



allied arts

**Cultural Partners Operating Support Grant
2012-2013**

Guidelines and Application Form

July 1, 2012 to June 30, 2013

Visit www.alliedartschattanooga.org to download guidelines and application form in .pdf format.

Revised 1-1-12

- **Fiduciary Oversight** - Acquiring sufficient resources for the organization's operations and accounting to the public for its services and the expenditure of its funds.
 - **Strategic Planning** - Approving and keeping current a multi-year strategic plan that addresses program excellence, institutional stability, educational and outreach programs, audience development and cultural diversity goals and objectives.
- A Board-approved, multi-year strategic plan addressing program excellence, institutional stability, educational and outreach programs, audience development, and cultural diversity goals and objectives.

The following entities will not be eligible for operating support:

- Institutions of higher education or individual departments of colleges and universities.
- Public broadcasting media, radio and television stations.
- Churches or church-affiliated programs.
- Governmental institutions, i.e., public libraries, park and recreation facilities, schools, etc.

ELIGIBLE ORGANIZATIONS

Organizations will meet with a Review Panel to discuss specific questions and information requested from the Review Panel. Organizations will meet as needed with a Financial Panel to discuss specific questions from the Financial Panel. It is suggested that the meetings include the Executive Director, Board President and Treasurer. Staff will contact organizations to arrange meeting dates. Meetings will be 45 minutes each.

Cultural Partners Operating Support	Financial Date April 26	Review Date May 1	Review Date May 2
<ul style="list-style-type: none"> • Arts & Education Council • Association for Visual Arts • Ballet Tennessee • Bessie Smith Cultural Center • Chattanooga Ballet • Chattanooga Boys Choir • Chattanooga Girls Choir • Chattanooga History Center • Chattanooga Symphony & Opera • Chattanooga Theatre Centre • Choral Arts • Creative Discovery Museum • Hunter Museum • Shaking Ray Levi Society 			

FUNDING DECISIONS for 2012-2013

Continuing Organizations

Allied Arts new funding policy for 2012-2013 – Balance responsible general operating support grants to define agencies with new funding areas important to the vitality and sustainability of the arts in 21st century Chattanooga

- Allocations will be made to individual organizations up to a limit of \$200,000.
- Allied Arts will fund up to:
 - 10% of the budget of an organization with an operating budget of more than \$1 million
 - 15% of the budget of an organization with an operating budget of less than \$1 million
- We will also provide services which will equip the Cultural Partners to become better fund raisers and help them be the best nonprofit they can be, thus making them more sustainable.
- It is important to note that the following caveat which is included as part of the funding plan - any significant cuts to current Cultural Partners which come as a result of these caps will be phased in over time so as not to present an insurmountable burden.

New Applicants

- Allied Arts may accept new organizations for operating support grants as its fundraising capacity allows. To qualify to apply for operating support funding, a new arts organization must meet all qualifications, including having received funding from Allied Arts (through project grants or the Arts Education Program) for three of the past five years, submit a letter of intent to apply by December 1 and be approved by Allied Arts' Board of Directors. Any newly admitted agency will be required to submit to a full review each of its first three years as a Cultural Partner.

Organizations which have not been approved to apply for operating support grants may wish to contact Allied Arts for information on project grants, which offer funds in the Arts Build Communities (ABC) category. *Arts Build Communities grants is a program funded by the Tennessee General Assembly and administered in cooperation with the Tennessee Arts Commission and designated agencies throughout Tennessee.*

FUNDING RESTRICTIONS

Operating support grant funds are to be spent on personnel, outside fees and services, space rental, local travel, marketing, and remaining operating expenses as verified within the submitted audit. Expenses for touring outside of the Chattanooga metropolitan area, scientific exhibits or activities, capital expenses, expenses associated with special fund-raising events and activities, contributions to cash reserves and/or endowment funds, loan repayments and/or penalties, or furniture and fixture expenditures exceeding \$2,500 in value will not be allowed.

REVIEW CRITERIA

Applicant organizations are reviewed on organizational management, accessibility/ community engagement, an organizational effectiveness. Applications will be reviewed on an overall impression of the applicant's strength in these areas:

Organizational Management (1-5 points)

- The applicant's earned income and administrative costs level is appropriate for the scope of its programming. The applicant demonstrates appropriate fiscal controls through budgeting, comparisons of budget to actual figures and appropriate board oversight.
- The organization operates without a deficit, or, in the event of a deficit, has performed a financial analysis to identify the problem and has a board-approved plan to eliminate the deficit.
- The applicant has a long-range and/or strategic plan that is adhered to and updated within five years.
- The applicant has a marketing plan that is adhered to and updated within five years.

Accessibility/Community Engagement (1-5 points)

- The number of persons being served by the applicant is appropriate, given the budget of the applicant.

- The applicant is successfully increasing audiences or attracting persons of various ages, races, abilities and geographic locations.
- The programming and/or services offered by the applicant contribute to the overall cultural activities or experiences available in the greater Chattanooga area.
- The applicant has an active education program designed to be used by teachers and students, or education is an integral part of its core activity.

Record of Achievement/Organization's Effectiveness (1-5 points)

- The applicant is achieving the goals adopted in its strategic plan.
- The organization has taken actions to implement recommendations from the Organizational Assessment.
- The applicant demonstrates increases in earned income.
- The applicant demonstrates effectiveness in fundraising.
- The applicant is increasing its audiences and/or participants.
- The applicant is participating in arts advocacy activities.
- The applicant acknowledges Allied Arts in accordance with the Letter of Understanding.

II. DEMOGRAPHICS

Complete the following total attendance on ALL programs and activities (if applicable), using numbers and not percentages.

ALL PROGRAMS	FY 2012-2013 Target	FY 2011-2012 Projected	FY 2010-2011 Actual
Total attendance			
Total memberships			
Total volunteers			
Total children (under 18)			
Total living in rural communities			
Total participating artists			
Total people of color			
Total people with disabilities			
Total senior citizens (over 65)			

III – ORGANIZATIONAL

1. Mission Statement

In the space below, provide your organization’s mission statement.

2. Implementation Strategies

In the space below, share with us any actions your organization has taken to implement the recommendations from Dr. Thomas Wolf’s Organizational Assessment.

3. Community Outreach

In the space below, describe your organization's goals to better serve the greater Chattanooga community. Include information on any outreach initiatives along with strategies related to retaining and/or development of audiences.

4. Education

In the space below, describe your K-12 education programs and how your programs are designed to be used by students and teachers.

5. Financial Information

In the space below, describe your financial management practices including budgeting, fiscal controls, board oversight and how your practices have increased your audiences and/or participants.

6. Organizational Changes

In the space below, tell us about any significant impact the recent changes from Allied Arts in your organization's allocation has had and how the new funding policy might impact your organization going forward. If you were given more resources, how would you use them?

7. Additional Information

In the space below, share any additional information about your organization, its programs, outreach, and/or staff accomplishments that would be helpful in considering your application.

PART IV: APPLICATION BUDGET Fiscal year dates: from _____ to _____

REVENUES	Next year's budget	Current year's budget	Current year's forecast	Audited actual last year	Audited actual previous year
Earned Income:					
1. Season Tickets					
2. Single Tickets					
3. Admissions					
4. Tuition, Class/Workshop Fees					
5. Net Revenue from Special Events					
6. Program/Newsletter Advertising					
7. Sponsorships					
8. Interest & Dividends					
9. Memberships					
10. Other earned income					
11. Subtotal Earned Income:					
Contributed Income:					
12. Support from volunteer association					
13. Other individual contributions					
14. Subtotal Contributed Income:					
Grants:					
15. City/County					
16. State					
17. Federal					
18. Foundation					
19. Corporate					
20. Allied Arts grants (ABC)					
21. Allied Arts OS funding					
22. Subtotal Grants:					
23. Distribution from internal funds					
24. Other income					
25. TOTAL REVENUE: (lines 11, 14, 22, 23, 24)					

PART V: APPLICATION BUDGET: * If a deficit is indicated, attach a board-approved plan for addressing the deficit(s).

EXPENSES	Next year's budget	Current year's budget	Current year's forecast	Audited actual last year	Audited actual previous year
Artistic Expenses:					
1. Artistic Personnel					
2. Technical/Production					
3. Outside professional services – artistic					
4. Outside professional services – other					
5. Payroll taxes and benefits					
6. Space rental					
7. Travel					
8. Production costs					
9. Exhibit costs					
10. Promotion/marketing					
11. Other artistic expenses					
12. Subtotal Artistic Expenses:					
Administrative Expenses:					
13. Administrative salaries					
14. Payroll taxes and benefits					
15. Office supplies and printing					
16. Insurance					
17. Telephone					
18. Postage					
19. Occupancy					
20. Local transportation					
21. Conferences, conventions, etc.					
22. Organization dues					
23. Fees for professional services					
24. Maintenance and rentals					
25. Membership expenses					
26. Other expenses					
27. Subtotal Administrative Expenses:					
28. TOTAL EXPENSES:					
29. TOTAL REVENUES:					
30. DIFFERENCE: (Line 29-Line 28)*					

PART V – ORGANIZATION’S ASSURANCES

Please review the “Policies for Grants” document. Please initial each block as evidence of compliance or assurance.

_____ Your applicant organization is an established cultural organization focused on the arts and humanities, responsible for its own programming which is offered year-round. In addition, the applicant organization certifies that it employs at least one full-time employee year-round.

_____ Your applicant organization is tax exempt under Section 501 (C)(3) and not a private foundation under Section 509 (a) of the Internal Revenue Code.

_____ The applicant hereby assures and certifies that it will comply with Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), the Age Discrimination Act of 1975 (42 U.S.C. 6101 et seq.), the Americans with Disabilities Act of 1990 (42 U.S.C. 12101-12213) and, where applicable Title IX of the Education Amendments of 1972 (20 U.S.C. 1681 et seq.).

_____ The applicant agrees to give full support to Allied Arts and its annual campaign, to conduct an Allied Arts campaign within your organization, to encourage full participation by members of its governing body in both contributing to and volunteering in the annual campaign.

_____ The applicant agrees not to solicit unrestricted operating support from businesses. Further, the applicant agrees to coordinate solicitation of business sponsorships and the timing of annual membership campaigns with Allied Arts to whatever extent possible.

_____ The applicant agrees to recognize and identify publicly Allied Arts’ financial support of its programs, to display the Allied Arts logo on its property and its print materials; to credit Allied Arts in media releases and during performances and/or exhibits and to cooperate with Allied Arts in the recognition of Allied Arts’ major donors, in order to strengthen public identification with Allied Arts.

_____ The applicant agrees to conduct its business in a manner which demonstrates ongoing fiscal responsibility, including keeping financial records that meet generally accepted accounting principles. If the applicant’s operating expenses exceeded \$100,000 in the most recent fiscal year, applicant also agrees to conduct and submit to Allied Arts a copy of an audit for the most recently completed fiscal year with a management letter.

_____ The filing of this application has been duly authorized by the governing board of the organization on the following date:

PART VI: ATTACHMENTS

Cultural Partners must attach ALL attachments listed below for FY 2012-2013. Label attachments with the appropriate number and affix the attachments as the last items of the application.

- REVIEW: Original application and FIVE copies with attachments 1-6**, three-hole punched with original signatures on one copy.

- ATTACHMENT 1:** Attach your organization's Long Range or Strategic Plan and indicate the date of the most recent review by the board. _____

- ATTACHMENT 2:** Attach your organization's Marketing Plan and indicate the date of the most recent review by the board. _____

- ATTACHMENT 3:** Attach your organization's two most recent audits.

- ATTACHMENT 4:** Attach your organization's most recent Form 990.

- ATTACHMENT 5:** Attach your organization's current year financials through January 2012.

- ATTACHMENT 6: SINGLE PACKET:** (NO MORE THAN 3 ITEMS TOTAL) Attach examples of printed materials, press releases, and news articles demonstrating support of Allied Arts.

GLOSSARY OF BUDGET TERMS

REVENUE

EARNED INCOME

1. SEASON TICKETS: Revenue from the sale of season tickets for a series of events.
2. SINGLE TICKETS: Revenue from single ticket sales.
3. ADMISSIONS: Revenue from other ticket sales.
4. TUITION, CLASS/WORKSHOP FEES: Fees from classes, workshops, lectures, tuition, school/outreach programs and other educational programs, etc.
5. NET REVENUE FROM SPECIAL EVENTS: Net income received from events or activities that are typically social in nature and may have a higher ticket price than regular season performances/programs, and are done by an organization to raise money to support its programs, e.g., a gala, dinner dance, auction, raffle, etc. Both expenses and any related revenue should not be listed for special events.
6. PROGRAM/NEWSLETTER ADVERTISING: Revenue received from sale of space in programs, newsletter or other printed materials which directly benefits the business/corporation either in product sales, promotion or image development.
7. SPONSORSHIPS: Fundraising efforts which solicit support from businesses or corporations and for which the donor receives recognition for an event, exhibition, performance or series resulting in public relations/marketing value. The sponsor may also receive advertising credit, tickets/memberships, use of facilities, etc.
8. INTEREST & DIVIDENDS: Interest and dividends earned from all bank accounts and investments, as well as interest earned from endowments and trusts if being used for operations or programs.
9. MEMBERSHIPS: Revenue from membership programs, where an individual or corporation receives a benefit, i.e., newsletters, tickets, discounts on programs, etc.
10. OTHER EARNED INCOME: Revenue derived from sources other than those listed.
11. SUBTOTAL EARNED INCOME: Total of lines 1 – 10.

CONTRIBUTED INCOME

12. SUPPORT FROM VOLUNTEER ASSOCIATION: Revenue.
13. OTHER INDIVIDUAL CONTRIBUTIONS: All revenue received in support of the organization from other individuals.
14. SUBTOTAL CONTRIBUTED INCOME: Total of lines 12 -13.

GRANTS

15. CITY/COUNTY: Revenue received from public sources, including municipal governments, City of Chattanooga, County of Hamilton.
16. STATE: Revenue received from public sources, including Tennessee Arts Commission and other state government sources.
17. FEDERAL: Revenue received from public sources, including National Endowment for the Arts, National Endowment for the Humanities, Institute of Museum and Library Services and other government sources.

18. FOUNDATION: Grants received from private foundations.
19. CORPORATE: Grants received from corporate foundations.
20. ALLIED ARTS GRANTS (ABC).
21. ALLIED ARTS OPERATING SUPPORT.
22. SUBTOTAL GRANTS: Totals from lines 15, 16, 17, 18, 19, 20, and 21.
23. DISTRIBUTION FROM INTERNAL FUNDS: Funds from the accumulated resources of the organization.
24. OTHER INCOME: Miscellaneous income not included above.
25. TOTAL REVENUE: Totals from lines 11, 14, 22, 23, and 24.

EXPENSES

1. ARTISTIC PERSONNEL: Any salary or hourly wages paid to professional artists on staff. This category includes actors, musicians, curators, etc.
2. TECHNICAL/PRODUCTION PERSONNEL: Any salary or hourly wages paid to technical personnel on staff.
3. OUTSIDE PROFESSIONAL SERVICES-ARTISTIC: Any salary, hourly wages or other compensation paid to professional artists not on staff.
4. OUTSIDE PROFESSIONAL SERVICES-OTHER: Fees paid for professional services not on staff.
5. PAYROLL TAXES AND BENEFITS: Artistic, technical/production and outside artistic professional services and including any payroll taxes, and benefits such as insurance, workers' compensation and parking.
6. SPACE RENTAL: Expenses specifically identified with the program or project for rental of office, rehearsal space, theater, hall, gallery, etc.
7. TRAVEL: Reimbursement or direct payment for mileage and other travel costs for staff and volunteers. Include any fares, hotel, food, taxis, per diem payments, mileage, and other lodging expenses.
8. PRODUCTION COSTS: Fees related to productions (i.e., renting space, production equipment, supplies, lights, staging, sets, shipping, licenses, etc.).
9. EXHIBIT COSTS: Fees related to exhibitions (i.e., renting exhibitions, equipment, supplies, shipping, licenses, exhibit space, etc.).
10. PROMOTION/MARKETING: Costs for marketing, publicity, and promotion, including costs of advertising, printing and mailing of brochures, flyers, posters, etc.
11. OTHER ARTISTIC EXPENSES: Miscellaneous items not included above.
12. SUBTOTAL-ARTISTIC EXPENSES: Lines 1 – 11.
13. ADMINISTRATIVE SALARIES: Any salary, hourly wages or other compensation paid to permanent administrative staff.

14. **ADMINISTRATIVE PAYROLL TAXES & BENEFITS:** Includes any payroll taxes and benefits such as insurance, workers' compensation and parking for administrative staff.
15. **OFFICE SUPPLIES AND PRINTING:** Cost of consumable and small items for office needs. Cost of printing not included in the Promotion/marketing or special events line.
16. **INSURANCE:** Cost of insurance for liability, property, etc. This does not include benefits for employees.
17. **TELEPHONE:** Costs for monthly telephone charges and long-distance service.
18. **POSTAGE:** Cost for postage not included in the Promotion/marketing or special events line.
19. **OCCUPANCY:** Expenses related to occupancy of the space (i.e., property taxes, utilities, etc.), other than maintenance.
20. **LOCAL TRANSPORTATION:** Reimbursement or direct payment for mileage and other travel costs for staff and volunteers.
21. **CONFERENCES, CONVENTIONS, ETC.:** Expenses related to staff development (i.e., registration fees, materials, food, etc.), and does not include travel.
22. **ORGANIZATION DUES:** Dues paid to professional organizations for staff and volunteers.
23. **FEES FOR PROFESSIONAL SERVICES:** Fees paid for professional services (i.e., audit, attorney, etc.).
24. **MAINTENANCE AND RENTALS:** Facility maintenance expenses and rental of office equipment (i.e., postage machine, copy machine, etc.).
25. **MEMBERSHIP EXPENSES:** Expenses related to membership campaign.
26. **OTHER ADMINISTRATIVE EXPENSES:** Miscellaneous expenses not included above.
27. **SUBTOTAL ADMINISTRATIVE EXPENSES:** Totals from lines 13 – 26.
28. **TOTAL EXPENSES:** Total expenses.
29. **TOTAL REVENUES:** Total revenues.
30. **DIFFERENCE:** Lines 28-29 -The net difference between your unrestricted revenues and expenses. If a deficit is indicated in Actual FY previous year, forecast current year or proposed next year budget(s), please attach an approved plan by the Board of Directors for addressing the deficit(s).

OTHER GLOSSARY TERMS

IN-KIND: The value of goods and services that are provided to an organization by volunteers or outside parties at no cash cost to the organization. In-kind goods and services may not be used as part of a general operating support budget.

ARTISTS: Participating professional artists, i.e. those individuals who either by education, experience, or natural talent engage in a particular art form or discipline that provides an artistic service to the community. Because of this participation, they may be compensated or non-compensated for such service.