

Discussion Points

1. The Governor's FY 2008 budget recommendation of \$2.4 million for the Newark Museum represents a 40 percent decrease from the FY 2007 adjusted appropriation of \$4 million. This decrease is the result of an FY 2007 legislative addition of \$1.6 million that is not recommended for continuation in FY 2008. Additionally, the Governor's FY 2008 budget recommendation of \$1.5 million for the Battleship New Jersey Museum represents a 50 percent decrease from the FY 2007 adjusted appropriation of \$3 million. This decrease is also the result of an FY 2007 legislative addition of \$1.5 million that is not recommended for continuation in FY 2008.

- **Question:** How were the appropriations of \$1.6 million for the Newark Museum and \$1.5 million for the Battleship New Jersey Museum added by the Legislature in FY 2007 utilized? Why does the Governor's FY 2008 recommended budget not include these additional funds? What consequences does the department anticipate from these reductions in funding? Are these reductions recommended under the assumption that other funds are available to replace State funds, and if so, what source(s) will provide those other funds? Is there an intention to phase out State support of the Newark Museum and Battleship New Jersey Museum in FY 2009?

Response:

- (a) Newark Museum

How was the appropriation of \$1.6 million for the Newark Museum added by the Legislature in FY 2007 utilized?

The Newark Museum's grant appropriation for FY 2007 was \$4 million. The \$4 million, which includes the \$1.6 million added by the Legislature in FY 2007, was distributed among the following line items as depicted in their budget submitted to the department:

- A. Personnel- \$2.6 million,
- B. Contract and Professional Services- \$956,000,
- C. Other Costs to include Travel, Space and Equipment Rental- \$360,000.

This State grant enabled the Museum to provide art and science collections that educate, expose, and enrich individuals of all ages and the local, regional, national and international communities we serve.

Programs and services funded in FY 2007 by this State grant include but are not limited to:

Education Department Service to a half-million New Jersey students and families

Exhibition Activity:

Mexican Vogue: Discovering Mexican Popular Arts, 1919-1950
Body Wars: Fighting Infection, Staying Healthy
Expanding Africa: New Art, New Directions
The Art of Glass

Permanent Exhibitions:

Picturing America: showcasing the Museum's renowned American art collection.
Dynamic Earth: a state of the art technological exhibition of nature's secrets engaging visitors of all ages.

Discussion Points (Cont'd)

African Galleries: an invaluable record of indigenous cultures' creative legacies.

Asian Galleries: exhibiting spectacular Chinese, Japanese, Indian and Korean ceramics, lacquer, metalwork and textiles ranging from the 2nd century.

Traveling Exhibitions:

Tibet: Mountains and Valleys, Castles and Tents, the Crow collection of Asian Art.

Power Dressing: Men's Fashion and Prestige in Africa, International Folk Art.

Why does the Governor's FY 2008 recommended budget not include these additional funds?

Due to the great challenges in FY 2008's budget the Newark Museum is one of several programs which was recommended for a reduction in state funding. The FY 2008 funding for the Newark Museum is consistent with the FY 2007 recommended budget prior to the increase added by the legislature.

What consequences does the department anticipate from these reductions in funding?

The proposed reductions will require the Museum to re-establish priorities in order to ensure maximum outreach to Museum patrons.

Are these reductions recommended under the assumption that other funds are available to replace State funds, and if so, what source(s) will provide those other funds?

A greater concentration of effort will be placed on fundraising and other entrepreneurial activities to diversify the funding base.

Is there an intention to phase out State support of the Newark Museum in FY 2009?

No, there is no intention at this time.

(b). Battleship New Jersey Museum

How was the appropriation of \$1.5 million for the Battleship New Jersey Museum added by the Legislature in FY 2007 utilized?

The Battleship New Jersey Museum's grant appropriation for FY 2007 was \$3 million. The \$3 million, which includes the \$1.5 million added by the Legislature in FY 2007, was distributed among the following line items as depicted in their budget submitted to the department:

- A. Personnel-\$1,200,000,
- B. Indirect Costs/Old Debt,-\$1,600,000,
- C. Other Costs- \$200,000.

Why does the Governor's FY 2008 recommended budget not include these additional funds?

Due to the great challenges in FY 2008's budget the New Jersey Battleship Museum is one of several programs which was recommended for a reduction in state funding. The FY 2008 funding for the New Jersey Battleship Museum is consistent with the FY 2007 recommended budget prior to the increase added by the legislature.

What consequences does the department anticipate from these reductions in funding?

The proposed reductions will compel the Battleship Museum to re-establish priorities to ensure revenues are substantial enough to meet operational costs.

Discussion Points (Cont'd)

Are these reductions recommended under the assumption that other funds are available to replace State funds, and if so, what source(s) will provide those other funds?

It is understood that this reduction will encourage the Battleship Museum to place a greater concentration of effort on fundraising and other resources to replace the State funding.

Is there an intention to phase out State support of the Battleship New Jersey Museum in FY 2009?

No, there is no intention at this time.

2. In FY 2005, a \$6 million line item appropriation was made to the New Jersey State Library to fund the Knowledge Initiative Project (KI). This initiative, also known as the Virtual Library, is designed to fund proprietary databases that are offered in colleges and universities in the State, the State Library, public libraries, and business incubators and small businesses served by the New Jersey Economic Development Authority. The Governor's FY 2008 budget recommendation of \$26 million for the Division of State Library represents a \$3 million or 13 percent increase over the FY 2007 adjusted appropriation of \$23 million. According to the recommended budget, the increase is attributable to the contract renewal of the Knowledge Initiative Project.

- **Question:** Please provide an update on the Virtual Library, including information on the specific databases selected, contract terms and costs, and the benefits the library has had for the State. Who has access to the programs made available through the library and how many people are utilizing these services? What products will be made available through the contract renewal, and will any of these represent new databases?

Response: The Governor's FY 2008 budget recommends \$3 million for the State Library's Knowledge Initiative (NJKI) in order to avoid a suspension of this program on July 1, 2007 of all NJKI resources and services to all participating 350 businesses, and nearly all public and private colleges and universities in New Jersey, as well as the State Library and public libraries. Beginning in FY 2006, the State Library leveraged \$6 million to purchase access to twelve databases for a two-year period that would have cost \$75 million if bought individually by colleges, public libraries, and small businesses during fiscal years 2006 and 2007.

The NJKI connects entrepreneurs, small businesses, researchers, faculty and students to more than ten thousand science and technology journals and to key business information online. Approximately 300 small high-tech businesses that are currently served by the New Jersey Economic Development Authority and the Commerce Commission as well as every State public and private higher education institution, except for Princeton University, are dependent upon access to the information contained in these high quality databases.

The following databases are currently supported by the Knowledge Initiative:

- Nature, Nature Research & Review Journals
- OVID High Impact Core Medical Journals

Discussion Points (Cont'd)

- **Reference USA: US Business & Residential, Health Care**
- **Business Source Premier**
- **Wiley InterScience**
- **Business Source Premier and Corporate**
- **Regional Business News**
- **Academic Search Premier**
- **Biomedical Reference Collection**
- **CINAHL Nursing and Allied Health Literature**
- **Pre-CINAHL**
- **EBSCO MEDLINE Medical Literature Index**

To date, the number of articles and records actually used by New Jersey businesses, faculty and students is approaching nine million. More and more researchers in biotechnology, nanotechnology and bioterrorism are using NJKI to find credible, state-of-the-art information needed to compete globally. Higher Education curricula already rely on the availability of these resources to support students, faculty and researchers. The NJKI is a prime example of an enormous benefit given at the least cost to taxpayers. All database licenses were negotiated to remain at the same annual rate in FY 2008 as in the current year. Thus, in FY 2008, the \$3 million will enable the State Library to renew annual access to the aforementioned databases to avert a disruption of services at the current level.

If additional funding in the future becomes available, the State Library would like to purchase online access for full-text publications in the areas of telecommunications, computer science, robotics, energy, electrical and electronic engineering, and market research in order to serve New Jersey's growing hi-tech start-up business and public and private higher education institutions by purchasing licenses. The following databases were selected for the second phase, should additional funds become available: Association of Computing Machinery Digital Library (\$289,400); ABI Inform; Business Insights; Elsevier Science Direct; Facitiva from Dow Jones; Lexis-Nexis; Institute of Electrical and Electronic Engineering (IEEE) Electronic Library (\$889,000); Premier Medical Journal (\$700,000); OneSource Business Browser International; OVID Business Source Elite; Business Insights, and Web of Knowledge Science and Technology information. The second phase of NJKI would cost between \$6 to \$13 million annually to renew access to our current databases licenses as well as purchase some of the new databases listed above. The selection of these new databases were based on feedback the State Library received while surveying businesses and business community leaders that present use NJKI resources, input from academic libraries supporting the emerging workforce and technology transfer programs, discussions with members of the Action Council on the Economy and the ACE Small Business Technical Assistance Subcommittee.

Discussion Points (Cont'd)

3. The New Jersey Historical Commission is responsible for the formulation and implementation of programs that advance public knowledge of New Jersey's historical heritage. In FY 2007, the Commission received \$3.45 million from the revenues generated by the hotel and motel occupancy fee established pursuant to P.L.2003, c.114. This funding supports agency grants to historical organizations, museums, libraries and other similar organizations with collections or programming related to New Jersey's history. The FY 2008 recommended budget provides \$3.8 million for agency grants, an increase of \$350,000 (10 percent) over the FY 2007 adjusted appropriation.

- **Question:** Please provide a listing, by grantee, grant amount, and county of all awards distributed in FY 2007 and a brief description of the purposes for which the grant was used. How many grantees on the list are first-time recipients, and what is the total of their grant awards? Please denote these grantees on the list provided. How many FY 2006 grantees received no funding in FY 2007? What was the total of their FY 2006 grant awards? Please provide examples of reasons why funding was discontinued for these grantees. How will the recommended budget increase in funding impact the grant award process?

Response:

A listing of all grants awarded in FY 2007 by the New Jersey Historical Commission is as follows. All first-time recipients are indicated by an asterisk. Please note that for the purposes of this analysis first-time recipients are those that did not receive grant funding from the Commission in the past two years. A total of \$108,310 in grant funding was awarded to thirteen first-time recipients in FY 2007.

A total of 23 FY 2006 grant recipients did not receive funding in FY 2007. In 21 of these cases they did not receive funding in the following year because they did not apply for a grant with the Commission. The reasons for this rest with the nature of one of the Commission's major grant categories, the project grant. Applicants to the project grant program vary greatly from year to year for two primary reasons. First, applicants apply to this program only when they have a particular program that is ready for funding. Second, the grant periods for project grants can also vary, sometime lasting more than just one fiscal year. Only one of the FY 2006 grant recipients that did not receive funding in the following year was an applicant to the general operating support grant program. That organization had failed to file acceptable grant reports as required in their grant contract and was therefore denied funding in FY 2007. It should be noted that FY 2007 was the second year in a two-year cycle for the general operating support program. Grant recipients in FY 2006 were informed that continued funding in FY 2007 was dependent on their submission of acceptable reports for the first year of the cycle.

The grant budget increase proposed in the Governor's FY 2008 budget will provide many benefits to the organizations and individuals that apply to the Historical Commission's grant programs. It will certainly relieve a hardship on many general operating support grant recipients who received reduced awards in FY 2007. The proposed increase provides the opportunity to restore some awards to FY 2006 levels, and the potential to provide funding to a larger pool of recipients.

It should be noted that in excess of \$8,455,000 has already been requested from the FY 2008 general operating support program, a figure that far exceeds the grant levels recommended in

Discussion Points (Cont'd)

the Governor's budget. In other words, we have approximately \$2.50 in requests for every dollar available.

Historical Commission Grants- FY 2007**Atlantic**

Absecon Lighthouse/IPPA, Atlantic City. \$40,500 for general operating support

Atlantic County Historical Society, Somers Point. \$7,000 for general operating support

Save Lucy Committee, Inc., Margate. \$41,400 for general operating support

Bergen

Bergen County Department of Parks, Division of Cultural and Historical Affairs, Hackensack. \$25,000 for general operating support

Friends of the Hermitage, Inc., Ho-Ho-Kus. \$50,400 for general operating support

Meadowlands Museum, Rutherford. \$9,000 for general operating support

Pascack Historical Society, Park Ridge. \$5,000 for general operating support

Water Works Conservancy, Oradell. \$10,000 to complete research, write and design an illustrated history of the Hackensack River Valley and Water Works for grades 4-8

\$16,000 for general operating support

Burlington

Alice Paul Institute, Mount Laurel. \$5,500 to expand the organization's *Meeting Alice* program for fourth graders

\$45,000 for general operating support

Batsto Citizens Committee, Inc., Hammonton. \$5,000 for general operating support

***Burlington County Library System**, Westampton. \$10,210 to microfilm the most recent years of the *Register-News*, *Central Record*, *Maple Shade Progress*, and *Beverly Bee*

***Jacob's Chapel A.M.E. Church**, Mount Laurel. \$11,200 to research and prepare a national register nomination

Whitesbog Preservation Trust, Browns Mills. \$20,000 for general operating support

Camden

Discussion Points (Cont'd)

Camden County Historical Society, Camden. \$25,000 for general operating support

***Dolores Pfeuffer-Scherer**, Blackwood. \$2,000 for research and writing of an article on two nineteenth-century female writers from southern New Jersey

Home Port Alliance for the USS New Jersey, Inc., Camden. \$27,000 for general operating support

Cape May

Avalon Museum and Historical Society, Avalon. \$8,000 for general operating support

Cape May County Division of Culture and Heritage, Cape May Court House. \$18,000 for general operating support

Cape May County Historical & Genealogical Society, Cape May Court House. \$18,000 for general operating support

Center for Community Arts, Cape May. \$25,000 for general operating support

Historic Cold Spring Village, Cape May. \$3,500 to research and develop an interpretive and furnishing plan for the ca. 1691 Coxe Hall Cottage

\$91,800 for general operating support

Mid-Atlantic Center for the Arts, Cape May. \$14,000 to redesign and improve its website

\$357,300 for general operating support

Naval Air Station Wildwood Aviation Museum, Rio Grande. \$31,500 for general operating support

Ocean City Historical Museum, Inc., Ocean City. \$10,000 for general operating support

Cumberland County

Bayshore Discovery Project, Port Norris. \$66,600 for general operating support

Cumberland County Cultural and Heritage Commission, Bridgeton. \$13,000 for general operating support

Millville Army Air Field Museum, Millville. \$8,000 for general operating support

Wheaton Arts and Cultural Center, Millville. \$63,000 for general operating support

Essex

Discussion Points (Cont'd)

Bongiorno Productions, Inc., Newark. \$15,000 to support the production of a film about civil unrest in Newark in 1967

Montclair Historical Society, Montclair. \$23,000 for general operating support

New Jersey Historical Society, Newark. \$5,000 for a scholarly conference related to an upcoming exhibition on urban unrest in the 1960s

\$338,400 for general operating support

Newark Museum Association, Newark. \$20,000 for development and fabrication of a permanent exhibition and educational programming on New Jersey's fire-fighting history from the 18th century to the present

Newark Public Library, Newark. \$17,000 for an oral history project to document the lives, experiences, and contributions of Latinos to New Jersey

\$54,000 for general operating support

Gloucester

Trinity Episcopal Old Swedes Church, Swedesboro. \$4,019 for a conference on the role of Pehr Kalm in the development of the early North American scientific community and in the religious and ethnic history of southern New Jersey in the mid-18th century

Hudson

***Carolyn Dillian**, West New York. \$3,000 for research on the work of Charles Conrad Abbott, New Jersey archaeologist

Hoboken Historical Museum, Hoboken. \$17,000 for an exhibition on Hoboken in the 1970s, a period of renaissance for the city

\$57,600 for general operating support

\$3,000 for the publication of another addition to their ongoing series of oral history chapbooks, *Vanishing Hoboken*

Jersey City Museum, Jersey City. \$12,000 to conserve three oil paintings of Jersey City scenes by noted 19th century New Jersey artist, August Will

Hunterdon County

Hunterdon County Cultural & Heritage Commission, Fleminton. \$23,000 for general operating support

Discussion Points (Cont'd)

Lambertville Historical Society, Inc., Lambertville. \$7,000 for general operating support

Readington Museums, Stanton. \$12,000 for general operating support

***Red Mill Museum Village**, Clinton. \$600 for a lecture series on eighteenth-century life and warfare in New Jersey

Mercer

City of Trenton, 1719 William Trent House Museum, Trenton. \$32,400 for general operating support

Crossroads of the American Revolution, Princeton. \$8,550 for a pilot project for Morris and Somerset counties that will develop an outreach, communications, marketing, and self-evaluation effort

David Sarnoff Library, Princeton. \$27,000 for general operating support

Friends of the New Jersey State Museum, Trenton. \$16,000 to support research and development of an exhibition that will interpret folk culture in New Jersey in social history context from the 19th century to date

Genealogical Society of New Jersey, Trenton. \$10,000 for general operating support

Historical Society of Princeton, Princeton. \$19,945 for an exhibition that will examine all aspects of life in Princeton during the 1930s

\$85,500 for general operating support

Howell Living History Farm, Titusville. \$34,200 for general operating support

Mercer County Cultural & Heritage Commission, Trenton. \$10,000 for general operating support

Old Barracks Association, Trenton. \$42,300 for general operating support

Preservation New Jersey, Trenton. \$16,000 for the first phase of a research project on the history of school construction in New Jersey

\$54,000 For general operating support

Princeton University Library, Dept. of Rare Books and Special Collections, Princeton. \$36,000 for general operating support

Trent House Association, Trenton. \$12,000 for general operating support

Trenton Downtown Association, Trenton. \$9,500 to support Patriots Week activities

Discussion Points (Cont'd)

Trenton Historical Society, Trenton. \$12,800 to hire Hunter Research to research and produce a map showing property ownership and land use in Trenton in the Revolutionary era

\$7,000 for general operating support

Middlesex

Department of History, Rutgers University, New Brunswick. \$5,500 special grant in support of the department's undergraduate history internship program

Middlesex County Cultural & Heritage Commission, New Brunswick. \$126,900 for general operating support

***South Brunswick Township Historic Preservation Commission**, South Brunswick. \$14,200 to prepare a national register nomination for the Princeton Nurseries Kingston Site historic district

Special Collections & University Archives, RU, New Brunswick. \$18,000 to rehouse, preserve, arrange and describe a large collection of archival records of the Lenox Company

\$117,900 for general operating support

Thomas Edison Papers, Piscataway. \$109,800 for general operating support

Monmouth

Allaire Village, Wall. \$3,500 for a script for an introductory video on the Howell Iron Works

\$13,000 for general operating support

Friends of Bruce Springsteen Special Collection, Asbury Park. \$3,000 to microfilm rare and endangered documents in the collection

***Friends of Monmouth County Park System**, Lincroft. \$16,000 for the fabrication and installation of a permanent exhibition in the visitor's center of historic Longstreet Farm

***Long Branch Free Public Library**, Long Branch. \$12,600 to microfilm recent years of the *Atlanticville* and *Link News*

Monmouth County Historical Association, Freehold. \$10,500 for a exhibition on the Monmouth County shore experience, 18th century to the late 19th century

\$99,900 for general operating support

Gerard P. Scharfenberger, Middletown. \$2,500 for the analysis of faunal assemblages recovered from the Seabrook/Wilson House in Monmouth County

Morris

Discussion Points (Cont'd)

Canal Society of New Jersey, Morristown. \$7,000 for general operating support

Historic Sites of Morris County Park Commission, Morristown. \$82,800 for general operating support

Jewish Historical Society of MetroWest, Whippany. \$10,000 for general operating support

\$15,000 for the design and construction of a traveling exhibition on the history of Weequahic, 1930s-1960s

Macculloch Hall Historical Museum, Morristown. \$18,000 for general operating support

Morris County Heritage Commission, Morristown. \$25,000 for general operating support

Morris County Historical Society, Morristown. \$31,500 for general operating support

Morris Museum, Morristown. \$33,300 for general operating support

Morristown & Morris Township Public Library, Morristown. \$43,200 for general operating support

Museum of Early Trades and Crafts, Madison. \$52,200 for general operating support

*St. Peter's Episcopal Church, Morristown. \$3,000 for the conservation of a portrait by Thomas Nast.

Stickley Museum at Craftsman Farms, Morris Plains. \$40,500 for general operating support

Ocean County

Barneget Bay Decoy and Baymen's Museum, Inc., Tuckerton. \$25,000 for general operating support

Ocean County Cultural & Heritage Commission, Toms River. \$18,000 for general operating support

Passaic

American Labor Museum/Botto House National Landmark, Haledon. \$24,000 for general operating support

Friends of Long Pond Ironworks, Inc., Hewitt. \$7,500 for general operating support

*Immigration & American Citizenship Organization, Passaic. \$3,000 for the publication of a series of articles on New Jersey history in Spanish

Passaic County Historical Society, Paterson. \$16,000 for general operating support

Discussion Points (Cont'd)

William Paterson University, Wayne. \$16,000 special grant in support of New Jersey History Day

Salem

Salem County Historical Society, Salem. \$14,000 to preserve and process a collection of land deeds and the Rumsey Collection of photographs, books, and personal papers

\$44,100 for general operating support

Somerset

Crossroads of the American Revolution, Bound Brook. \$14,000 for general operating support

Friends of the Abraham Staats House, Inc., South Bound Brook. \$7,000 for general operating support

Friends of the Jacobus Vanderveer House, Bedminster. \$18,000 for general operating support

\$15,600 for a script for a permanent exhibit for the site

Heritage Trail Association, Bound Brook. \$20,000 for general operating support

Meadows Foundation, Inc., Somerset. \$18,000 for general operating support

Save Ellis Island, Gladstone. \$18,000 to develop curriculum materials on immigration for grades 5-12

\$27,000 for general operating support

***Washington Rochambeau Revolutionary Route New Jersey, Bedminster.** \$500 for a lecture on the Washington Rochambeau March

Sussex County

Lenape Lifeways Educational Programs, Inc., Stanhope. \$7,500 for general operating support

Montague Association for Restoration of Community History, Montague. \$5,000 for general operating support

Union County

Cranford Historical Society, Cranford. \$5,000 for general operating support

Historical Society; Elizabeth, NJ, Inc., Elizabeth. \$7,000 for general operating support

Historical Society of Plainfield, Plainfield. \$11,000 for general operating support

Discussion Points (Cont'd)

Kenilworth Historical Society, Inc., Kenilworth. \$8,000 for general operating support

Merchants & Drovers Tavern Museum Association, Rahway. \$25,200 for general operating support

Plainfield Public Library, Plainfield. \$21,000 for general operating support

Reeves-Reed Arboretum, Summit. \$27,000 for general operating support

Union County Division of Cultural & Heritage Affairs, Elizabeth. \$96,300 for general operating support

Warren County

Help Our Preservation Effort, Hope. \$5,000 for general operating support

Warren County Cultural & Heritage Commission, Oxford. \$23,000 for general operating support

Out-of-State

***Center for American Places**, Chicago, Ill. \$14,000 to support publication of an illustrated book on the art colony in Leonia, 19th-mid-20th century

***John Fea**, Grantham, Pa. \$18,000 for research on the role of Presbyterians in the Revolutionary era

*Indicates recipient that was not awarded a grant in either FY 2006 or FY 2005.

4. The New Jersey Cultural Trust is a public-private initiative designed to create a permanent, stable, and additional source of funding to: support private, non-profit arts, history and humanities organizations; finance important capital projects; and improve the organizational and financial management of cultural organizations. According to the "New Jersey Cultural Trust Act," P.L.2000, c.76, over a ten-year period beginning in FY 2001, \$100 million in State funds is to be committed to match private contributions to qualified organizations to supplement funding for the arts, historical groups and the humanities. According to the New Jersey Cultural Trust website, through FY 2006 the State has contributed \$25 million toward the purposes of the Trust, far below the \$60 million prescribed by legislation, while the private sector has contributed \$38.5 million certified to date. Subject to appropriation, certified donations valued at \$100,000 and above, made to the endowment of qualified organizations, entitles the organization to receive 20 percent of the State funds it leverages. The FY 2008 recommended appropriation of \$720,000 (7 percent of the amount required under the "New Jersey Cultural Trust Act"), will be funded with revenue from the hotel and motel occupancy fee as required under P.L.2003, c.114.

Discussion Points (Cont'd)

- **Question:** Please provide an update on the New Jersey Cultural Trust Fund, including a list of qualified organizations, certified private donations and organizations qualified to receive 20 percent of the leveraged State funds. What private donation amounts were certified in the most recent round of gifts to qualified organizations? Since the FY 2008 recommendation of \$720,000, generated from the hotel and motel occupancy, and the \$25 million that the State has contributed to date are far below what is required to satisfy the State match under the "New Jersey Cultural Trust Act," how has this affected private donations to qualified organizations? Going forward, how will the lack of funding to provide a State match affect cultural organizations' ability to secure private donations?

Response:

The New Jersey Cultural Trust is an example of a successful public private partnership. Attached please find a list of qualified organizations, certified public donations and organizations certified to receive 20% of leveraged state funds all of which stands as a testament to the success of the program.

Since its inception, the Cultural Trust has been able to provide three rounds of grants, awarding over \$2 million from the revenue earned on the investment of the Cultural Trust Fund. This funding has supported 119 financial stabilization and capital historic preservation grants to qualified arts and history organizations throughout the state. The fourth round of grants is currently underway and the Trust expects to award another \$1 million in FY 2008

What private donation amounts were certified in the most recent round of gifts to qualified organizations?

The Trust's matching mechanism has proved very successful in encouraging endowment giving. The Trust has certified close to \$38.5 million in donations to the endowments of qualified organizations. In the most recent certification round, conducted in 2002, \$11,877,604 in donations to the endowments of qualified organizations was certified (see chart).

Since the FY 2008 recommendation of \$720,000, generated from the hotel and motel occupancy, and the \$25 million that the State has contributed to date are far below what is required to satisfy the State match under the "New Jersey Cultural Trust Act," how has this affected private donations to qualified organizations?

Based on the promise of the Cultural Trust Act, organizations represented to their donors that gifts given to their endowments would leverage an equal amount into the Trust Fund. Additionally, if the donation was \$100,000 or more, the organization would receive 20% of the state match to the fund. This incentive was critical in securing large gifts from donors. In some cases, gifts were given from donors who had not previously contributed to an organization. Overall the lack of state support for the Cultural Trust has negatively impacted the private donations to qualified organizations.

Going forward, how will the lack of funding to provide a State match affect cultural organizations' ability to secure private donations?

Discussion Points (Cont'd)

While the intention of the State match was to give organizations a tool to raise needed endowment funding, the State has not been able to fund the Trust as originally intended resulting in organizations not being able to maximize the full scope of the Trust.

5. The enacted FY 2007 budget anticipated savings from management efficiencies (\$50 million), information technology efficiencies (\$20 million) and procurement efficiencies (\$15 million). These savings, while reflected in the Interdepartmental Accounts section of the budget, were to be obtained from executive agency budgeted appropriations, presumably in direct correlation with identified efficiency improvements.

New Jersey Cultural Trust- List of Qualified Organizations April 2007

| Name of Organization: | County |
|---|---------------|
| Absecon Lighthouse | Atlantic |
| Atlantic City Art Center | Atlantic |
| Atlantic County Historical Society | Atlantic |
| Chicken Bone Beach Historical Foundation Inc. | Atlantic |
| Dante Hall Theater of the Arts, Inc. | Atlantic |
| Hammonton Arts Center | Atlantic |
| Save Lucy Committee, Inc. | Atlantic |
| South Jersey Area Wind Ensemble | Atlantic |
| South Jersey Cultural Alliance. | Atlantic |
| The Noyes Museum of Art | Atlantic |
| Bergen Philharmonic Orchestra | Bergen |
| All Seasons Chamber Players | Bergen |
| Arts Horizons | Bergen |
| Belskie Museum of Art & Sciences | Bergen |
| Bergen Performing Arts Center | Bergen |
| CavanKerry Press | Bergen |
| Center for Modern Dance Education | Bergen |
| Friends of the Hermitage, Inc. | Bergen |

Discussion Points (Cont'd)

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| Leonid Kozlov Dance Institute | Bergen |
| Meadowlands Museum | Bergen |
| Nai-Ni Chen Dance Company | Bergen |
| New Jersey Choral Music Society | Bergen |
| Pro Arts Chorale | Bergen |
| Ridgewood Concert Band, Inc. | Bergen. |
| Teaneck Cultural Arts Coalition, Inc | Bergen |
| The Arts School at Old Church formerly Old Church Cultural Center School of Art | Bergen |
| The Sutton Ensemble | Bergen |
| Water Works Conservancy | Bergen |
| Air Victory Museum | Burlington |
| Burlington County Historical Society | Burlington |
| Center for the Arts in Southern New Jersey | Burlington |
| Community Concert Association of Bordentown Inc. | Burlington |
| Golden Eagle Community Band, Inc. | Burlington |
| Lenape Regional Performing Arts Center | Burlington |
| Moorestown Arts Advocacy Council(MAAC) | Burlington |
| Perkins Center for the Arts | Burlington |
| Whitesbog Preservation Trust | Burlington |
| Alice Paul Institute (Formerly the Alice Paul Centennial Foundation, Inc.) | Burlington |
| Camden County Historical Society | Camden |
| Garden State Discovery Museum | Camden |
| Home Port Alliance for the USS New Jersey, Inc. (<i>aka Battleship New Jersey</i>) | Camden |
| Lawnside Historical Society Inc. | Camden |
| Mainstage Center for the Arts | Camden |
| Markeim Art Center | Camden |
| Puerto Rican Culture and Arts Center, A.K.A. Puerto Rican & Latino Culture and Arts Center | Camden |
| Settlement Music School Camden School of Musical Arts Branch | Camden |
| The Haddonfield Symphony | Camden |

Discussion Points (Cont'd)

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|---|------------|
| The Ritz Theatre Company, Inc. (Formerly Puttin on The Ritz) | Camden |
| Walt Whitman Arts Center | Camden |
| East Lynne Theater Company | Cape May |
| Cape May Stage | Cape May |
| Center for Community Arts | Cape May |
| Friends of Cape May Jazz, Inc. | Cape May |
| Friends of the Ocean City Historical Museum, Inc. | Cape May |
| Friends of the Ocean City Pops | Cape May |
| Greater Cape May Historical Society | Cape May |
| Historic Cold Spring Village | Cape May |
| MidAtlantic Center for the Arts | Cape May |
| Naval Air Station Wildwood Aviation Museum | Cape May |
| Bayshore Discovery Project (Formerly Schooner Clyde A. Phillips, Inc., T/A Delaware Bay Schooner Project) | Cumberland |
| Levoy Theatre Preservation Society | Cumberland |
| Millville Army Airfield Museum | Cumberland |
| Riverfront Renaissance Center for the Arts | Cumberland |
| Wheaton Village, Inc. | Cumberland |
| 12 Miles West Theatre Company | Essex |
| ArtsPower National Touring Theatre Inc. | Essex |
| Branch Brook Park Alliance | Essex |
| City without Walls | Essex |
| Danmari Ltd. | Essex |
| Dreamcatcher Repertory Theatre | Essex |
| Freespace Dance | Essex |
| Friends of Edison National Historic Site | Essex |
| Garden State Concert Band | Essex |
| GlassRoots, Inc. | Essex |
| Jazz House Kids, Inc. | Essex |
| Lincoln Park Coast Cultural District Inc. | Essex |
| Luna Stage Company, Inc. | Essex |
| Montclair Art Museum | Essex |
| Montclair Historical Society | Essex |
| Montclair Operetta Club | Essex |
| New Jersey Ballet Company | Essex |

Discussion Points (Cont'd)

| | |
|---|------------|
| New Jersey Performing Arts Center | Essex |
| New Jersey State Opera | Essex |
| New Jersey Symphony Orchestra | Essex |
| New Jersey Tap Ensemble (NJTAP) | Essex |
| Newark Arts Council | Essex |
| Newark Boys Chorus School | Essex |
| Newark Performing Arts Corp. (Newark Symphony Hall) | Essex |
| Newark Public Radio (WBGO) | Essex |
| Newark School of the Arts | Essex |
| Oakside Bloomfield Cultural Center | Essex |
| Paper Mill Playhouse | Essex |
| Performing Arts Gazebo at West Caldwell, Inc. | Essex |
| Pushcart Players | Essex |
| Sharron Miller's Academy for the Performing Arts | Essex |
| The Center for Italian & Italian American Culture, Inc. | Essex |
| The New Jersey Historical Society | Essex |
| The Newark Museum Association | Essex |
| What Exit? Theatre Company | Essex |
| Youth Orchestras of Essex County | Essex |
| Aljira, A Center for Contemporary Art | Essex |
| Historic and Education Lodge-Hall Preservatory, Inc. | Gloucester |
| Lauda! Chamber Singers | Gloucester |
| Learning Stages | Gloucester |
| Actors Shakespeare Company | Hudson |
| Arts on The Hudson/Grigur's Paniomine Theatre | Hudson |
| Educational Arts Team Inc. | Hudson |
| Friends of the Loew's Inc. | Hudson |
| Jersey City Museum, Inc. | Hudson |
| Liberty Science Center | Hudson |
| Park Performing Arts Center | Hudson |
| Save Ellis Island!, Inc. | Hudson |
| Schola Cantorum on Hudson | Hudson |
| The Kennedy Dancers | Hudson |
| Thomas A. Edison Media Arts Consortium | Hudson |

Discussion Points (Cont'd)

| | |
|---|-----------|
| Hunterdon Museum of Art | Hunterdon |
| Lambertville Historical Society | Hunterdon |
| Red Mill Museum Village, Inc. | Hunterdon |
| Riverside Symphonia | Hunterdon |
| Tewksbury Historical Society | Hunterdon |
| The Roxey Ballet Company | Hunterdon |
| Boheme Opera Company | Mercer |
| CAPPS - Community Arts Partnership at the Peddie School | Mercer |
| Crossroads of the American Revolution Association | Mercer |
| David Sarnoff Collection a/k/a David Sarnoff Library | Mercer |
| Foundation for NJ Public Broadcasting | Mercer |
| Friends of the New Jersey State Museum | Mercer |
| Hamilton Ballet Theatre, Inc. (HBT) | Mercer |
| Historic Morven, Inc. | Mercer |
| Historical Society of Princeton | Mercer |
| International Sculpture Center, Inc. | Mercer |
| Lawrence Historical Society | Mercer |
| McCarter Theatre Company | Mercer |
| New Jersey Council for Humanities | Mercer |
| New Jersey Opera Theater Incorporated. | Mercer |
| Old Barracks Museum | Mercer |
| Preservation New Jersey, Inc. | Mercer |
| Princeton Pro Musica | Mercer |
| Princeton Symphony Orchestra | Mercer |
| Public Art Foundation, Inc dba: The Grounds for Sculpture | Mercer |
| The American Boychoir School | Mercer |
| The Arts Council of Princeton | Mercer |
| The Passage Theatre Company, Inc. | Mercer |
| The Princeton Singers | Mercer |
| The West Windsor Plainsboro Dance Company | Mercer |
| Trent House Association | Mercer |
| Trenton Community Music School | Mercer |
| Trenton Education Dance Institute | Mercer |
| Trenton Historical Society | Mercer |
| Voices, Inc. | Mercer |

Discussion Points (Cont'd)

| | |
|---|-----------|
| Young Audiences of New Jersey Inc. | Mercer |
| American Repertory Ballet | Middlesex |
| Cantabile Chamber Chorale, Inc. | Middlesex |
| Dance New Jersey | Middlesex |
| Genealogical Society of New Jersey | Middlesex |
| George Street Playhouse | Middlesex |
| Institute for Arts and Humanities Education | Middlesex |
| Jamesburg Historical Association | Middlesex |
| LKB Dance | Middlesex |
| Middlesex County Regional Council for the Arts (Arts & Education Center) | Middlesex |
| New Brunswick Cultural Center, Inc. | Middlesex |
| New Jersey Jazz Society | Middlesex |
| Plainsboro Historical Society | Middlesex |
| Rutgers Film Co-Op/ New Jersey Media Arts Center Inc. | Middlesex |
| South Plainfield Historical Society | Middlesex |
| State Theatre Regional Arts Center at New Brunswick | Middlesex |
| The Woodbridge Township Arts Council (Barron Art Center) | Middlesex |
| Allaire Village, Inc. t/a The Historic Village at Allaire | Monmouth |
| Center Players, Inc. | Monmouth |
| Company of Dance Arts | Monmouth |
| Count Basie Theatre, Inc. | Monmouth |
| Freedom Film Society | Monmouth |
| Guild of Creative Art | Monmouth |
| Heart of New Jersey Chorus | Monmouth |
| Hellenic Dancers Inc. of N.J. | Monmouth |
| Historical Society of Ocean Grove | Monmouth |
| Holmdel Summer Theatre Festival dba Holmdel Theatre Company | Monmouth |
| Jersey Shore Jazz & Blues Foundation | Monmouth |
| Monmouth Civic Chorus | Monmouth |
| Monmouth County Arts Council | Monmouth |
| Monmouth County Historical Association | Monmouth |
| Monmouth Symphony Orchestra | Monmouth |
| New Jersey Historical Divers Association, Inc. | Monmouth |

Discussion Points (Cont'd)

| | |
|---|----------|
| New Jersey Repertory Company | Monmouth |
| NJ Vietman Veterans' Memorial Foundation | Monmouth |
| The Monmouth Conservatory of Music | Monmouth |
| The Monmouth Museum | Monmouth |
| Township of Ocean Historical Museum | Monmouth |
| Two River Theatre Company | Monmouth |
| Algonquin Arts | Monmouth |
| Canal Society of New Jersey | Morris |
| Colonial Symphony | Morris |
| Community Children's Museum | Morris |
| Harmonium, A Classical Choral Society, Inc. | Morris |
| Historical Society of Boonton Township | Morris |
| Historical Society of Old Randolph | Morris |
| Lakeland Youth Symphony | Morris |
| Macculloch Hall Historical Museum | Morris |
| Morris County Historical Society | Morris |
| Museum of Early Trades and Crafts | Morris |
| New Jersey Theatre Alliance | Morris |
| Playwrights Theatre of New Jersey, Inc. | Morris |
| Shakespeare Theatre of New Jersey <i>formerly:</i> New Jersey Shakespeare Festival of Morris | Morris |
| Solid Brass Chamber Music Guild | Morris |
| South Street Theater Company, Inc. dba The Community Theatre | Morris |
| The Craftsman Farms Foundation, Inc. | Morris |
| The Growing Stage Theatre for Young Audiences, Inc. | Morris |
| The Jewish Historical Society of Metrowest | Morris |
| The Masterwork Chorus Inc. | Morris |
| The Morris Museum | Morris |
| The New Philharmonic of New Jersey | Morris |
| Trustees of Morristown Green, Inc. | Morris |
| Arts Council of the Morris Area | Morris |
| Barnegat Bay Decoy and Baymen's Museum, Inc. (Tuckerton Seaport) | Ocean |
| Garden State Philharmonic | Ocean |

Discussion Points (Cont'd)

| | |
|---|----------|
| Joseph P. Hayes Theatre, Inc. Surflight Theatre | Ocean |
| Lavallette Heritage Committee, Inc. | Ocean |
| Long Beach Island Foundation of the Arts and Sciences | Ocean |
| New Jersey Museum of Boating | Ocean |
| Ocean County Historical Society | Ocean |
| Pine Shores Art Association | Ocean |
| Stafford Township Historical Society, Inc. | Ocean |
| Strand Ventures, Inc. | Ocean |
| The Island Singers | Ocean |
| The Ocean County Artists' Guild | Ocean |
| American Labor Museum/Botto House National Landmark | Passaic |
| New Jersey Women's Theater Cooperative operating as Women's Theater Company | Passaic |
| Passaic County Historical Society | Passaic |
| The Friends of Long Pond Ironworks, Inc. | Passaic |
| Appel Farm Arts and Music Center | Salem |
| Salem County Historical Society | Salem |
| Salem Old House Foundation, Inc. | Salem |
| Friends of Abraham Staats Inc. | Somerset |
| Friends of Jacobus Vandever House | Somerset |
| Montgomery Center for the Arts | Somerset |
| Somerset Art Association | Somerset |
| The Discovery Orchestra, Inc. formerly known as Philharmonic Orchestra of New Jersey, Inc. | Somerset |
| The Meadows Foundation | Somerset |
| The Printmaking Council of NJ | Somerset |
| Franklin Historical Society | Sussex |
| Peters Valley Craft Center | Sussex |
| Tri-State Actors Theater | Sussex |
| Waterloo Foundation for the Arts, Inc. | Sussex |
| Carolyn Dorfman | Union |
| Cranford Dramatic Club | Union |
| Cranford Historical Society | Union |
| Historical Society of Elizabeth, NJ Inc. | Union |
| Historical Society of Plainfield | Union |
| Kenilworth Historical Society | Union |

Discussion Points (Cont'd)

| | |
|--|--------|
| Liberty Hall Museum | Union |
| New Jersey Intergenerational Orchestra | Union |
| New Jersey Workshop for the Arts | Union |
| New Jersey Youth Chorus | Union |
| New Jersey Youth Symphony, Inc. | Union |
| Playhouse Association Inc. | Union |
| Reeves-Reed Aboretum | Union |
| Suburban Community Music Center | Union |
| Summit Chorale, Inc. | Union |
| The Choral Art Society of New Jersey | Union |
| The Plainfield Symphony | Union |
| Union County Arts Center | Union |
| Union Township Historical Society | Union |
| Visual Arts Center of New Jersey | Union |
| Westfield Historical Society | Union |
| Westfield Symphony Orchestra | Union |
| Westfield Young Artists' Cooperative Theatre, Inc. (WYACT) | Union |
| Hardwick Township Historical Society | Warren |
| Help Our Preservation Effort | Warren |
| Hope Historical Society | Warren |
| Northwest Jersey Folklife Project, Inc. | Warren |
| Phillipsburg Riverview Arts Center | Warren |

Discussion Points

Certified Private Donations and Organizations Qualified to Receive 20 Percent of the Leveraged State Funds

| County | Recipient | Certified Round I | Certified Round II | * Total to be Matched by State | Large Gifts Rec'd by Org | 20% of Large Gift Due Organization | Total Paid to Date | Remaining Balance Due |
|------------|---------------------------------------|-------------------|--------------------|--------------------------------|--------------------------|------------------------------------|--------------------|-----------------------|
| | | | | | | | | |
| | Cultural Trust Fund | | | 1,020,000 | | | 0 | |
| Bergen | Friends of the Hermitage | \$ 54,915 | \$ - | \$ 54,915 | \$ - | \$ - | 0 | - |
| Cape May | Historic Cold Spring Village | 100,000 | 100,000 | 200,000 | 200,000 | 40,000 | 20,000 | 20,000 |
| Cumberland | Wheaton Village, Inc. | 180,000 | - | 180,000 | 180,000 | 36,000 | 35,021 | 979 |
| Essex | Aljira, A Center for Contemporary Art | 200,000 | - | 200,000 | 200,000 | 40,000 | 38,769 | 1,231 |
| Essex | NJ Performing Arts Center | 10,675,000 | 8,900,000 | 19,575,000 | 19,575,000 | 3,915,000 | 2,005,624 | 1,909,376 |
| Essex | NJ Symphony Orchestra | 5,273,878 | 1,256,105 | 6,529,983 | 6,529,983 | 1,305,997 | 991,476 | 314,521 |
| Essex | The Newark Museum | 4,573,115 | 565,000 | 5,138,115 | 5,073,115 | 1,014,623 | 859,903 | 154,720 |
| Essex | WBGO, Newark Public Radio | - | 430,000 | 430,000 | 370,000 | 74,000 | 0 | 74,000 |
| | <i>Subtotal-Essex</i> | <i>20,721,993</i> | <i>11,151,105</i> | <i>31,873,098</i> | <i>31,378,098</i> | <i>6,275,620</i> | <i>3,895,771</i> | <i>2,379,848</i> |
| Hudson | Liberty Science Center | 300,000 | - | 300,000 | 300,000 | 60,000 | 57,563 | 2,437 |
| Hunterdon | Hunterdon Museum | 395,091 | - | 395,091 | 395,091 | 79,018 | 75,412 | 3,606 |

Discussion Points (Cont'd)

| County | Recipient | Certified Round I | Certified Round II | * Total to be Matched by State | Large Gifts Rec'd by Org | 20% of Large Gift Due Organization | Total Paid to Date | Remaining Balance Due |
|---|--|----------------------|----------------------|--------------------------------|--------------------------|------------------------------------|--------------------|-----------------------|
| Mercer | Morven Foundation | 500,000 | - | 500,000 | 500,000 | 100,000 | 95,103 | 4,897 |
| Mercer | McCarter Theatre | 737,221 | 375,499 | 1,112,720 | 1,112,720 | 222,544 | 139,646 | 82,898 |
| Mercer | The American Boychoir | 1,437,790 | - | 1,437,790 | 1,437,790 | 287,558 | 271,184 | 16,374 |
| Mercer | Princeton Pro Musica | 25,000 | - | 25,000 | - | - | 0 | - |
| | <i>Subtotal-Mercer</i> | <i>2,700,011</i> | <i>375,499</i> | <i>3,075,510</i> | <i>3,050,510</i> | <i>610,102</i> | <i>505,933</i> | <i>104,169</i> |
| Middlesex | The State Theatre | - | 250,000 | 250,000 | 250,000 | 50,000 | 0 | 50,000 |
| Monmouth | Monmouth County Historical Association | 7,000 | - | 7,000 | - | - | 0 | - |
| Morris | The Morris Museum | 1,084,595 | - | 1,084,595 | 1,049,595 | 209,919 | 198,300 | 11,619 |
| Morris | NJ Shakespeare Festival | 50,000 | - | 50,000 | - | - | 0 | - |
| | <i>Subtotal-Morris</i> | <i>1,134,595</i> | <i>-</i> | <i>1,134,595</i> | <i>1,049,595</i> | <i>209,919</i> | <i>198,300</i> | <i>11,619</i> |
| Somerset | Friends of Jacobus Vanderveer House | - | 1,000 | 1,000 | - | - | 0 | - |
| | Rounding | | | | | | 0 | (1) |
| | Total | \$ 25,593,605 | \$ 11,877,604 | \$ 38,491,209 | \$ 37,173,294 | \$ 7,434,659 | 4,788,000 | 2,646,658 |
| | * State Match to Date | | | 25,680,000 | | | | |
| | * Due from State | | | 12,811,209 | | | | |
| To Date: State still owes \$12,811,209 to Fund to complete 1:1 match. Cultural Trust owes \$2,646,658 to organizations with large gifts. | | | | | | | | |

Discussion Points

- **Question:** What amount of the department's original FY 2007 appropriations were reallocated to Interdepartmental Accounts as savings from management efficiencies, information technology efficiencies and procurement efficiencies, respectively? What specific efficiencies were achieved by the department that correlate to the reallocations? What adverse impacts, if any, on the output and outcomes of department programs and services resulted or will result from these funding reallocations, in the current fiscal year and as projected for FY 2008?

Response:

What amount of the department's original FY 2007 appropriations were reallocated to Interdepartmental Accounts as savings from management efficiencies, information technology efficiencies and procurement efficiencies, respectively?

Of the FY 2007 original appropriations, \$349,000 was reallocated to Interdepartmental Accounts as savings from management efficiencies and \$60,000 were reallocated for information technology efficiencies.

What specific efficiencies were achieved by the department that correlates to the reallocations?

The department was able to achieve these efficiencies through the reduction of six staff members along with the reductions in the Cultural Trust, and the Office of Volunteerism.

What adverse impacts, if any, on the output and outcomes of department programs and services resulted or will result from these funding reallocations, in the current fiscal year and as projected for FY 2008?

The Department of State has received major reductions in appropriations over the past two fiscal years. From adjusted FY 2006 to proposed FY 2008, the Department of State will have endured a reduction of over 21%. This includes reduction in Direct State Service of 13% and Grant-in-Aid (GIA) of 24%. These reductions have made a major impact on cultural, arts and historical organizations throughout the state. Not only have the reductions had a major impact on the cultural, arts and historical organizations throughout the state, they have also required the Department to stretch its divisions with departmental responsibilities, as well as, force the Department's staff to take on out of title duties.