

COMMISSION OF FINE ARTS

BUDGET JUSTIFICATIONS, FY 2016

COMMISSION OF FINE ARTS

Budget Justifications
Fiscal Year 2016

TABLE OF CONTENTS

<u>Item</u>	<u>Page Number</u>
General Statement.....	CFA-3
Highlights.....	CFA-5
<u>Appropriation: Salaries and Expenses</u>	
Appropriation Language.....	CFA-6
Justification of Uncontrollable Cost Changes.....	CFA-7
Justification of Program and Performance by Activity:	
Salaries and Expenses.....	CFA-8
Program and Financing Schedule.....	CFA-11
Object Classification.....	CFA-12
Personnel Summary and Employee Count.....	CFA-13
<u>Appropriation: National Capital Arts and Cultural Affairs</u>	
Appropriation Language.....	CFA-14
Justification of Program and Performance by Activity:	
Grants.....	CFA-15
Program and Financing Schedule/Object Classification.....	CFA-17

This page is intentionally blank

COMMISSION OF FINE ARTS

General Statement

The Commission of Fine Arts was established in 1910 (40 U.S.C. 104) to fill the need for a permanent agency whose members would be qualified to make available to the Government expert opinion on questions of art and architecture. The Commission's mission is to safeguard and improve the appearance and symbolic significance of Washington, D.C., as the national capital city, for the benefit of the citizens of the United States, and foreign visitors. Specifically, the Commission provides knowledgeable advice, as design proposals are brought before it, on matters pertaining to architecture, landscape architecture, sculpture, painting, and the decorative arts to all branches and departments of the Federal and District of Columbia governments when such matters affect the National Capital. The Commission also must approve of the site and design of all commemorative works and memorials erected in the District of Columbia.

In addition, the Commission advises on the design of circulating and commemorative coinage and must approve the siting and design for national memorials, both in the United States and on foreign soil, in accordance with the Commemorative Works Act and the American Battle Monuments Act.

The Commission is composed of seven members appointed by the President. They serve without compensation, receiving only actual travel expenses relative to attending meetings. Since the Commission's inception, many distinguished architects, landscape architects, painters, sculptors, planners, and others in the field of fine arts have given freely of their time, experience, and professional skills in advising the President, the Congress, and government agencies, both local and national, on matters involving the fine arts.

Specific functions as mandated by law require the Commission to:

- Advise executive departments of the Federal Government on any matters of an aesthetic nature, especially those pertaining to architecture and landscape programs that affect the appearance of the national capital city.
- Advise on any matters of an aesthetic nature that may be put forward by committees of the Congress.
- Advise the President and members of the administration on aesthetic matters upon their request.
- Advise on the design of medals, seals, insignia, and circulating and commemorative coinage.
- Approve submissions by the American Battle Monuments Commission on matters pertaining to the location and design of memorials both foreign and domestic.
- Approve submissions under the Commemorative Works Act on matters pertaining to the location and design of memorials in and around the national capital city.

- Advise the Secretary of the Army on matters pertaining to the location and design of memorials and monuments in Arlington National Cemetery.
- Advise the District of Columbia Government on all public construction, as well as private construction and the display of advertising in certain areas of the city as designated by Congress under the Shipstead-Luce and Old Georgetown Acts.
- Advise the Department of State through Section 206 of the Foreign Missions Act on foreign chanceries in all areas under the jurisdiction of the Commission, including the International Center and the Foreign Missions Center.
- Advise the National Capital Planning Commission in the selection of lands suitable for the development of the park, parkway, and playground system of the national capital city.

The Commission has administered the National Capital Arts and Cultural Affairs program since 1988, which was created by the Congress to support nonprofit local cultural institutions whose primary purpose is the presentation, exhibition, or performance of the arts at a professional level of quality in the national capital city.

In addition to those functions mandated by law, the Commission of Fine Arts is required to approve acquisitions as proposed by the Freer Gallery of Art for its permanent collection in accordance with a codicil to the will of Charles Lang Freer.

Program Summary by Budget Activity
(dollar amounts in thousands)

Appropriation	FY 2014 Actual	FY 2015 Enacted	FY 2016 Request	FY 2016 Change from FY 2015 Budget
Salaries and Expenses	2,396	2,524	2,653	+129
FTE	10	12	12	0
National Capital Arts and Cultural Affairs	2,000	0	2,000	+2,000
FTE	--	--	--	--

Highlights of the FY 2016 Request

The Commission of Fine Arts requests a FY 2016 Salaries and Expenses appropriation of \$2,653,000 for the expenses of the Commission members and the salaries and related costs necessary to support a small staff and maintain an efficient level of operations. This appropriation request represents an increase of \$129,000 above the FY 2015 Enacted Appropriation. This increase includes: \$49,000 in uncontrollable cost increases; \$20,000 to cover rising costs in categories, such as charges for travel, goods and services, and other program increases; and a request of \$60,000 for a part-time contract employee to provide for a transition period before the agency’s administrative officer fully retires. Funding for the part-time position, requested for one year only, will help maintain continuity of operations, provide the level of support needed to continue critical agency programs and financial management, and provide training to the incoming administrative officer.

In FY 2016, we estimate the Agency’s uncontrollable cost increases total \$49,000. These cost increases, include: \$13,000 for the cost-of-living pay raise; \$5,000 in rental payments to General Services Administration; \$4,000 in security payments to the Department of Homeland Security; \$10,000 in charges for Department of the Interior services, including financial management, personnel services, and other support agreements (including charges for the production of financial reports for the annual audit); \$15,000 in charges for internet website hosting services; and \$2,000 in charges for Workers Compensation payment costs.

For FY 2016, \$2,000,000 is requested for the National Capital Arts and Cultural Affairs (NCACA) Program, which is the same as the FY 2015 Enacted Appropriation. The request reflects a change to the requirements for eligibility for a grant to set an upper limit on an organization’s annual income, exclusive of Federal funds, to \$50,000,000 for each of the three years prior to receipt of a grant.

Appropriation Language Sheet

COMMISSION OF FINE ARTS
Salaries and Expenses

For expenses of the Commission of Fine Arts under Chapter 91 of title 40, United States Code, \$2,653,000 [2,524,000]: *Provided*, That the Commission is authorized to charge fees to cover the full costs of its publications, and such fees shall be credited to this account as an offsetting collection, to remain available until expended without further appropriation. *Provided further*, that the Commission is authorized to accept gifts, including objects, papers, artwork, drawings and artifacts that pertain to the history and design of the Nation's Capital or the history and activities of the Commission of Fine Arts, for the purpose of artistic display, study or education.

(Department of the Interior, Environment, and Related Agencies Appropriations Act, 2015.)

COMMISSION OF FINE ARTS
 Salaries and Expenses
Uncontrollable and Related Cost Changes
 (dollar amounts in thousands)

Additional cost in FY 2016:

	<u>2015</u>	<u>2016</u>
	<u>Enacted</u>	<u>Change</u>
Includes a one percent pay increase in both FY 2015 and FY 2016.....	1,334	+ \$13

The amount displayed represents the additional costs of funding estimated pay increases for GS-series employees and the net increases of pay rate changes made in other pay series.

	<u>2015</u>	<u>2016</u>
	<u>Enacted</u>	<u>Change</u>
Rental Payments to GSA.....	255	+ \$5

The adjustment is for estimated changes in the costs payable to the General Services Administration resulting from changes in rates for office and non-office space as provided by GSA.

	<u>2015</u>	<u>2016</u>
	<u>Enacted</u>	<u>Change</u>
Security Payments to DHS.....	40	+ \$4

The adjustment is for estimated changes in the costs payable to the Department of Homeland Security resulting from changes in rates for office space and basic building security.

	<u>2015</u>	<u>2016</u>
	<u>Enacted</u>	<u>Change</u>
Administrative Support Services – Interior.....	188	+ \$10

The change reflects expected increases in the charges for Department of the Interior services, including financial management, personnel services, and other support agreements (includes charges for the production of financial reports for the annual audit).

	<u>2015</u>	<u>2016</u>
	<u>Enacted</u>	<u>Change</u>
Administrative Support Services – Web.....	30	+ \$15

The change reflects expected increases in the charges for internet website hosting services, and other support agreements.

	<u>2015</u>	<u>2016</u>
	<u>Enacted</u>	<u>Change</u>
Workers Compensation Payment Costs.....	60	+ \$2

The amount displayed was charged in FY 2015 and will be reimbursed to the Department of Labor in FY 2016.

TOTAL UNCONTROLLABLE COST CHANGES.....	+	\$49
---	----------	-------------

Justification of Program and Performance

Activity: Salaries and Expenses

	FY 2014 Actual	FY 2015 Enacted	Uncontrollable Changes	Program Changes	FY 2016 Request	Change From FY 2015 Enacted
(\$000)	2,396	2,524	+49	+80	2,653	+129
FTE	10	12	0	0	12	0

Authorization: 40 U.S.C. 104.

Program change from FY 2015 Budget: The Commission of Fine Arts is requesting a FY 2016 Salaries and Expenses appropriation of \$2,653,000 for the expenses of the members of the Commission and the salaries and related costs necessary to support a small staff and maintain an efficient level of operations. This appropriation request represents an increase of \$129,000 above the FY 2015 Enacted Appropriation.

For FY 2016, the Agency's uncontrollable cost increase totals \$49,000. The uncontrollable cost increase includes:

- \$13,000 for the cost-of-living pay raise;
- \$5,000 in rental payments to General Services Administration;
- \$4,000 in security payments to the Department of Homeland Security;
- \$10,000 in charges for Department of the Interior services, including financial management, personnel services, and other support agreements (including charges for the production of financial reports for the annual audit);
- \$15,000 in charges for internet website hosting services;
- \$2,000 in charges for Workers Compensation payment costs;

Most significantly, the FY 2016 request includes a part-time employee to provide for a transition period before the agency's administrative officer fully retires. This will help to maintain the continuity of operations and provide training to the incoming administrative officer. Establishing the part-time position for one year, at roughly \$60,000, will provide the increased level of support needed to continue critical agency programs and financial management.

Additional increases in other categories, such as charges for travel, goods, and services are estimated at \$20,000.

Justification: The new part-time position requested will address the needs for training a new administrative officer (a critical position with multiple responsibilities of financial, human capital, contracting, and office management for this small agency), and provide for smooth transition of staff and continued agency functions.

The objectives of the Commission of Fine Arts staff are:

- To support the Commission which provides expert advice on architecture and art to the President, Congress, and various agencies of the Federal and District governments on proposed projects and existing conditions in the National Capital so as to safeguard and enhance the appearance and symbolic significance of Washington, D.C. This expertise is provided by seven Presidentially appointed, well-qualified judges of the arts who are supported by the small professional staff that oversees its continued operation.
- To assist the Commission and provide a professional level of artistic advice through review and liaison with the District of Columbia and Federal governments; to provide the administrative services that are required to support the Commission and communicate the advice of the Commission; and to keep accurate records of the Commission's actions.
- To provide professional support to the Commission in the administration of its approval authority over the design and location of battle monuments and commemorative works as required by the specific statutes authorizing them.
- To produce research on buildings, historic precincts, and general plans of the city of Washington. To make historical and architectural information generally available to the public, to other government agencies, and to the Commission. To identify buildings and areas of lasting merit so as to avoid destruction or impairment of those resources as plans evolve for the city. The specially trained staff of architects and historians performing this documentation and planning work is also available to the Commission on a case-by-case basis to provide supporting material on proposed projects, sometimes on very short notice.

Program Activities:

- The Commission of Fine Arts, an independent agency, reviews proposals affecting the appearance of Washington, D.C., and advises the President, the Congress, and the agencies of the Federal and District of Columbia governments on architectural designs and other matters of art. It also conducts liaison, research, and publication activities to further support the enhancement and preservation of the city. The Commission's approval on design and location of monuments and memorials is required as specified under the Commemorative Works Act and the American Battle Monuments Act.
- The Commission provides advice on the development of Washington through study, inspection, research, and expert consultation. The Commission maintains continual involvement in ongoing projects such as the International Center, the Foreign Missions Center, the Federal Triangle, and other special areas of the City, and publishes studies on the historical development of Washington. Some of the material assembled is published so as to be permanently available to government agencies as well as the general public.
- The Commission provides advice on design, planning, and historic preservation to the Federal and District of Columbia governments as well as to committees of Congress, which may have questions on matters specific to Washington or relating to their members' respective home states.
- The Commission, in its advisory and approval capacities, does not originate design projects; it is the recipient of project proposals. As the recipient, the Commission's activities are subject to the needs of other agencies, Federal and local, as well as those of private entities. Government construction projects materialize in response to the individual sponsors' needs and their schedules cannot be anticipated by the Commission. The initiation of private construction projects is even less predictable. The Commission must therefore be flexible by necessity. Its effectiveness and efficiency remain constant despite having no control over the number of proposals brought before it nor the relative size and importance of each item submitted. The Commission reviewed 100 percent of all proposals submitted for review within 45 days of receipt.
- The total number of all cases submitted to the Commission for review in FY 2014 was 693. Compared to the 543 cases submitted in FY 2009, this represented an increase in the last five years of *more than 27.6 percent*, even with the cancellation of the Commission's and the Old Georgetown Board's October meetings in FY 2014 due to the Federal Government shutdown. The number of Shipstead-Luce Act cases submitted was 173 in FY 2014 an increase of *approximately 63 percent* above the 106 submissions in FY 2009; and for the Old Georgetown Act, the 349 submissions in FY 2014 represent an increase of *more than 21.6 percent* above the 287 submissions received FY 2009.

**COMMISSION OF FINE ARTS
SALARIES AND EXPENSES**

Program and Financing (in millions of dollars)

Identification code 95-2600-0-1-451		2014	2015	2016
		Actual	Enacted	Request
Obligations by program activity:				
10.00	Total obligations	2	3	3
Budgetary resources available for obligation:				
22.00	New budget authority (gross)	2	3	3
23.95	New obligations	-2	-3	-3
New budget authority (gross), detail:				
40.00	Appropriation.....	2	3	3
Change in unpaid obligations:				
73.10	New obligations	2	3	3
73.20	Total outlays (gross)	-2	-3	-3
Outlays (gross), detail:				
86.90	Outlays from new current authority ...	2	3	3
Net budget authority and outlays:				
89.00	Budget authority	2	3	3
90.00	Outlays (net)	2	3	3

**COMMISSION OF FINE ARTS
SALARIES AND EXPENSES**

Object Classification (in thousands of dollars)

Identification code 95-2600-0-1-451	2014 Actual	2015 Enacted	2016 Request
Personnel compensation:			
11.1 Full-time permanent.....	1,154	1,334*	1,347
11.3 Full-time temporary	0	0	0
11.5 Other personnel compensation.....	22	10	22
11.9 Total personnel compensation	1,176	1,344	1,369
12.0 Personnel benefits: Civilian	388	422	393
12.1 Workers Compensation Payments	61	60	62
21.0 Travel and transportation of persons	57	45	50
22.0 Transportation of things.....	4	4	5
23.1 Rental payments to GSA.....	255	255	260
23.1 Security charges to DHS**			44
23.3 Communications, utilities, and miscellaneous charges.....	58	60	62
24.0 Printing and reproduction	28	28	8
25.0 Purchases of goods and services.....	340	278	418
26.0 Supplies and materials	26	23	20
31.0 Equipment	3	5	6
99.9 Total obligations	2,396	2,524	2,653

* Note: This amount as been updated from the estimate shown in the President's FY 2015 Budget.

**Note: For FY 2014 and FY 2015 security charges to DHS were included in 25.0 Purchases of good and services.

**COMMISSION OF FINE ARTS
SALARIES AND EXPENSES**

Personnel Summary

Identification code 95-2600-0-1-451	2014 Actual	2015 Enacted	2016 Request
Total compensable work-years:			
Full-time equivalent employment.....	10	12	12
Full-time equivalent overtime and holiday hours	0	0	0
TOTAL:	10	12	12

Appropriation Language Sheet

COMMISSION OF FINE ARTS
National Capital Arts and Cultural Affairs

For necessary expenses as authorized by Public Law 99–190 (20 U.S.C. 956a), \$2,000,000:
Provided, That, notwithstanding section 956a of title 20, United States Code, eligibility for grants shall be limited to not-for-profit, non-academic institutions of demonstrated national repute and is further limited to organizations having annual income, exclusive of Federal funds, that is in excess of \$1,000,000 and less than \$50,000,000 for each of the three years prior to receipt of a grant.

(Department of the Interior, Environment, and Related Agencies Appropriations Act, 2015.)

Justification of Program and Performance

Activity: Grants

	FY 2014 Actual	FY 2015 Enacted	Uncontrollable Changes	Program Changes	FY 2016 Request
(\$000)	2,000	2,000	0	0	2,000
FTE	--	--	--	--	--

Authorization: 99 Stat. 1261; 20 U.S.C. 956a

Objectives: The FY 1988 Department of the Interior and Related Agencies Appropriations Act transferred administrative responsibility for the National Capital Arts and Cultural Affairs program from the National Endowment for the Humanities to the Commission of Fine Arts. This program provides formula based grants for general operating support to District of Columbia non-profit arts and other cultural organizations. Eligible organizations must have an annual income, exclusive of Federal or pass-through Federal funds, in excess of \$1 million for each of the three years prior to their application for the grant. Grant awards are based on a formula in which 70 percent of the total funds appropriated for the fiscal year are distributed equally among all eligible organizations submitting applications, and the remaining 30 percent are distributed based on the amount of the organization's total annual income, exclusive of Federal funds, in proportion to the combined total of the annual income, exclusive of Federal funds, of all eligible organizations submitting applications. No organization will receive a grant larger than \$650,000.

Program change from 2015 budget request: In FY 2016, \$2,000,000 is requested for the National Capital Arts and Cultural Affairs Programs as authorized by the Congress. This request, by the Commission of Fine Arts, for the FY 2016 National Capital Arts and Cultural Affairs Program represents no change from the FY 2015 Enacted Appropriation.

In the Budget for FY 2016, a change to the grantee eligibility requirements is proposed to set an upper limit on an organization's annual income, exclusive of Federal funds, to \$50,000,000 for each of the three years prior to receipt of a grant. An upper limit on annual income will help to proportionally redistribute the amount available to organizations that have smaller annual budgets, and for which these funds make up a larger percentage of their operating funds and will have a greater impact on enhancing their programming and operations. The proposed upper limit will eliminate from the program organizations that have annual operating incomes of more than \$50,000,000 and that have the capability to raise the funds from other sources.

Activities: In FY 2014, this program helped support 22 nationally renowned organizations in the National Capital, providing funding for operating expenses, staff, exhibits, and performances.

In FY 2014, \$2,000,000 in grants was awarded to the following 22 organizations.

FY 2014 NCACA Grant Recipients	GRANT	Grant as % of Operating Income*
Kennedy Center for the Performing Arts:	264,442.40	0.22%
Arena Stage:	110,067.65	0.40%
Corcoran Gallery of Art:	102,911.76	0.44%
Hillwood Estate, Museum & Gardens:	101,697.36	0.45%
National Symphony Orchestra:	99,856.04	0.46%
Washington National Opera:	98,453.72	0.48%
Shakespeare Theatre:	91,795.42	0.55%
Folger Shakespeare Library:	90,255.34	0.57%
Phillips Collection:	89,852.49	0.58%
Ford's Theatre:	85,029.49	0.67%
Washington Ballet:	80,428.03	0.81%
National Building Museum:	77,632.48	0.93%
National Museum of Women in the Arts:	76,587.45	0.99%
Washington Performing Arts Society:	76,483.40	1.00%
Studio Theatre:	75,968.16	1.04%
The Textile Museum:	73,278.26	1.28%
Woolly Mammoth Theatre Co.:	70,188.12	1.80%
Choral Arts Society:	70,011.35	1.85%
Washington Chorus (The):	67,129.32	3.23%
Gala Hispanic Theatre:	66,219.79	4.31%
Dance Place (DC Wheel Productions):	66,177.68	4.38%
Cathedral Choral Society:	65,534.30	5.80%
TOTAL GRANTS:	\$2,000,000.00	

* Operating income exclusive of other Federal or pass-through Federal funds.

**COMMISSION OF FINE ARTS
SALARIES AND EXPENSES**

Program and Financing (in millions of dollars)

Identification code 95-2602-0-1-503	2014 Actual	2015 Enacted	2016 Request	
Obligations by program activity:				
10.00	Total obligations	2	2	2
Budgetary resources available for obligation:				
22.00	New budget authority (gross)	2	2	2
23.95	New obligations	-2	-2	-2
New budget authority (gross), detail:				
40.00	Appropriation.....	2	2	2
Change in unpaid obligations:				
73.10	New obligations	2	2	2
73.20	Total outlays (gross)	-2	-2	-2
Outlays (gross), detail:				
86.90	Outlays from new current authority ...	2	2	2
Net budget authority and outlays:				
89.00	Budget authority	2	2	2
90.00	Outlays (net)	2	2	2