

**NEW YORK CITY
DEPARTMENT OF CULTURAL AFFAIRS**

PROPOSAL GUIDELINES FOR PUBLIC SERVICE AWARDS

OVERVIEW

The Department of Cultural Affairs (DCA) is pleased to announce Program Guidelines for nonprofit New York City arts and cultural organizations for Fiscal Year 2009. Through the Cultural Development Fund (CDF), DCA supports public services provided by the city's arts and cultural organizations. Funds will be awarded based on a competitive review by a panel of peers in the field as well as representatives of elected officials.

DCA will consider proposals in every cultural discipline and from every area of the city. The fundamental requirement for all proposals is that they represent a cultural activity of recognized quality accessible to the public. The funded services can be as different as the organizations providing them, but they will all have a common commitment to the theme of public service.

All proposed services should attempt to promote public participation in a manner appropriate to the project. The services must occur within the City's Fiscal Year 2009 (July 1, 2008-June 30, 2009). Any activity before July 1, 2008 or after June 30, 2009 cannot be considered for funding.

Types of services for which DCA will award funds:

The following are examples only of the kinds of services that DCA has funded in the past and by no means represent the entire range of possible services:

- Public Access:
 - Programs for culturally underserved populations
 - Lecture-demonstrations and workshops
 - Open rehearsals
 - Maintenance and subsidies of low admission prices
 - Free activities or events
- Creation of new work and/or restoration of existing work, for public presentation
- Educational programs in public schools or at other sites
- Community-based arts activities
- Services that assist New York City's artists and arts organizations
- Training programs for artists and arts educators

This year, DCA will consider up to a maximum of five projects for support per applicant.

While applicants request and are evaluated on their public services, funds received from DCA can be used to cover any costs included in the project budget for those services. **However, DCA support will be limited to no more than 50% of an organization's proposed service/s (i.e., project budget/s) and usually does not approach that level of support. Keep in mind that unless notified otherwise, if funded, your organization is expected to carry out all of the projects for which funding is received, regardless of the level of funding received from DCA.**

ELIGIBILITY - LEGAL AND PROGRAMMATIC REQUIREMENTS

Applicants must be:

- Nonprofit arts and cultural organizations located and operating in any of the five boroughs of New York City;
- Incorporated in New York State and compliant with annual State and Federal filing requirements for nonprofit organizations; and
- Certified tax exempt under Internal Revenue Service Code Section 501(c)(3).

At DCA's discretion, applications may be accepted from IRS-certified nonprofit organizations that are willing to serve as conduits (i.e., fiscal sponsors) for another nonprofit organization that intends to provide public service/s but has not yet obtained 501(c)(3) tax exempt status.

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Applicants cannot be:

- Individual artists (although we fund the arts councils in all five boroughs to regrant DCA funds to individual artists as well as arts organizations) ;
- Organizations receiving funding through DCA's Cultural Institutions Unit;
- Organizations that have not complied with DCA's previous reporting requirements.

Applicants cannot include as part of their proposed services:

- Activities taking place outside New York City or Fiscal Year 2009;
- Fundraising events and receptions;
- Construction or renovation of facilities, including purchases of equipment.

DCA does not routinely fund:

- Programs of City, State or Federal public agencies;
- Libraries and degree-granting institutions, including schools, colleges, and universities;
 - All organizations that fit this description, or are closely affiliated with such organizations, should contact DCA prior to submitting an Application, and will be asked to provide information regarding their relationship to the host institution in a **supplementary questionnaire**. These applicants will be examined on a case-by-case basis to determine eligibility.
- Organizations with a primary purpose other than arts and culture;
 - Organizations, such as social and/or multi-service or religious organizations, for which cultural activity is not a primary mission, will be considered eligible only if they have a longstanding record of successful delivery of cultural services. Panel placement for such organizations will be determined by the cultural component of the FY2006 operating income. Therefore, such organizations will be asked to provide the following in order to be considered eligible:
 - An **additional budget page** (Section 5 of the Application) for the cultural component of the organizational budget;
 - Written documentation regarding annual filing exemptions, if applicable; and
 - Proof of a longstanding commitment to and history of cultural programming with demonstrated in-depth programming of artistic quality accessible to the general public.

All applicants are encouraged to contact the Program Services Unit with questions pertaining to eligibility well in advance of the February 4th deadline.

PROPOSAL PROCESS

Any arts or cultural organization interested in receiving funding from the Department of Cultural Affairs during Fiscal Year 2009 (July 1, 2008 - June 30, 2009) must complete the enclosed Public Service Award form. **Please note that the deadline for submitting an Application this year has been moved forward. All proposals must be received by 6 p.m. on or postmarked no later than Monday, February 4, 2008. DCA will make no exceptions to this deadline.** Fax or electronic submissions cannot be accepted. All applications will be subject to a completeness review and organizations will be sent confirmation of receipt of their proposal and their Application log number as soon as the Application has been processed. If confirmation is needed at an earlier date, please either hand deliver your Application or mail it with return receipt request.

Criteria

Organizational Criteria:

The organization must:

- Meet the legal and organizational eligibility requirements noted above;
- Demonstrate fiscal responsibility and administrative competence;
- Be of recognized quality in the discipline within which it operates for the service being proposed;

- Have been in existence and have provided public services for no less than two years before applying for DCA funding. Only in the rarest instances will public service funds be awarded to an organization without a record of prior cultural service. Such an exception might occur when it is determined that the needs of an underserved area or community can only be addressed through the creation of a new organization or through supporting an emerging community-based group capable of providing quality services.

Financial Criteria:

Based on its Fiscal Year 2006 Operating Income, the organization must provide the following financial documentation.

- Under \$25,000: most current Financial Statement (signed by Treasurer)
- \$25,000 or over: most current IRS 990
- \$100,000 or over but less than \$250,000: most current IRS 990 and Independent Accountant's Review Report
- \$250,000 or over: most current IRS 990 and Audited Statement.

In some instances, DCA may require an audited statement from organizations with lesser budgets. Any organization that can claim exemption from required financial documentation must submit written evidence of such along with their proposal.

Program Criteria:

- The proposed project must include as a principal goal a demonstrable cultural activity of recognized quality accessible to the public.
- The proposal must be clearly stated and contain measurable goals that can be evaluated during and at the end of the term of the award.
- Proposals must be within the organization's artistic/cultural, administrative and fiscal capabilities.
- The project budget must include significant other financial resources. DCA support will be limited to no more than 50% of the project budget. A funding mix that includes foundation and corporate support, other government support, private contributions, and earned income (where appropriate) is desirable.
- Artists' fees must be of a level consonant with a professional wage.

CITY BUDGET PROCESS

Each year, the Mayor issues a Preliminary Budget in January as one of the first steps in the City's annual budget process. The Preliminary Budget contains proposed allocations for each agency, including the Department of Cultural Affairs, listed in summary form. Following public hearings before the City Council and the Borough Presidents, the Mayor's Executive Budget is issued in late April. Thereafter, additional public hearings are held before the City's elected officials. The final budget is then adopted by the City Council in June, signed into law by the Mayor and certified by the Comptroller and City Clerk.

During the Adoption process, members of the City Council may designate particular organizations for support. Such support, known as Member Item support, is usually allocated through the agency's budget.

Organizations seeking or receiving member item support must submit a CDF Application by the deadline of February 4, 2008, and the project/s for which such support is sought should be the same as contained on the Application. Organizations awarded Member-Item support will be notified of that support, which will be incorporated into the applicant organization's grant Agreement for Fiscal Year 2009 once the City's Budget has been reconciled. All organizations awarded support will be notified as soon as the Fiscal Year 2009 City Budget is finalized.

PANEL REVIEW PROCESS

For Fiscal Year 2009, DCA will award Program funds through the Cultural Development Fund to organizations that go through a competitive panel review during March, April and May, 2008. All organizations will be evaluated based on the organizational and programmatic criteria stated earlier in these Guidelines. If the

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proposal is from a previously funded organization, past performance is also considered. DCA staff may also conduct program audits. Information regarding upcoming activities should be provided to the Program Services Unit on a regular basis and Program Services staff should be extended an invitation to view the work. Organizations may also be required to provide additional information after the original proposal has been submitted.

Organizations will be segmented for review on a borough or discipline-specific basis depending on their Fiscal Year 2006 operating income:

An organization with an operating income of \$250,000 or less in its Fiscal Year 2006 will be reviewed by a borough-specific panel comprised of representatives from the field as well as a designee of the City Council and of the Borough President. The panel will be charged with considering all the services proposed by the applicant organization, including those services being provided in boroughs other than the primary borough designated by the applicant. Where volume requires, applications may be further sorted by discipline within the borough.

An organization with an operating income of greater than \$250,000 in its Fiscal Year 2006 will be reviewed by a discipline-specific panel comprised of six representatives from the field and a designee of the City Council. Where volume requires, applicants may be further grouped or sorted. Applicants in this category will be competing for multi-year funding. Applicants in this category who are not recommended for CDF support in Fiscal Year 2009 will be eligible to apply for funding in Fiscal Year 2010.

Panelists are given the following priorities and criteria to use in evaluating applications:

- **Priorities:** Public Access, Education, Services to the Field, Artistic Dialogue, Preservation, and Audience Development
- **Criteria:** Uniqueness of the service, Artistic and Organizational Excellence, Impact, and Responsibility of the Organization (Reliability, Accountability, Professionalism, Fiscal Stability).

Recommendation of funding is based in part on the level of detail provided in the proposal package, including the Application form and all submitted materials, and an evaluation of the organization's track record in presenting relevant projects.

FUNDING LEVELS

For organizations with a Fiscal Year 2006 operating income of \$250,000 or less:

Awards will range between \$5,000 and \$50,000 at the following increments:

\$5,000 • \$7,500 • \$10,000 • \$12,500 • \$15,000 • \$20,000 • \$25,000 • \$30,000
\$35,000 • \$40,000 • \$50,000

An applicant is advised to make request amounts based on what it believes an appropriate level of DCA support should be, given total project cost and the fact that we will fund no more than 50% of those project costs (see page 1), rather than the above increment levels. DCA uses the composite figure of funds requested to measure need in the field. Please note that total project cost/s must be \$10,000 or more to qualify for minimum funding. Organizations with projects costing less than \$10,000 are encouraged to apply directly to their local arts council regrant program. All funding is awarded for one year with no guarantee of renewal.

For organizations with a Fiscal Year 2006 operating income of greater than \$250,000:

Awards will range between \$15,000 and \$300,000 at the following increments:

\$15,000 • \$25,000 • \$35,000 • \$50,000 • \$65,000 • \$80,000 • \$100,000 •
\$125,000 • \$150,000 • \$175,000 • \$200,000 • \$225,000 • \$250,000 • \$275,000 •
\$300,000

An applicant is advised to make request amounts based on what it believes an appropriate level of DCA support should be, given total project cost and the fact that we will fund no more than 50% of those project costs (see page 1), rather than the above increment levels. DCA uses the composite figure of funds requested to measure need in the field. Please note that total project cost/s must be \$30,000 or more to qualify for minimum funding.

It is DCA's intent that organizations with operating incomes over \$250,000 in Fiscal Year 2006 will be awarded funds for a three-year period. Organizations receiving multi-year support based on their 2009 Application must comply with DCA's reporting procedures in order to receive funds in 2010 and 2011. Such funding is premised on a stable level of support to DCA in the City's 2010 and 2011 Budgets.

APPEAL PROCESS

Any organization considered for competitive support is free to contact the DCA Program Services Unit for an explanation of funding awarded or to find out why a proposal was declined. Organizations considering an appeal must first discuss the outcome of the panel process with a member of the Program Services staff. If, thereafter, an organization believes it has been rejected unfairly, the organization is entitled to **submit a written appeal within 21 days** of the date of the notification letter. The organization's appeal must set forth reasons why the organization believes reconsideration is appropriate. Specific deadlines established for the appeals process will be adhered to, and failure to respond in accordance with those deadlines will invalidate the appeal. The grounds for reconsideration are:

Non-presentation of information: Information available in the proposal prior to the panel review was not presented and might have altered the outcome of the decision; or

Misrepresentation of information: Information known prior to the panel review was not appropriately interpreted and, if presented differently, might have altered the outcome of the decision.

Once an appeal is received, it will be reviewed by the Commissioner and sent on to the Unit's Assistant Commissioner for comments and recommended action. The Commissioner, who will render a final decision within 30 business days of receipt of the appeal, considers the recommendations of the Unit. The Commissioner's written determination is final and will be sent to the organization making the appeal.

GRANT ADMINISTRATION AND LEGAL REQUIREMENTS

When an organization is allocated funds, DCA prepares a grant Agreement with the organization based on the proposal for public service submitted by the organization. A person from the organization who has signatory authority then signs the grant Agreement. All groups receiving City support through DCA must comply with all pertinent City, State and Federal legal requirements, and we will notify organizations separately of particular, applicable regulations. Every applicant should plan to comply with the following requirements:

Insurance:

Organizations are required to carry adequate insurance (including but not limited to Comprehensive General Liability, property damage, workers' compensation and disability), to name the Department of Cultural Affairs as an additional insured in any policy, and to submit a certificate of insurance for such policies to DCA for verification that coverage is adequate before receiving funds. See Section 8 of the Application.

Americans with Disabilities Act Compliance:

Every funded organization is expected to comply with the Americans with Disabilities Act (ADA), passed in 1990.

CREDIT

All programs, brochures, flyers, posters, announcements or similar matter relating to services funded by DCA

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are also required to include, in a legible manner, in appropriate type size and without abbreviation, the following statement: “This program is supported, in part, by public funds from the New York City Department of Cultural Affairs.”

All funded organizations are required to use DCA’s logo; upon notification of their award groups will be informed about how to obtain the logo.

In addition to the logo and credit line stipulated, any printed list of contributors to a program or service funded by DCA is required to include the “New York City Department of Cultural Affairs” in the appropriate alphabetical and/or contribution category list.

PAYMENT

Every grant Agreement includes a payment schedule that is based on the services provided and associated costs. Funds will be released according to that schedule. However, funds will not be available until after the start of the fiscal year, and organizations that have been designated to receive funds are expected to move forward on their projects in advance of receipt of funding.

Most of DCA grantee organizations will receive up to 80% of awarded funds as soon as is feasible after the start of the fiscal year. Every organization must report on its use of public funds provided by DCA according to a schedule established by and on the reporting forms required by the agency. Final payment is based on submission of a Payment Request form accompanied by supporting documentation. Organizations that do not comply with reporting requirements in a timely manner may lose current-year funding and be ineligible for future funding.

PERFORMANCE EVALUATION

Because DCA awards public funds, the expenditure of those funds is required by law to be monitored in order to determine whether they are being spent in accordance with the terms of the grant Agreement. DCA bases its evaluation of performance on the quality and timeliness of the documents submitted, as well as on site visits and program reviews. The organization’s prior year performance record may be a determining factor when considering future funding.

LEGISLATIVE NOTIFICATION

We urge each organization to keep its elected and appointed representatives in City government informed of its activities. The City Council, the Borough Presidents, and other elected officials are critically important to the process of funding cultural organizations. In addition, each of the 59 Community Boards plays an advisory role both in the City budget process and in the coordination of municipal services. Since organizations are offering municipal services through their proposals, and since DCA’s budget is established through the same process as that of all City agencies, DCA suggests that copies of this proposal be given to the Council persons, Borough Presidents, and District Managers of the Community Boards representing the districts and boroughs that the organization serves. Contact information for all elected officials can be found at the Council’s website, www.nycouncil.info.

FURTHER QUESTIONS

Inquiries regarding the funding process can be answered by attending the seminars conducted in conjunction with the proposal process (see the schedule at the front of this booklet), by calling the Department of Cultural Affairs' Program Services Unit at 212-513-9346 or -9350, or by contacting the Program Specialist to whom your organization has been assigned.