



TWO-YEAR OPERATING SUPPORT PROGRAM

Application Guidelines

For July 1, 2017 through June 30, 2018

Grant Deadlines & Start Dates

Friday, October 27, 2017 for projects starting after **February 1, 2018**

This information can be made available in the following alternative formats: Braille, large print, and audio tape. We can also help your group find a language interpreter to translate these guidelines. To accommodate your request, the Arrowhead Regional Arts Council will need at least 10 working days.

Arrowhead Regional Arts Council
Fitzer's Complex
600 East Superior Street, Suite 404
Duluth, MN 55802
218-722-0952 or 800-569-8134
info@aracouncil.org
MN Relay Service 1-800-627-3529

ABOUT US

Mission: The Arrowhead Regional Arts Council (ARAC) seeks to facilitate and encourage local arts development. This mission statement grows from a conviction that the arts improve the quality of life in the region.

Legislative Mandate: ARAC is one of eleven regional arts councils designated by the State of Minnesota “to make final decisions on the use of legislative appropriations for local/regional arts development.” ARAC is charged to assess the needs of the seven counties in the Arrowhead Region and to plan and administer programs and services based on its assessment.

Arts and Cultural Heritage Fund Mandate: ARAC receives funding from the Legacy Amendment which was appropriated by the State Legislature with money from the vote of the people of Minnesota on November 4, 2008. The intent of this funding is to support and create access to the arts for artists, arts organizations, and communities; to support arts education for Minnesotans of all ages; and to support diverse ethnic and cultural arts traditions represented in this state.

CONTENTS

| | |
|----------------------------|----|
| About the Program | 2 |
| The Review Criteria | 2 |
| Eligibility | 3 |
| Important Dates | 4 |
| How to Apply | 5 |
| Accessing the Grant Portal | 6 |
| Completing the Application | 7 |
| Narrative Questions | 8 |
| Proposed Budget | 9 |
| Financial Questions | 12 |
| Required Attachments | 13 |
| Optional Attachments | 14 |
| Certification | 14 |

ABOUT THE PROGRAM

This program offers two years of funding for regional nonprofit arts organizations to maintain or grow their operating capacity. This program recognizes that arts organizations with an established record of programmatic service and administrative stability should have access to funds to support their operational goals and objectives. In the past, the Council has awarded this grant to organizations for both general support as well as for specific capacity-building projects.

The Two-Year Operating Support grant covers a twenty-four month period and requires a 10% cash match from the organization. The itemized cash match in your two annual budgets must equal 10% of the total you are requesting from ARAC. This program has one deadline per year. Organizations may apply for up to \$15,000 to be distributed over a two-year period. Payments will be distributed based on the applicant's request.

WHAT TYPES OF EXPENSES DOES THIS PROGRAM FUND?

Grant proposals may request funding for the following expenses based on identified needs and proposed outcomes. This list is not a complete list of eligible expenses.

- ✓ Pay general operating expenses (rent, operational insurance, supplies, utilities, travel, etc.)
- ✓ Hire paid staff for the first time or increase current staff time or salary (ARAC funding may not be used to pay employee health insurance or benefits).
- ✓ Pay for board and staff training or long range planning.
- ✓ Pay for program-related administrative expenses (membership, data managing, public relations, marketing, branding, etc.)
- ✓ Purchase of equipment or small capital expenses necessary to the mission of the organization.
- ✓ Pay for staff or consultant time to create a sustainable fundraising plan.

Before completing your application, please review the guidelines carefully to determine whether or not your group and project are eligible for ARAC funding.

REVIEW CRITERIA

THE REVIEW PANEL WILL EVALUATE YOUR PROPOSAL ON THE FOLLOWING CRITERIA:

- Artistic Excellence and Leadership (25%)
- Management and Fiscal Responsibility (25%)
- Assessment and Evaluation (25%)
- Community Accessibility (25%)

More details about these criteria are included in the Narrative section of the application, which begins on page 8.

ELIGIBILITY

To be eligible to apply to the Two-Year Operating Support Grant program, an organization or group must be registered as a non-profit in the State of Minnesota and be a federal non-profit, tax-exempt 501(c)(3) organization located in the following Arrowhead counties: Aitkin, Cook, Carlton, Itasca, Koochiching, Lake, or St. Louis. If your group has not yet received federal non-profit, tax-exempt 501(c)(3) status, you may apply by using another 501(c)(3) organization as a fiscal sponsor. If your group has not yet registered as a non-profit in the State of Minnesota, you are encouraged to do so within three years of receiving your first ARAC grant. For information on how to use a Fiscal Sponsor, see the [Fiscal Sponsor Guidelines](#) page on our website, or contact us directly.

Organizations currently receiving Operating Support from the Minnesota State Arts Board (MSAB) are not eligible to apply to this or any other ARAC program, though they may serve as an eligible group's fiscal sponsor or project partner. Past ARAC grant recipients with an overdue, unaccepted, or falsified final report are ineligible to apply.

Funded applications must comply with the Americans with Disabilities Act (ADA). The ADA requires that organizations make access to publicly funded projects available to people with disabilities. For more information contact: VSA Minnesota at 612-332-3888, craig@vsamn.org, www.vsamn.org, or the MN State Council on Disability at 800-945-8913, council.disability@state.mn.us, www.disability.state.mn.us.

YOUR ORGANIZATION MUST MEET THE FOLLOWING ADDITIONAL REQUIREMENTS:

- ✓ Your organization must be an arts producing, arts presenting, or artist service agency, dedicated primarily to the arts. *"Primarily" is defined as meaning more than 75% of your organization's activities and budget must be solely dedicated to the arts.*
- ✓ The majority of your programming, services, or activities must take place in Minnesota, and must primarily serve and engage Minnesota audiences and participants.
- ✓ Your organization must have a history of at least one year of arts-related programs and services prior to applying.
- ✓ Your organization must have at least one paid or designated volunteer staff person.
- ✓ Local chapters of state or national organizations are only eligible to apply if they are administratively independent.

ORGANIZATIONS ARE INELIGIBLE TO APPLY INTO THIS PROGRAM IF ANY OF THE FOLLOWING ADDITIONAL CONDITIONS EXIST:

- × The organization's primary activities are designed for private audiences that are not open to the general public.

- × The organization's primary activities function as graded school curriculum.
- × The organization's primary activities involve political lobbying or attempts to influence state or federal legislation.
- × The organization discriminates against persons or groups.
- × The funds are requested to establish or contribute to an endowment.
- × The funds are requested for capital improvement or construction.
- × The funds are requested to purchase real property.
- × More than 10% of the funds are requested to travel outside the state of Minnesota.

Note: While ARAC has attempted to provide a thorough and clear articulation of its eligibility rules, it reserves the right to declare an application ineligible for reasons not explicitly stated here. If you have questions about the eligibility of your project, please contact the office.

HOW MANY ARAC GRANTS CAN MY ORGANIZATION RECEIVE IN ONE YEAR?

- In the Two-Year Operating Support program, an eligible applicant can submit **one** grant per round.
- In a single ARAC fiscal year (July 1-June 30), an organization can be awarded grant funding of **up to \$20,000 total** from applications reviewed in all eligible programs.
- A group receiving a Two-Year Operating Support grant must wait one year after the completion of their two year grant period before submitting a new Two-Year Operating support application. In addition, recipients of prior Two-Year Operating Support grants must have had their previous final reports accepted by August 1, 2017 to be eligible for this grant cycle.

IMPORTANT DATES

For an application to be eligible for funding, the proposed project must take place after the "earliest possible start date" corresponding with the relevant application deadline. You cannot spend any of the money requested from ARAC prior to this date. For a list of upcoming application deadlines and their project start dates, visit the [Two-Year Operating Support](#) page of our website or look at the cover of these guidelines.

The following actions or administrative activities are acceptable: *Exhibitions, presentations or performances selected prior to the "earliest possible starting date," securing of rights for a post-start date production, printing of season marketing materials (so long as costs occur after start date or are pro-rated based on start date). General marketing of an exhibition, presentation or performance that is included with other similar events at that venue or is part of a series of events, research of or selection of acts to be included after the "earliest possible starting date," etc.*

The following actions or administrative activities shall make a grant applicant ineligible if made prior to the earliest possible start date if the purpose is to reimburse the expenses with ARAC funding: *Payment for products or services specifically for an exhibition, presentation, performance or event, signing of an irrevocable contractual commitment regarding an exhibition, presentation or performance or event that commits ARAC funding for that particular event. Payment to artists, directors, choreographers or technicians for the specific exhibition, presentation, performance or event, etc.*

Grant Writing Workshops are held prior to each deadline. Workshops are held both in Duluth at our office and in locations in the greater region. Staff can provide technical assistance in preparing and submitting an application. Contact our office or visit our [Grant Workshop](#) page for more specific information about upcoming workshops.

HOW TO APPLY

Applications must be completed and submitted using the [ARAC Grant Portal](#). Submissions in any other format, including email, will not be accepted. Instructions for navigating the ARAC Grant Portal can be found both in the guidelines and on the [ARAC website](#).

To be eligible, your application must include all the required materials. Applications must be submitted by 4:30 p.m. on the deadline date. Applications received after this time are ineligible and will not be reviewed. **There are no exceptions to this policy.**

HELPFUL TIPS:

- ✓ Plan ahead. It takes time to write a good application.
- ✓ First time applicants are strongly encouraged to contact ARAC staff at 218-722-0952, 800-569-8134, or director@aracouncil.org to discuss the eligibility of their organization or project.
- ✓ Writing assistance is available upon request, but realize that staff assistance in no way implies your grant request will be funded. Attend an ARAC workshop if possible.
- ✓ Contact the ARAC office to view past applications. You can learn from others' success.
- ✓ Proofread your application and make sure that your narrative addresses all parts of the questions.
- ✓ Have a person who is not involved in your project read your materials. It helps to have a fresh set of eyes look at your application.

WHAT HAPPENS AFTER I APPLY?

1. The staff reviews all applications and materials for completeness and eligibility. Applicants are responsible for the quality and scope of their application. Reminder: Late or incomplete applications will not be accepted.
2. Eligible applications are reviewed at an open meeting of the Board. All applicants will be notified of the meeting and are encouraged to observe the proceedings. All Board and panel meetings are open to the public.
3. Applicants will be notified in of the Board's decision within fourteen days of the board grant review. Successful applicants are asked to fill out a contract stipulating the terms of the award within the ARAC Grant Portal within thirty days. An interim report will be due after completion of one year into the grant period, and a final report will be due two months after the completion of the full grant period. Both reports will be completed and submitted online. Applicants are responsible for updating ARAC in writing of any major changes to their proposed project.

ARAC requires Two-Year Operating Support grant recipients to submit a most recently completed fiscal year Cultural Data Project (CDP) Funder Report with their interim report to receive their second year payment.

4. The Board's funding decisions may be appealed solely on alleged procedural errors. An applicant must request an appeal within thirty days of notification of the Board decision. An Appeals Subcommittee, consisting of at least three members appointed by the ARAC chair, will consider any appeals. The Appeals Subcommittee reports its findings and recommendations to the full ARAC Board for action.

ACCESSING THE GRANT PORTAL

You can access the link to the [ARAC Grant Portal](#) through the program page on the ARAC website.

IF YOU ARE A FIRST-TIME APPLICANT:

1. Click on "Create New Account."
2. Complete the registration form with all of your contact information. Fields marked with an asterisk (*) are required.
3. Important: The email address you use to register will be your user login to get back into the system. You will need this login and password for future applications or follow-up materials. All communication for your grant will also

come to this email address, so remember to add administrator@grantinterface.com to your safe senders email list.

IF YOU ARE A RETURNING APPLICANT:

1. Click "Log On" and enter your email address and password.
2. If you have forgotten your password, click on the "Forgot Your Password" link and a link to reset your password will be sent to your email address.
3. Once logged in, you will be able to view past grant requests and available grant applications.

TO START YOUR APPLICATION:

1. Click "Apply" on the top menu. This will bring you to a list of currently available grant programs and applications.
2. Click the "Apply" button under the "Two-Year Operating Support Grant" section to start your application.

COMPLETING THE APPLICATION

Tip: The application form allows you to save your work and come back to it later. The "Save" button is located at the bottom of the page. It is recommended that you save your work often, even while continuing to work on it, so as not to lose any work. Always save before exiting the online granting system, as any work you have done or any files you have uploaded may not have automatically saved.

The beginning of the application contains multiple demographic fields. This statistical and demographic information is used for data collection and reporting, and is not used in the review of your application. Fields marked with an asterisk (*) are required.

NOTE ON ASSESSMENT AND ACCONTABILITY

This program is funded in part with money from the Arts and Cultural Heritage Fund: a fund created by the people of Minnesota in November, 2008, to support the arts and preserve state heritage. As Minnesotans have made this commitment, you have an obligation to be very intentional about how you work: the goals, impact, results, and community benefits. Therefore, your evaluation plan is an important part of this funding proposal.

The following model should be used when describing your proposal, outcomes, and evaluation goals. When you answer the narrative questions, be sure your answers are framed in the **SMART** model: **S** = specific, **M** = measurable, **A** = achievable, **R** = realistic, and **T** = time-bound.

NARRATIVE

SPEAK TO THE ARTISTIC EXCELLENCE & LEADERSHIP OF YOUR ORGANIZATION AND DESCRIBE YOUR PROJECT:

Your answers in this section should articulate your organization's mission, programs, and services and describe how the requested funding will be spent. The Artistic Excellence & Leadership criterion constitutes 25% of the review of your application.

- What is your organization's mission and artistic vision for the next two years? What are your organization's current programs and how do they further its mission?
- How do your organization's programs support area artists and/or attend to the artistic growth of your constituents?
- Who is responsible for the artistic and administrative leadership of your organization? Describe their qualifications.
- If you are intending to use this funding for a capacity-building project, please explain what your organization intends to do with the funding. Be specific. What are the opportunities, problems, issues, or needs your organization intends to address with the funding over each of the next two years?
- How does your programming facilitate growth of the artistic discipline(s) for the organization's constituents?
- How does your organization contribute to community vibrancy through the arts?

SPEAK TO THE MANAGEMENT & FISCAL RESPONSIBILITY OF YOUR ORGANIZATION:

Your answers in this section should articulate your organization's administrative, planning, and fiscal capabilities. This criterion constitutes 25% of the review of your application.

- What is your board and staff configuration? What are their roles and responsibilities?
- Explain your organization's commitment to fiscal stability. Are your bookkeeping, fundraising, and financial strategies appropriate for your organization's size and constituent community?

SPEAK TO THE ASSESSMENT & EVALUATION STRATEGIES OF YOUR ORGANIZATION:

Your answers in this section should speak to your organization's assessment and evaluation processes. This criterion constitutes 25% of the review of your application.

- How does your organization use assessment, evaluation, and feedback to shape your organization's planning process, goals, strategies, and programming?
- If you are intending to use this funding for a capacity-building project, please explain how you plan to assess the project.
- What does your organization do on an ongoing basis to assess and evaluate whether your programs are addressing the needs of your constituents?

SPEAK TO YOUR ORGANIZATION'S COMMUNITY ACCESSIBILITY:

Your answers in this section should speak to your organization's accessibility to your community. This criterion constitutes 25% of the review of your application.

- What evidence is there that your organization's services and programs are approachable and available to a broad public audience?
- Explain how your current programs are accessible to a broad audience and allow people to participate in the arts. Does your organization's programming appropriately comply with the Americans with Disabilities Act?
- What does your organization do to address economic, geographic, physical, or cultural barriers?

PROPOSED BUDGET

Click on the link to download the **Grant Budget Template**. Save the file to your computer before filling it out. Reading the following sections will help you navigate the template. Once you have filled out the budget, save it and then upload it into the File Upload space provided in your application.

Operating Support focuses on offering two years of funding to qualified organizations to help strengthen their administrative operations.

PROJECT EXPENSES MAY INCLUDE ...

- ✓ administrative salaries and wages;
- ✓ unexpected changes to general operating expenses such as rent, supplies, utilities, travel, etc.;
- ✓ the purchase of equipment or small capital expenses;
- ✓ fees for professional consultants;
- ✓ board, staff or organizational development activities;
- ✓ networking activities;
- ✓ staff or consultant's time to develop and create assessment and evaluation strategies;
- ✓ staff, board, or consultant's time to create a sustainable fundraising plan; and/or
- ✓ other identified expenses necessary to the mission of the organization.

OVERVIEW OF THE COLUMNS IN THE BUDGET FORM:

Most Recently Completed Year's Actual Budget: In the first column in the budget form, you will list your actual revenue and expense figures for your most recently *completed* fiscal year in the line items provided.

Years 1 and 2 of Your Plan: In the second and third columns in the budget form, you will list everything necessary to carry out the two years of your plan.

Requested ARAC Funding: In the fourth column in the budget form, you will provide a breakdown for the specific expenses for which you are requesting funding. **The totals for the fourth column will be the same as the amount of your grant request.**

Notes Column: In the last column in the budget form, you will be able to provide explanatory notes about the line items in your budget.

HOW TO FILL OUT THE REVENUE SECTION:

1. **Cash:** List the actual and proposed cash-on-hand at the beginning of each year. This may include leftover general operating funds, past surpluses, etc. Round to the nearest **\$10**.
2. **Business, Foundation, and Membership Support:** List on these lines the anticipated or received support from community businesses, foundations, or membership for each year. Round to the nearest **\$10**.
3. **Earned and Endowment Income:** List on the Earned Income line revenue from tickets, registration fees, class fees, program ads, book sales, etc. List on the Endowment Income line revenue from any endowments your organization might receive in each year. Round to the nearest **\$10**.
4. **Fundraisers:** List anticipated revenue from proposed fundraisers for each year. Round all line items to the nearest **\$10**.

**** NOTE: The projected actual cash in the above line items constitute the 10% cash match required for the Two-Year Operating Support grant. ****

5. **Amount of the Operating Support Grant Requested:** Allot the amount of your Operating Support grant request over the two years. The grant funds may be divided up however is appropriate to address your identified needs and proposed outcomes. (\$7,500/\$7,500, \$5,000/\$10,000, etc.) Your budgets must include a cash match equaling at least 10% of your ARAC request. The 10% cash match must be dedicated to the activities in your grant proposal. Round to the nearest **\$10**.

6. **Other Grants:** List projected support from other grants either anticipated or received for each year. Round to the nearest **\$10**.
7. **Other:** List any additional sources of income either anticipated or received for each year. Round to the nearest **\$10**.

HOW TO FILL OUT THE EXPENSES SECTION

1. **Salaries and Wages of Employees:** List on the Salaries and Wages of Employees line the salary and wages for all projected employees of your organization for each year.
2. **Employee Benefits:** List on the Employee Benefits line the projected taxes and benefits for all employees for each year.
3. **Capital Costs:** List all anticipated capital costs for each year.
4. **Marketing and Publicity:** List all anticipated marketing and publicity expenses for each year.
5. **Organizational Development:** List all anticipated development expenses related to your organization, board, and staff for each year. Include on this line the projected expenses for any proposed consultants necessary to carry out your plan.
6. **Artists' Fees:** List all anticipated artists' fees (honoraria, performance fee, teaching fee, etc.) related to your organization's programming and services for each year.
7. **Programming Costs:** List all anticipated programming expenses, not listed on other line items, related to programs and services provided by your organization for each year.
8. **Supplies and Materials:** List all anticipated expenses for expendable materials associated with your organization's programming and services for each year. Expendable items include such things as program specific supplies, refreshments, office supplies, documentation, etc.
9. **Postage and Printing:** List all anticipated expenses of paper, photocopying, printing, and postage associated with your administration, programming, and services for each year.

10. **Travel, Lodging and Per Diem:** List all anticipated expenses related to transportation, room and board for consultants, artists, teachers, and programming personnel as well as travel related expenses incurred by staff or board members for each year. *(Remember that you may not use more than 10% of the total grant for costs related to travel outside the state of Minnesota.)*
11. **Other:** List any additional projected expenses for each year.

HOW TO FILL OUT THE ARAC REQUEST COLUMN:

In the fourth column on the budget, list your requested grant amount on the revenue line **ARAC Operating Support Grant Requested**. The amount of your grant request must equal the sum of the amounts listed on this line in the columns for Year 1 and Year 2. In the operating expenses part of this budget, list the part of each expense listed in the columns for Year 1 and Year 2 for which you are requesting ARAC **Operating Support** funding. Each budget in the columns for Year 1 and Year 2 must include a cash match of at least 10% of the amount of your grant request that is dedicated to activities that address the identified needs and outcomes in your grant proposal. You may divide your request between the Year 1 and Year 2 columns to best suit your two-year plan. In this column, your total operating revenue and expenses should be equal and match the amount of your **Two-Year Operating Support** grant request.

FINANCIAL QUESTIONS

These questions supply the Council with information about your organization's size and stability, and past history of grants received.

- **Previous Grants Received:** List any previous grants received from either ARAC or the Minnesota State Arts Board in the last two years. The purpose of giving this information is to provide additional background on the applicant organization. **Indicate the type of grant (including the grant program name if from ARAC), the amount received, and the year it was granted.**
- **Potential Funding Sources:** List any current or potential funding sources you anticipate receiving in the next two years.
- **Anticipated Surpluses:** Explain any anticipated surplus in either of the two years of the plan. Explain how you intend to use the surpluses.

- **Anticipated Deficits:** Explain the reason for any anticipated deficits in the next two years. Explain how you intend to address the deficits.
- **Fiscal Sponsor:** If your organization is using a Fiscal Sponsor, enter their name, address, city, zip code, and daytime phone number, as well as the name of a contact from the organization that is authorized to sign off on your application and proposed project. **Your Fiscal Sponsor must be a federal non-profit, tax-exempt 501(c)(3).**

REQUIRED ATTACHMENTS

The following documents are required and must be uploaded in one of the following formats: MS Word, MS Excel or PDF. If you have any problems uploading the required documents, please contact the office at admin@aracouncil.org or (218)722-0952.

- ✓ **Resumes:** Upload a single document containing one page resumes or biographical information for all principal artistic and administrative personnel involved in your proposal. Limit each resume to no more than one side of one page per person.
- ✓ **Board List:** Upload a list of your organization's current board members with a description of their professional or community affiliations and one or two lines of biographical information. (If you are a university, college, or unit of government, include a list of your governing board or the committee members directly involved in the planning and execution of the project with a description of their professional or community affiliations.)
- ✓ **Financial Statements:** Upload board approved financial statements for your most recently completed fiscal year.
- ✓ **Cost Estimates:** Upload documented quotes of the cost of equipment or small capital expenses, if applicable. (Ex. Estimated receipts or screenshots of proposed items for purchase.)
- ✓ **Fiscal Sponsor Agreement:** If your organization is using a Fiscal Sponsor, upload a copy of your contractual agreement. Please refer to the [Fiscal Sponsor Guidelines](#) for examples of what an agreement should include.

- ✓ **501(c)(3) Determination Letter:** Upload a copy of the federal non-profit, tax exempt 501(c)(3) determination letter for either your organization or the group acting as your fiscal sponsor.

OPTIONAL ATTACHMENTS

Applicants may upload optional attachments. These attachments should document, demonstrate, or highlight the artistic quality and merit of the artists or groups involved in your proposal; and/or the ability of your organization to carry out your proposal.

Optional attachments may include up to six pages total of articles, reviews, press releases, posters, or other promotional materials which document past activities by your organization, or the artists or organizations you will be presenting. These items help give the review panel a better understanding of your organization and its programming. Documents must be uploaded in one of the following formats: MS Word, MS Excel or PDF.

CERTIFICATION

Applicants must certify their application with an electronic signature by typing in the names of the following lead positions for the application: Authorizing Official (this should not be the same person as the Project Director), Project Director, and Fiscal Sponsor. Note that the typed name constitutes as a legal signature in agreement to the following statement:

“We certify that the information provided here is true and correct to the best of our knowledge and we will accommodate requests from persons with disabilities to facilitate their access to this proposal if funded.”