

2021 Operating Support Guidelines



Operating Support Grants fund programming by cultural nonprofit organizations, increasing the variety of cultural experiences available to residents and visitors in Central Florida. This comprehensive grant program recognizes the high value of arts and culture for our region and the established institutions that provide cultural programming for the public year-round. Funds for these grants are raised through the United Arts campaign, Arts for ALL Fund.

What's New This Year?

- Due to challenges faced by all organization during the COVID-19 pandemic, the FY21 Operating Support Grants will employ a non-competitive review process, using scores from the prior year (FY20) for the award calculation.
- **Only FY20 grantees** may apply - new applicants are not eligible.
- There will be no panelist observations or in person site visits.
 - *Large Budget category only:* a member from United Arts' Board or Standards & Allocations Committee will be assigned to review your application and conduct a virtual site visit or call. This is to check in, provide feedback, and go over any questions from the application.
 - *Small and Midsize Budget categories:* review by the Standards & Allocations Committee and a review call can be requested by either party as needed.
- Organizations will complete a shorter application and there will be fewer required document. The focus will be on updating United Arts on how applicants are managing through these times and rethinking how programs can still go forward. The deadline is **September 3, 2020**.
- Feedback on applications will be supplied by UA staff and/or the Standards & Allocation Committee and a financial reviewer. This information will be shared with future panels.

Calendar

- Application open: July 30, 2020
- Virtual workshops on modified application process (one hour): August 10, 2PM; August 11, 12PM, August 13, 9AM
- Application deadline: **September 3, 2020**
- Staff reviews applications: September 4- September 25 (please be on hand for any questions)
- Standards and Allocations Committee reviews applications and conducts virtual meetings with large budget organizations: October
- Executive Committee Approval: November 18, 2020
- Board Approval: December 9, 2020
- Organization award notification: December 10, 2020
- Funding period: January-December 2021
- Quarterly Reports Due: January 25, 2021 (25% funding), April 1, 2021 (25% funding), July 1, 2021 (25% funding), & October 1, 2021 (15% funding)
- Final Report Due: February 1, 2022 (10% funding)

Organization Eligibility

Organization must be a current FY20 Operating Support Grantee. Organizations that do not meet this criterion may be eligible for other grants programs, such as the Mini-Grant.

In all cases, final eligibility decisions are made by United Arts staff. Each organization is limited to one Operating Support application per deadline and one award per year. Approval of one year of funding carries with it no assurance of continued funding in subsequent years. Applicants must be in good standing with any prior grant reporting, if applicable.

Programming Eligibility

The proposed programming must be cultural (arts, sciences, or humanities), must occur in Lake, Orange, or Osceola counties, and must be open to the public. Examples include performances, exhibitions, festivals, arts education, and commissioning of new works. In support of this programming, this grant funds both operating expenses (which could include overhead such as salaries, rent, technology, etc.) *and* programmatic expenses. Grant dollars *cannot* be used for any of the following activities:

- Capital expenditures (including acquisitions or equipment), or any building, renovation or remodeling of facilities
- Deficit reduction, bad debts, contingencies, fines and penalties, interest payments, litigation costs, or any other comparable financial costs
- Contributions to cash reserves and/or endowment funds
- Lobbying or attempting to influence federal, state, or local legislation
- Fundraising events, activities, and related expenses (e.g., benefits, dinners, sporting events, etc.)
- Awards, prizes, or scholarships for use outside the applicant's programming
- Tuition for academic study
- Projects produced by K-12 students or undergraduate students (no professional artistic staff involved)
- Food or beverage for hospitality or entertainment functions
- Regranting, contributions, or donations
- Projects benefiting for-profit organizations
- Private events closed to the general public and activities restricted to an organization's membership (including school competitions, recitals and graduations – professional competitions are eligible if applications and events are open to the public)
- Staff travel or projects outside of Lake, Orange and Osceola counties
- Projects in the following areas: acrobatics, aerobic dance, beauty pageants, clowning, comedy, cosmetology, face painting, fashion shows, karaoke, juggling, magic shows, martial arts, mineralogy, gemology, modeling, nature presentations, programming whose primary objective is fitness, quiz bowls or travel presentations
- Projects of a religious nature designed to promote or inhibit religious belief and/or practices.

Evaluation Criteria

Awards will be based on last year's panel scores; therefore, this year's process will not include panelists or have a competitive evaluation component. However, applicants should address the evaluation criteria (below) in the narrative sections of the application update. Answers to these questions will be used to share the story of the arts with potential funders and the community.

Artistic (or Historic/Scientific) Merit

- Artistic product perceived as high quality by audience, peers and critical reviews
- Innovation and creativity in programming and artist selection
- Vision, creativity, professionalism and leadership of artistic staff
- Programming appropriate to the mission of the applicant organization
- Exhibited diverse programming that is reflective of the community

Management & Fiscal Responsibility

- Effectiveness and efficiency of organization
- Professionalism of administrative staff
- Effective board/staff interaction
- Evidence of a commitment to diversity in staffing, artist selection and board recruitment
- Presentation of a clear and realistic budget
- Organizational stability
- Demonstrated evidence of strong or developing financial support from the community

- Existence and quality of strategic plan for the organization
- For large budget organizations, cash reserves and commitment to grow endowments

Outreach & Education

- Increased awareness, access and inclusivity in the experience of art and creativity for diverse communities
- Programs marketed locally, regionally, nationally and/or internationally
- Efforts to reach and educate new audiences
- Programs attract visitors as well as residents
- Activities have local, regional, national or international impact
- Accessibility efforts

Financial Review

Each panel is assigned a financial reviewer (Certified Public Accountant) who evaluates the financial statements of each applicant organization and will report findings to United Arts staff and the Standards & Allocations Committee. The analysis includes the organization's current stability, future sustainability, and financial management (budget planning, recordkeeping). Key metrics:

- Cash Ratio = Cash Balances / Current Liabilities (red < 0.5; yellow < 0.7)
- Current Ratio = Current Assets / Current Liabilities (red < 0.8; yellow < 0.9)
- Unrestricted Net Assets to Debt = Unrestricted Net Assets / (Current Liabilities + Long Term Debt) (red < 1; yellow < 2)
- Days Cash on Hand = Cash Balances / Total Expenses (red < 30 days; yellow < 60 days)

The first three metrics calculate the organization's ability to repay its debt; the final one evaluates how long the organization could survive on its cash reserve.

Funding Decision Process

- **Questions/help:** Make an appointment with Rafael Torres (contact Rafael@UnitedArts.cc), anytime up to two days before the application deadline.
- **Staff Review/due diligence**
 - Staff may contact applicants for additional materials (only the most critical information), please watch email closely in the month of September. If the primary contact for the applicant organization will be out of town in the months of September-October, please designate a contact person and include this in the application or notify Rafael@UnitedArts.cc.
- **Panel Meetings (closed to the public / applicants):**
 - *Large Budget category only:* United Arts' Standards & Allocations Committee will meet to review Large Budget applications. Prior to this meeting, a member from United Arts' Board or Standards & Allocations Committee will be assigned to conduct a virtual site visit or call. Applicants will be alerted in September who their assigned reviewer will be. This call will not be a presentation (as done in the past with panelists), but is an opportunity to discuss material from the application, share challenges, and to provide feedback.
 - Small and Midsize Budget applications will be reviewed by United Arts staff; a review call may be arranged as needed by United Arts staff or by the Standards & Allocations Committee.
 - Each budget category will have a finance reviewer who will offer financial review comments.
- **Board Approval:** Panel recommendations are approved by United Arts Executive Committee and Board of Directors.
- **Notification:** The applicant's CEO and Chair will receive panel comments with their grant notification letter via email in December. They are encouraged to contact Rafael Torres at 407.790.7844 or Rafael@UnitedArts.cc for clarifications. If major recommendations were made, the applicant is encouraged to submit a written response; send drafts for feedback, and the final version for forwarding to the panel, to Rafael@UnitedArts.cc.

Grant Payment Schedule

Grantees will sign an award agreement in December or January before receiving grant funds. The first 90% of funds will be paid quarterly (25% the first three quarters, and 15% the fourth quarter), contingent on quarterly reports; the final 10% will be contingent on the final report, due February 1.

Grantee Requirements (During the Grant Period)

- ❑ **Request Permission for Changes:** Significant programming or budget changes must be requested in advance; changes may or may not affect the grant award amount. Grant funds that are unused by December 31 must be returned to United Arts.
- ❑ **Notification:** Grantees must keep Rafael@UnitedArts.cc and Matthew@UnitedArts.cc on their email list, renew required insurance policies when they expire, and notify United Arts of any contact changes or changes in IRS tax-exempt status. United Arts will add grantees to its email list including resources and opportunities.
- ❑ **Legal:** Grantees must comply with fair labor standards and a drug-free workplace; maintain a finance committee and independent audit committee of the board (per the Sarbanes-Oxley Act); and comply with PCI (see www.PCICompliance.org) and the US Patriot Act. Grantees must pay their obligations.
- ❑ **Insurance:** At the time of award acceptance, all grantees are required to provide a Certificate of Insurance, listing United Arts as certificate holder and proving current coverage for the funding period for the following types and limits of coverage, from an insurance carrier with a current Best's Rating of A – Class VIII:
 - Commercial General Liability, \$500,000. United Arts must be additional insured (usually listed in the notes field).
 - Commercial Auto Liability, \$500,000, Hired/Non-owned Auto (unless covered under Commercial General Liability policy)
 - Workers' Compensation, as required by law (if the applicant employs more than three paid staff)
 - Employee Dishonesty/Crime – for Large Budget organizations, \$50,000 or 25% of the grant award, whichever is greater; for Midsize and Small Budget organizations, \$10,000 or 25% of the grant award, whichever is greater. For organizations with no employees, either the Commercial General Liability or Directors & Officers' policy must cover volunteer theft.
 - Directors & Officers' Insurance (required for Large Budget organizations only; recommended for all)Grantees must submit a new copy of the insurance certificate whenever one of the policies expires. Any organization that believes it cannot meet the coverage requirements may *request* a reduction or waiver, including an explanation of the need, signed by a board representative and accompanied by a quote in writing from a potential insurer. A request for reduction or waiver does not ensure acceptance.
- ❑ **Electronic payment:** Grantees must sign up for payment via ACH (electronic deposit), whereby funds will be direct deposited into the grantee's business account. This provides prompt delivery of grant funds by alleviating mail time and bank holds.
- ❑ **Inclusion:** Grantees must provide equal access and opportunity in employment and services and may not discriminate on the basis of race, color, ethnicity, religion, gender, ancestry, national origin, geography, age, varying abilities, pregnancy, sexual orientation, gender identity, marital status, familial status, citizenship status, or socioeconomic status. United Arts expects that the make-up of the staff, board, audience, volunteers, artists, scientists, historians, etc. involved with grantee organizations be inclusive of the diversity of the community and compatible with the organization's mission.
- ❑ **Acknowledgement:** Grantees must acknowledge the grant in all publicity and materials (whether printed, online, verbal, or other), with the United Arts logo and statement "(Name of Grantee Organization) is funded in part by United Arts of Central Florida, home of OrlandoAtPlay.com and UAArtsEd.com." United Arts may publicize the grant using quotes and photos from applications and reports. Organizations based in, or providing the majority of programming in, the City of Orlando and/or Orange County will also be required to include those logos.

- ❑ **AEP Survey:** Grantees must participate in Americans for the Arts’ “Arts and Economic Prosperity” Impact Survey (occurs every five years) to maintain eligibility for grants.
- ❑ **OrlandoAtPlay.com** – programming funded by United Arts must be listed on OrlandoAtPlay.com.
- ❑ **Financial statements:** Grantee’s board of directors must review year-to-date financial statements at least quarterly. For full-year financial statements, requirements are as follows, based on three-year average revenue:
 - Small Budget, with revenue up to \$299,999 – internally prepared financial statements will suffice
 - Midsize Budget, with revenue averaging \$300,000 to \$499,999 – must provide compiled financials
 - Midsize Budget, with revenue averaging \$500,000 to \$899,999 – must provide reviewed financials
 - Large Budget – audited financials required, plus management letter and response, if any
 Full-year financial statements according to these requirements must be provided to United Arts no later than six months after the end of the fiscal year (two months for internally prepared statements).
- ❑ **Recordkeeping:** Grantees must keep information (including description and photos of the funded programming, press or publicity about the programming including use of logos or acknowledgement statement, and financial records) for the final report. Also keep records about the grant activities and financials for at least five years after the grant period is completed; such records must be available for audit by United Arts representatives.
- ❑ **Final Report:** An online form will be provided with the award agreement. A brief narrative, financial/statistics/insurance updates, proof of acknowledgement, and four photos will be required. This report will be due by February 1, to receive the final 10% of funds and maintain eligibility for future funding.

Other Notes

- Leave extra time in case of questions or computer trouble. Missing documents or fields will prevent submission of the application. *Contact and programming information for all grantees will be made available to the press, and United Arts may use quotes or pictures from applications or reports in publicity.*
- Don’t stop here!
 - If you have education programs for schools, they may be eligible for Arts and Culture Access funding from United Arts (see www.UAArtsEd.com/page/guidelines).
 - Apply for grants from other funders, especially the Florida Division of Cultural Affairs (www.Florida-Arts.org) and Orange County Arts & Cultural Affairs (www.UnitedArts.cc/grants).
 - Let us know what we can do for you as your local arts agency!

Contact for questions or tech support:

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