Resultant

Indiana Arts Commission

# Indiana Arts Commission Partners with Resultant to Build a Methodology for Improved Grantmaking

To fulfill its vision of "the arts everywhere, every day, for everyone in Indiana," the state government agency the Indiana Arts Commission (IAC) provides funding to arts organizations throughout the state, with a focus on equitable access to the arts for all.

To continue to realize that vision more effectively, the IAC collaborated with Resultant to build a grant distribution methodology that enables the organization to determine award recipients and award levels fairly, according to a public panel review process. The model would need to be flexible, and it needed to provide options for evaluating different fund allocation strategies based on award tier, score, or multiplier.



#### **THE PROBLEM**

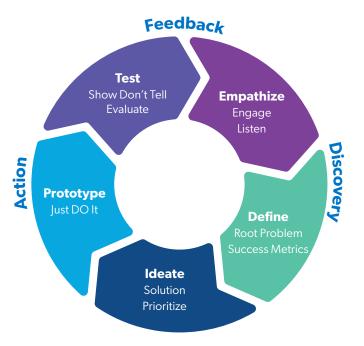
The IAC had been relying on a spreadsheet, trial and error, and staff intuition to allocate its funding to the arts organizations who needed it. And they'd been doing it on a very short timeline, after which they'd present recommendations.

The process worked, but it was incredibly time-consuming and made sharing process and recommendations difficult. The IAC needed a smoother, quicker way to allocate funds.

#### **OUR APPROACH**

The IAC needed a solution fast and on a tight budget. Our team worked according to our rapid prototype approach, which starts from a thorough discovery session, followed by prototype development and testing to quickly identify what does and does not support the client's needs.

We engaged in qualitative and quantitative discovery, comparing available data against the desired solution outcome. The goal was to identify data points and features to utilize as inputs into the fund allocation solution. Our team worked collaboratively with the IAC to identify all potential features to be utilized.



## **THE SOLUTION**

We developed several versions of the IAC's solution with thousands of iterations utilizing historical and current anonymized data. The framework that emerged as the solution takes a mathematical approach to fund distribution based on the following factors:

- Applicant score
- Applicant size
- Existing access to funding in the community the applicant serves
- Impact of funding on the applicant
- Sustainability of funding

The IAC's solution is flexible, meaning it can be adapted according to the pool of applicants each year. It includes protections for rural and traditionally under-resourced applicants to ensure a truly equitable distribution of funds.

Key components of the solution fall into the following categories:

- Inputs: Information that must be provided for the solution to run
- Configurable Mathematical Rules: Mathematical rules determine how the grantmaking equations behave; parameters were built so that the IAC can customize them as the needs of the state change
- Configurable Business Rules: Business rules are limitations to the model that help ensure the outcome aligns to program parameters

"The Resultant team was an absolute pleasure to work with. They were professional, respectful collaborators with a natural affinity for their work, and it showed. Their active listening enabled us to find an outstanding solution within a relatively aggressive timeline. The custom tool they developed for us worked perfectly, and significantly improved the process efficiency while also increasing the accuracy of our work."

> - PAIGE SHARP INDIANA ARTS COMMISSION DEPUTY DIRECTOR OF PROGRAMS



# THE SOLUTION IN ACTION

- Applicants who meet the minimum budget requirement are eligible to have their application reviewed by multiple panelists; each panelist assigns a score to the application.
- 2. Applicants are split into five tiers based on the budget size of the applicant.
  - The budget cutoffs for each tier are dynamic and change based upon the applicant pool.
  - Tier cutoffs are determined based upon statistical analysis of the applicant budgets.
- 3. The amount of available funds is split across the five tiers. The split is configurable by the IAC in order to help ensure that awards are meaningful for all funded applicants and that funds are distributed across organizations of all sizes.
- 4. An under-resourced multiplier is assigned to applicants that fall into categories that have been traditionally under-resourced or under-represented within the Indiana arts community. This multiplier ensures equitable access to the arts for all individuals within Indiana.

- 5. Funding is awarded at a different rate within each tier.
  - The percent of applications funded is the highest in the tier with the smallest-budget applicants and lowest in the tier with the largest-budget applicants.
  - Not all applications are funded. Within a tier, applicants with higher application scores are funded.
  - The amount of the grant award is determined based on score and tier; applicants with higher scores receive more funding, and applicants with lower scores receive less funding.
- 6. One last business rule is applied before the final award is determined—a maximum award as a percent of the applicant's budget. Similar to the minimum applicant budget size rule, this rule exists to ensure that applicants are not overly dependent on IAC funding.
- 7. The final output of the solution is a determination of which applicants are funded and a specific funding amount for each funded applicant.

### THE OUTCOME

Ultimately, IAC received a solution that provided all the capabilities they needed and can grow with them over time. The spreadsheet—and all that time-consuming trial and error—are gone, and now IAC can simply input allocation criteria to get answers immediately.

For a team of just ten employees, the value of the time saved is tremendous. The IAC has found such value in the prototype that they've enlisted our team for another.

The custom tool Resultant developed for us worked perfectly, and significantly improved the process efficiency while also increasing the accuracy of our work.

- PAIGE SHARP INDIANA ARTS COMMISSION DEPUTY DIRECTOR OF PROGRAMS

