

SECTION 2 OPERATING SUPPORT

PURPOSE

Providing support for arts and cultural activities, enabling participation of the broad community in arts and cultural activity, and facilitating opportunities for cultural expression are key components in maintaining a vital and accessible Columbus arts community. Operating Support funding through GCAC provides a stable source of financial support for core arts organizations that are well-managed, firmly established, have significant impact and broad community engagement. These organizations are placed in two categories: Organizations with Budgets under \$5 Million and Organizations with Budgets over \$5 Million.

Columbus needs life-long learning, civic and environmental assets, vibrant arts and culture, strong social services and an excellent infrastructure to fully optimize economic development efforts and to sustain quality of life in the community. In order to create a community where these activities thrive, the city of Columbus has identified the following areas of focus:

- Thriving Talent,
- Collaborative Culture,
- Emerging Innovation, and
- Improving Civic Infrastructure.

GCAC identifies the following as key areas of focus:

- Enhancing and improving short and long term audience development and community recognition of the importance of arts and culture,
- Treating of arts and culture as an industry by encouraging best-in-class marketing and collaborative marketing initiatives to increase regional and national recognition,
- Developing meaningful partnerships to increase the competitiveness of artists and arts organizations; and to diversify and strengthen earned and contributed income, and
- Encouraging and supporting activities that directly affect economic development.

The Operating Support program is funded by the city of Columbus. Views expressed by the program and its grant recipients do not necessarily represent those of the city of Columbus.

APPLICATION DEADLINE

Applications with accompanying support materials are due by 5:00 p.m. on the date listed below:

First Monday of March

If the deadline falls on a weekend or holiday, the deadline is extended to the next business day.

Upon request, the Grants & Services staff will review and evaluate draft applications up to one (1) week before the grant deadline.

WHAT THE PROGRAM SUPPORTS

The Operating Support program provides an unrestricted investment in the general operations, administration and programs of eligible arts and cultural organizations in all disciplines. This support is intended to supplement other revenue; both earned and contributed, generated by the recipient. Most of the larger arts organizations in the city are funded through this program; however, there is no minimum budget size required to apply for funding so long as the eligibility requirements are met.

Not every organization that applies will receive funding in this program. Once selected for funding, Operating Support grant recipients usually continue to receive funding through this program, however, organizations are evaluated annually and are expected to maintain eligibility by continuing to meet the requirements.

Future funding levels are not guaranteed and may change depending on circumstances and are contingent upon receipt of funds from the city of Columbus.

GRANT AWARDS

GCAC provides one (1) year grants through the Operating Support program to encourage and support long-term planning and programming for core arts and culture organizations.

Unrestricted, non-capitalized expenses of the applicant's most recently completed fiscal year provides the basis for grant allocations by a process that takes into account application evaluations that are based upon criteria as stated in **APPENDIX 7: OPERATING SUPPORT APPLICATION EVALUATION KEY**. GCAC will not award an amount that exceeds 20% of the recipient's adjusted annual audited expenses.

Operating Support grant recipients are required to match GCAC funding dollar for dollar. This match can include cash on hand, admissions, concession sales, grants and board/individual contributions. In-kind donations and services cannot be used towards the match.

Operating expenses will be adjusted to exclude in-kind contributions, depreciation and expenses for artistic activities held outside the Columbus community with the following exceptions:

- Performance tours of an artistic company based in Columbus;
- Touring exhibitions created and managed by an institution based in Columbus;

NOTE:

Temporary or permanent satellite operations will not be considered eligible expenses.

Applications are reviewed and evaluated by Grants & Services staff. GCAC meets individually with each applicant to review the content of the application and initial evaluation. These meetings affect the final evaluation of the application. The Grants Committee reviews the evaluations and recommends funding based on two factors: 1) evaluation outcomes and 2) GCAC funding availability.

The Grants Committee may recommend one (1) of five (5) actions for any Operating Support application:

- Approval for funding
- Approval for funding with stipulations

- Denial with suggestions for resubmission of application
- Denial of funding
- Deferral for further consideration

The Grants Committee's recommendations are brought before the full Board of Trustees for consideration and approval.

Refer to **APPENDIX 7: OPERATING SUPPORT APPLICATION EVALUATION KEY** for the complete listing of narrative questions, criteria/evidence and rating scale.

WHO MAY APPLY

Applicants are required to be independent organizations that have held their 501(c) 3 status and demonstrated annual artistic programming for at least three (3) consecutive years *prior* to the date of application.

Established arts organizations most likely to receive Operating Support will:

- Offer annual programming;
- Demonstrate exemplary artistic achievement;
- Demonstrate stable artistic and administrative staffing;
- Engage and compensate professional artists;
- Maintain healthy financial structures; and
- Demonstrate significant impact on the city's economy and tourism.

First time applicants will also be required to submit:

- Proof of 501(c)3 status;
- Samples of work demonstrating annual programming;
- Organizational history;
- Strategic plan;
- Audited financial statements* for the previous two (2) completed fiscal years; and
- Ohio Cultural Data Project: GCAC Funder Report.

Interested first-time applicants are encouraged to meet with Grants & Services staff and submit a draft application for review. This ensures the application is well-developed to increase the applicant's chance of receiving funding.

*See **GLOSSARY** for more information.

INELIGIBLE ORGANIZATIONS

The following types of organizations are ineligible for Operating Support, but may be eligible for Project Support and should contact the GCAC Grants & Services staff for further information.

- Social service agencies;
- Schools, colleges or universities/university departments;
- Libraries;
- Individuals;
- Programs related to a primarily statewide or national constituency;
- Organizations that receive in excess of 10% of their annual adjusted income from the city of Columbus or its departments or divisions;
- Units of government*; or
- Organizations whose primary focus and/or actual operations are not artistic or cultural in nature.

*See **GLOSSARY** for more information.

HOW TO APPLY

Applications are accepted through GoArts, GCAC's online application system. No paper applications will be accepted. The application opens approximately sixty (60) days before the deadline.

Late or incomplete applications will not be accepted.

Upon request, Grants & Services staff will review draft applications up to one (1) week before the deadline.

Organizations must apply annually and demonstrate the following:

- Primary focus and actual operations are artistic or cultural in nature;
- A commitment to quality artistic programming;
- A wide-ranging impact on the city of Columbus;
- 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;
- Operate with a clearly articulated, realistic, and board approved artistic and financial plan;
- Operate with professional management and artistic staff as well as compensate participating artists;

- Demonstrate artistic planning, fiscal accountability, and produce annual audited financial statements;
- Maintain an OCDP Data Profile with "REVIEW COMPLETE" status for prior fiscal year(s);
- Present a diverse revenue and support stream; and
- Demonstrate dollar-for-dollar match of GCAC funding.

Organizations that have a management agreement with another organization must meet basic eligibility, provide the necessary application components, and provide additional documentation as set forth in **APPENDIX 3: ORGANIZATIONS WITH MANAGEMENT AGREEMENTS**. Contact the Grants & Services office to determine if this situation applies to your organization.

SUPPORT MATERIALS

Each applicant has the responsibility to send materials that are relevant, readable and appropriate. GCAC Grants & Services staff may seek further information and clarification from the applicant. Timely response to GCAC requests for additional information is important to the application's success.

In addition to the filing of the electronic application, the following documents must be delivered to GCAC's offices or postmarked within three (3) business days of the application deadline:

- Signed Operating Support application cover page, and
- Any supplemental materials that could not be uploaded to the GoArts system.

All electronic supporting documentation is due at the application deadline. GCAC is not responsible for reminding applicants about late materials.

Applications will not be considered if the following materials are not in the GCAC office by the stated deadlines. No exceptions.

- Job descriptions and resumes or brief biographies for key personnel and participating artists;
- Current staff list;
- Current list of Board of Trustees with executive committee and affiliations noted;
- 2012 - 2013 Artistic/business plan;
- Most recent strategic plan;
- Comparative financial statement
Includes actual income/expenses from previous fiscal year, detailed, board approved budget for the current year, and the projected budget for the next fiscal year;
- Evaluation and/or audience survey tools;

- Ohio Cultural Data Project: GCAC Funder Report
Includes most recently completed fiscal year and prior year for comparison. Prior year profile must be marked "REVIEW COMPLETE" by the CDP;
- Audited financial statements*;
- Partner or Collaborator letter of support (see **APPENDIX 7: OPERATING SUPPORT APPLICATION EVALUATION KEY** for more information);
- Marketing plan and samples.
In addition to the marketing plan for the upcoming year, samples of marketing materials can include:
 - 1) Newsletter (Hard copy or PDF)
 - 2) Press releases (Hard copy or PDF)
 - 3) Articles or reviews (Hard copy or PDF)
 - 4) Brochures (Hard copy or PDF)
 - 5) Mailings (Hard copy or PDF)
 - 6) Video clips (DVD format)
- Samples of Work:
 - 1) Media clip(s) or multi-media presentation(s) (DVD format)
 - 2) Musical selection(s) (CD format)
 - 3) Catalogue or Exhibition catalogue (hard copy or PDF file)
 - 4) Event program (hard copy or PDF file)

NOTE: Media clips, multi-media presentations, and musical selections should be cued. No more than Five (5) minutes will be played.

For new applicants:

- Proof of 501(c)3 status;
- Samples of work demonstrating annual programming for three (3) years *prior* to application;
- Organizational history; and
- Audited financial statements* of the previous two (2) completed fiscal years.

For organizations that function with a Management Agreement:

- Statement of relationship with managing organization;
- Statement of financial relationship with managing organization; and

- Letter of endorsement.

Contact Grants & Services staff BEFORE the deadline if unsure what support materials to include with the application.

*See **GLOSSARY** for more information.

REMOVAL FROM OPERATING SUPPORT

The GCAC Grants & Services staff manages a system to monitor the eligibility status of Operating Support recipients and provides notification if the recipient's continued participation appears to be in jeopardy.

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

- Fails to meet and sustain one (1) or more eligibility criteria for more than one (1) year; or
- Demonstrates a 10% deficit* for two (2) consecutive fiscal years; or
- Receives a "note of going concern" in their audited financial statements; or
- Exceeds the 10% maximum allowable in support from the city of Columbus or its departments or divisions.

The above reasons are considered just cause for ineligibility of an organization from the Operating Support program.

Once the recipient has received notice of concern from GCAC, they must distribute the notice to all members of its Board of Trustees. At the discretion of the GCAC Board, an organization may receive notices for a period of up to four (4) years.

Organizations will be required to submit their board-approved solution to the situation, as well as appropriate additional monthly or quarterly programming or financial reporting. Additional restrictions may accompany the annual grant.

An organization's failure to take corrective action and demonstrate annual progress will make it ineligible for Operating Support. An organization cannot continue to receive Operating Support without meeting all eligibility requirements for four (4) consecutive years. The GCAC Board may rely on external evaluations to assess the organization's eligibility.

With the recommendation of the Grants Committee, the GCAC Board reserves the authority to terminate or extend an organization's participation at any time.

Removal from Operating Support does not necessarily indicate restricted eligibility for other types of GCAC funding.

*See **GLOSSARY** for more information.

PAYMENT/FINAL REPORT

Organizations that receive a grant award can expect to receive quarterly disbursements of their grant following receipt of their signed letter of agreement.

Final reports are due annually thirty (30) days following the completion of the grant period (June 1 through May 30).

Audited financial statements are due ninety (90) days following the completion of the recipient's fiscal year. Failure to submit audited financial statements on the due date will result in a reduction of the next disbursement in the amount of \$1,000 per day overdue. An extension will be granted by the Grants & Services Office. The extension must be requested in writing BEFORE the due date.

Operating Support recipients are required to secure "REVIEW COMPLETE" status for prior fiscal years in the Ohio Cultural Data Project. Failure to do so will affect the evaluation of the application.

Overdue final reports or failure to submit a final report, audited financial statements, or required reporting may affect eligibility and impact grant awards for future applications.