority	Item	2010	2011	Total	Comments
1	Advertising	52,000.00	52,000.00	104,000.00	The agency uses paid advertising to promote the State of the Arts license plate and Cultural Tourism. Reducing State of the Arts license plate advertising could result in a decline in sales and, therefore, revenue from plate sales. Revenue from the plate provides funding for grants, so the end result could be a loss of grant funds. Reducing Cultural Tourism advertising could result in a lack of awareness of the state's cultural destinations among the traveling public. Support for the Cultural Tourism is outlined in the Texas Strategic Tourism Plan.
1	TX Monthly 1 ad	16,000.00		16,000.00	
2	Christmas Tree Performers	8,150.00	8,150.00	16,300.00	
3	TDLR Contract	6,000.00	6,000.00	12,000.00	Re-negotiated contract for computer back-up services
4	PR Contract (Tate)	20,000.00	20,000.00	40,000.00	The agency contracts with a public relations firm to raise awareness of arts and cultural opportunities available through the state. Reducing the contract will limit the agency's ability to promote the Texas State Artist program as outlined in SB 1043 (77R). A reduction will also hinder the agency's ability to promote Cultural Districts in Texas as designated under HB 2208 (79R), a component of the Texas Strategic Tourism Plan. Finally, a reduction will negatively impact TCA's Goal 2: Promotion and Participation, specifically Output measure: Number of Marketing and PR activities, conferences, and seminars to promote cultural tourism.
5	HB2242 Grants	107,000.00	107,000.00	214,000.00	Without HB2242, the agency's GR and GR dedicated for the biennium would have been \$5,381,288. The 5% reduction for this amount would have been \$269,069.40. However, because of the \$5.4 million from HB2242, the agency has to reduce its budget by another \$271,614.80. The agency does not have enough administrative expenditures to reduce, so we will need to reduce our grants by at least \$107,000 each year of the biennium.
6	2 FTEs (2010 - April -Aug)	34,800.00	83,583.00	118,383.00	The reduction of two FTEs would result in placing more work on the rest of the employees. This may hinder the agency's ability to provide the services to its grantees it is currently providing. We are assuming salary savings from April through August for 2010 and a full fiscal year in 2011.
7	Programming Services (Altit)	10,000.00	10,000.00	20,000.00	This reduction would diminish the agency's ability to keep its computer systems safe, secure, operational, and current. Of particular concern is the potential negative impact to the agency's online grants system, which is in the process of being migrated to .NET. Thousands of account holders use the online grants system year-round to research grant opportunities, apply for grants, access evaluator scores and comments, revise grants for contracts, submit final reports, and receive regular communications from the agency.
				540,683.00	
			<b>Target</b>	<b>540,683.00</b>	
			<b>difference</b>	<b>-</b>	