

GRANTS FOR ORGANIZATIONS

Operating Support

DEADLINES:

**PHASE 1
DEADLINE:
May 3**

**PHASE 2
DEADLINE:
November 1**

PURPOSE

Provide a stable source of financial support for core arts and cultural organizations that are well-managed, firmly established, and have significant impact and broad community engagement.

THIS GRANT IS OPEN TO:

Invitation only for previously approved organizations, due to budget constraints. Recipients are established arts and culture organizations with an average three-year adjusted audited revenue of at least \$150,000.

AWARD AMOUNT:

Calculated using three-year average adjusted revenue, previous score and applied percentages. Award amounts are contingent upon funds available.

STAFF CONTACT

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Operating Support - Purpose

Provide an unrestricted source of financial support for core arts and cultural organizations that are well-managed, firmly established, have significant impact and broad community engagement.

Description

The Operating Support program provides unrestricted funding as an investment in the general operations, administration and programs of eligible arts and cultural organizations in all disciplines.

Who is eligible to apply?

No new applicants will be accepted in 2021 unless previously approved due to budget constraints related to the COVID-19 pandemic.

Applicants must be independent, historically financially-sound arts and cultural organizations that demonstrate the following attributes to be eligible to apply or maintain eligibility.

Financial Eligibility Requirements

- Minimum of \$150,000 three-year average adjusted audited revenue* (see following pages for calculation details);
- Are able to submit the most recent three years of audited financial statements as part of the application process;
 - Applicants should have an independent audit that includes a statement of functional expenses. If the applying organization is a subsidiary of a parent company that already has audited financial statements, the parent company audit must be submitted along with reviewed financials statements of the applying organization.
 - Organizations that are headquartered in Columbus but with satellite sites outside of the city of Columbus must be prepared to submit Columbus-specific audit documentation for programming/operations only within the city of Columbus.
- Present a diverse revenue and support stream;
- Demonstrate a dollar-for-dollar cash match; and
- Have received at least one Project or Operating Support grant from Arts Council previously.

Artistic Eligibility Requirements

- Primary focus and actual operations are artistic or cultural in nature;
- Demonstrate annual artistic programming for at least three consecutive years;
- Demonstrate exemplary artistic achievement; and
- Engage and compensate professional artists.

City of Columbus & Nonprofit Eligibility Requirements

- Have held their own 501(c)(3) status for at least three consecutive years;
- Based in and primarily serving the city of Columbus; and
- Demonstrate a wide-ranging impact on the city’s economy and tourism.

Board Governance & Staff Eligibility Requirements

- Operate with professional management and artistic staff;
- Have at least one paid full-time or part-time staff member; and
- Have a minimum of five members of the board of trustees;
- Operate with a community-based board of trustees charged with legal and fiduciary responsibilities, including the hiring of the chief artistic and/or executive directors.

Inclusion, Diversity, Equity and Access (I.D.E.A) Requirements

- Have a demonstrated commitment to inclusion, diversity, equity and access;
- Commit to a better understanding of systemic racism, implicit bias and barriers to access; and
- Demonstrate planning toward more diverse representation on board, staff, artists, vendor list and diversity, equity and accessibility in programming, outreach and marketing.

When are applications due?

Operating Support applications are available for submission once per calendar year. The 2021 process will include two phases. No draft reviews are offered, with the exception of new applicants.

	PHASE ONE
Application Due	May 3, 2021
Applicant Interviews	May 2021
Applicants Notified	Late June 2021
Q1 ACH Award Distribution	Sent by June 30, 2021
Q2 ACH Award Distribution	Sent by September 30, 2021

	PHASE TWO
Progress Report Due	November 1, 2021
Applicants Notified	November 18
Q3 ACH Award Distribution	Sent by December 30, 2021
Q3 ACH Award Distribution	Sent by March, 30, 2022

	REPORTING
Audit and FY Report Due	105 days after organization's Fiscal Year End
Final Report Due	June 30, 2022

Ticket Fee Requirement

Recipients of Operating Support are required to apply the city of Columbus' 5% arts and culture fee to all live admission tickets. For details, <https://www.gcac.org/impact-of-the-arts/columbus-ticket-fee/>.

How are awards calculated?

Awards are calculated using three-year average adjusted revenue, previous score and applied percentages. Award amounts are contingent upon funds available.

NOTE: Previous years' calculations were based on score and three-year adjusted audited revenue. Adjusted revenue is defined as: audited revenue less 1) in-kind support, 2) capital contributions, 3) Arts Council grant awards, 4) other funding provided by the city of Columbus and/or Franklin County and 5) related party funds (related party funds are defined as funds provided by an entity controlling, controlled by or under common control with the applicant). This definition was expanded in 2020.

PHASE ONE: Application – Due May 3

Recognizing that the COVID-19 pandemic will have an impact for many years to come, the Arts Council revised the 2021 application to focus on pandemic recovery and a path toward sustainability.

Application questions will focus on five key categories: 1) financial planning, 2) leadership capacity, 3) board engagement, 4) strategic and tactical planning and 5) Inclusion, Diversity, Equity and Access.

What are the application questions?

Below you will find the current narrative questions to assist you in your grant preparation.

- Summarize your strategy for recovery and growth in Fiscal Year 2021. Please note changes in operations, people resources or programming that intend to aid in strategy execution.
- Summarize your short- and long-term plans to diversify revenue and strengthen your overall financial position.
- Provide an update on artistic programming and any new/innovative approaches.
- Outline any progress, new resources and/or future planning in the areas of Inclusion, Diversity, Equity and Access. How is an equity lens being applied internally and externally?

What data-based questions will be asked in the application?

- Number of full-time, part-time, and contract employees as of January 1, 2020
- Number of full-time, part-time, and contract employees as of as of April 1, 2021

What demographic questions will be asked in the application?

Beginning in 2021, basic demographic information will be collected as part of the grant application process. Organizations will be required to report on the demographics of their staff and board of directors. We view data collection as an essential tool to our commitment to diversity, equity, and inclusion. The data collected will serve multiple purposes: to help us understand how we reflect the communities we serve, to utilize data to better serve the needs of our artistic community, and to track progress with our Inclusion, Diversity, Equity and Access (I.D.E.A.) efforts.

What are the required Supplemental Materials (uploads)?

All support materials must be uploaded digitally to the GoArts system.

Mandatory Supplemental Materials:

- Current fiscal year Profit & Loss statement with budget and year-to-date actuals (also known as: statement of activities, income and expense statement)
- Current Balance Sheet (also known as: Statement of Financial Position)
- Financial forecasts for the next 12 months
- Current board of trustees list, with affiliations
- Staff list
- Strategic plan (if updated/completed in the past year)

PHASE TWO: Progress Report – Due November 1

The Phase Two: Progress Report will require organizations to provide updates on operations, leadership and programming. Uploads requested will be current financials and a financial forecast.

AFTER SUBMITTING – NEXT STEPS

Initial Review

Following the deadline, applications and supplemental materials will be reviewed by Grants & Services staff members to make sure the application is complete and meets eligibility.

Applicant Interview

Applicants are required to participate in a virtual or in-person interview with Arts Council staff and board trustee(s). Organizations may bring up to three people to the meeting (staff, board or committee members, key volunteers, etc.). The interview is intended to be a conversation to learn more about the organization's challenges and successes and discuss specifics of the application. There is no need to prepare additional materials or a presentation.

Assessment and Voting

After the interview, Arts Council staff and trustees will collectively agree on a recommendation to the Creative Advancement Committee. The Creative Advancement Committee evaluates applications and assessments and then presented to the Board of Trustees for approval.

In light of the impact of the pandemic, we will not use a scoring rubric as in the past. Instead, applications will be assessed in five categories: financial planning, leadership capacity, board engagement, strategic and tactical planning, and inclusion, diversity, equity and access.

The assessment will result in a recommendation of one of three determinations:

- **APPROVE**
 - This determination would be applied if the evaluators have confidence in at least four out of five categories.
- **APPROVE WITH CONTINGENCY**
 - This determination would be applied if the evaluators lack confidence in at least three of five categories.
 - Organizations will be required provide a document addressing the areas of concern, with the understanding that balance of award payments may be reduced based on findings. This document would be submitted along with Progress Report due December 1, 2021.

- **DECLINE**

- This determination would be applied if the evaluators lack confidence in at least four of five categories.
- This determination would be rare and applied only in cases when an Arts Council award would not be sufficient for the organization to sustain operations.

Notification

Grant approvals are based on assessments and available funding. Following a vote from the Board of Trustees, applicants will be notified by email of the application award status (approved, approved with contingency or declined). Emails are sent to the primary grant contact and the authorizing official (as listed in the GoArts organizational profile). The organization is responsible for keeping the organization's contact information up-to-date. Special reviewer/committee notes (if applicable) and a grant award amount in the notification email.

AFTER YOU ARE AWARDED

Grant Agreement

During each phase, a grant agreement specifying the terms of the grant will be available in GoArts under the "Requires Attention" heading. To accept the award, review the grant agreement and digitally sign by the date indicated. No major changes in the project can then occur, either in activities, key leadership, or finances, without prior written approval from the Arts Council. Failure to properly notify and/or obtain approval could result in the cancellation of the remaining grant.

NOTE: Failure to meet requirements as outlined in the Grant Agreement may result in nullification of award and cancellation of remaining payments.

Publicity/Donor Acknowledgement

Once you are awarded, say "Thanks!" in a public way. The Arts Council requires that all organizations and artists receiving funding demonstrate the public value of the arts by making others aware of awards received and acknowledging public funders.

Operating Support recipients should credit the Arts Council broadly for **ALL** of the activities of the organization on an on-going basis. This includes acknowledgement utilizing all channels available, such as: website, social media, press releases, print materials, curtain speeches, special events, e-newsletters, on-location signage, and on specific exhibitions or projects within a given year. Refer to [APPENDIX A](#) for more details of the contractual publicity requirements.

Payments

Following the receipt of a signed Grant Agreement for each phase, payments will be sent two equal payments for that phase. All grant payments from the Arts Council are contingent upon available funds, including receipt of funding from the city of Columbus and Franklin County.

On-Site Visits

The Arts Council makes its most informed funding decisions using documentation of an organization's activities, including planning and evaluation documents, progress updates, and final reports. From time to time, staff and Board members may conduct on-site visits to Operating Support recipients to better assess the impact of the grant awards. Also, organizations should be prepared to make available up to four complimentary tickets for all performances, exhibits, or events funded at the request of the Grants & Services department so that staff or trustees can experience your programming live.

Required Reporting

Operating Support recipients have a multi-step standard reporting process driven by the organization's fiscal year and the term of the Arts Council grant agreement. All reporting is submitted through the [GoArts](#) portal, under the "Requires Attention" section, "Reports" tab.

1) **Phase Two Progress Report is due November 1, 2021.** Organization will upload existing current and forecast financial documents and a narrative citing any operations and programming updates.

Those organizations receiving the determination APPROVED WITH CONTINGENCY will include an additional document addressing efforts to strengthen areas of concern.

2) **Fiscal Year (FY) Report and Audited Financial Statements** are due **105 days** after an organization's fiscal year end. You will find this in GoArts application system. Log in, scroll to the bottom to Requires Attention section, in the Reports tab, there is a button to open the FY Report.

A. Upload the newly completed Audit in the Supplementals tab.

1. Must include Statement of Functional Expenses.
2. Include management letter or other documentation provided by auditors, if applicable.

B. Use the information from your audit to complete the Comparative Financial Statement.

1. In the Supplementals tab, find the financial spreadsheet under *Comparative Financial Statement*.
2. Download the spreadsheet and then update the FY20 Actuals and FY21 Budget. **Add comments on variances.** Save it to your computer.
3. Upload the revised/new spreadsheet to the section titled: *Comparative Financial Statement UPDATED*.
4. Using the data in your financial spreadsheet (pulled from your audit), complete the rest of your **FY Report** and submit by the due date indicated in the system.

NOTE: Failure to upload audited financial statements and the comparative financials spreadsheet and complete the FY Report on the due date will result in a reduction of the grant award in the amount of \$500 per day overdue; the reduction will be applied to the next disbursement. An extension may be granted by the Grants & Services department as long as the extension is requested in writing **BEFORE** the due date. Arts Council staff has the authority to deny an extension if there is a history of unsupported extension requests.

3) **FINAL REPORT** is due August 5th annually.

- A thirty (30) day extension may be requested in writing BEFORE the due date.
- Failure to submit a final report within ninety (90) days of the due date may result in the cancellation of the remaining grant amount.

Removal from Operating Support

The Grants & Services staff monitors the eligibility status of Operating Support recipients and provides notification if the organization's continued participation in Operating Support appears to be in jeopardy.

An Operating Support recipient may receive notice of impending ineligibility if the recipient:

- Receives a note of going concern in their audited financial statements; or
- Does not meet the minimum three-year average adjusted annual audited revenue of \$150,000; or
- The organization's sustainability is deemed vulnerable or at risk due to financial, board or leadership mismanagement or misconduct.

Previous measures that have been PAUSED for 2021, but will be reinstated in the future:

- Receives an application score of 65 or under; or
- Demonstrates a 10% or greater deficit for two consecutive fiscal years.

The above reasons are considered just cause to designate an organization ineligible for the Operating Support program. However, with the recommendation of the Creative Advancement Committee, the Arts Council Board reserves the authority to terminate or extend an organization's participation at any time.

Once a recipient organization has received notice of concern from the Arts Council, the notice must be distributed to all members of the recipient's Board of Trustees. Organizations may be asked to submit their Board-approved solution and/or provide additional monthly/quarterly organizational and programming reports. Additional restrictions and requirements may accompany any grant.

An organization's failure to take corrective action and demonstrate annual progress and stabilization will make it ineligible for Operating Support. An organization cannot receive Operating Support without meeting all eligibility requirements for three consecutive years. The Arts Council staff and trustees may rely on external evaluations to assess the organization's eligibility.