



CULTURAL DEVELOPMENT FUND

FISCAL 2013 APPLICATION GUIDELINES

OVERVIEW

The Department of Cultural Affairs (DCA) is pleased to announce the Fiscal 2013 Cultural Development Fund (CDF) for nonprofit New York City arts and cultural organizations. The CDF Application consists of two parts:

- An online form to be completed and submitted on the DCA website at www.nyc.gov/culture no later than midnight on Monday, February 13, 2012
- Required Supplemental materials that must be received at any time prior to 6:00 pm on Monday, February 13, 2012, or postmarked by the U.S. Postal Service no later than that date

The final deadline for both portions of the Application is Monday, February 13, 2012.

DCA will consider proposals in every cultural discipline and from every area of New York City for services that take place within the five boroughs and within the City's Fiscal 2013 (July 1, 2012 – June 30, 2013). Funds will be awarded based on a competitive review by a panel that includes peers in the field as well as representatives of the City's elected officials.

The fundamental requirement for all proposals is that they represent a cultural activity of recognized quality that is accessible to the public. 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 and public participation.

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 or discounted activities or events
- Creation of new work and/or restoration of existing work, for public presentation within the fiscal year
- 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

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

Applicants request funds for and are evaluated on their public services and the entirety of the application and projects proposed. While applicants should not apply for general operating support, funds received from DCA can be used to cover any organizational costs other than capital expenditures or government advocacy efforts. DCA support is limited to no more than 50% of the cost of proposed services exclusive of in-kind support (i.e., 50% of each project's cash budget) and usually does not approach that level of support.

If funded, your organization is expected to carry out all of the projects for which you requested support, regardless of the award amount 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, including Charities Bureau filings;
- In possession of a Federal Employee Identification Number (EIN) unique to the organization; and
- Certified tax exempt under Internal Revenue Service Code Section 501(c)(3). Incorporated non-profits without 501(c)(3) status may apply through a fiscal sponsor that is certified tax exempt under Internal Revenue Service Code Section 501(c)(3).

Applicants cannot be:

- Individual artists (DCA provides funds to arts councils in all five boroughs for regrants 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.

Proposed services cannot include:

- Activities taking place outside New York City's five boroughs;
- Activities taking place outside the City's Fiscal 2013 [not before July 1, 2012 or after June 30, 2013];
- Fundraising events and receptions;
- Construction or renovation of facilities, including the purchase of equipment.

DCA does not routinely fund:

- Programs of City, State or Federal public agencies;
- Libraries or 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 may 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, educational, 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 arts and cultural services. Panel placement for such organizations will be determined by the cultural component of their Fiscal 2010 operating income. Therefore, such organizations will be asked to provide the following in order to be considered eligible:
 - Written documentation regarding annual filing exemptions, if applicable; and
 - Proof, in the form of Supplemental materials and a Previous Years' Activities list, of a longstanding commitment to and history of cultural activity with demonstrated in-depth programming of artistic quality that is 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 13, 2012 deadline.

PROPOSAL PROCESS

Any arts or cultural organization interested in receiving funding from the Department of Cultural Affairs during Fiscal 2013 (July 1, 2012 - June 30, 2013) must complete the online Application form and submit hard copies of the Supplemental materials. **The Application form must be submitted online no later than midnight on February 13, 2012. Hard copies of the Supplemental materials must be postmarked by the U.S. Postal Service no later than February 13, 2012, or hand-delivered to DCA's office no later than 6:00 pm on that date.** Fax or email submissions cannot be accepted. Upon submission of the online portion of the Application, organizations will receive automatic confirmation of submission and a unique application number via email. Once the required Supplemental materials are received by DCA, Applications will be reviewed for completeness and organizations will be sent confirmation of their completeness status as soon as both portions of the Application have been processed.

Organizational Qualifications: Applicant organizations 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 that is capable of providing quality services.

Financial Requirements: Based on its Fiscal 2010 Operating Income, the organization must provide the following financial documentation:

- Under \$25,000: FY10 IRS 990-N Postcard AND Signed Cultural Data Project Annual Report;
- \$25,000 or over: FY10 IRS 990;
- \$100,000 or over but less than \$250,000: FY10 IRS 990 and FY10 Independent Accountant's Review;
- \$250,000 or over: FY10 IRS 990 and FY10 Audited Financial 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 Supplemental materials.

[Please be aware that the IRS has updated the revenue threshold for the Form 990-N (e-Postcard). For tax years ending after December 31, 2010, tax-exempt organizations whose annual gross receipts are normally \$50,000 or less are required to electronically submit Form 990-N, also known as the e-Postcard, unless they choose to file a complete Form 990 or Form 990-EZ instead. It is still required for gross receipts normally less than \$25,000 for tax years ending between December 31, 2007 and December 31, 2010. For further information, please visit www.IRS.gov/charities.]

Project Qualifications:

- Each proposed project must include as a principal goal a demonstrable cultural activity of recognized quality that is 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 award term;
- Proposals must be within the organization's artistic/cultural, administrative and fiscal capabilities;
- Project budgets must include significant other financial resources. DCA support is limited to no more than 50% of each project budget. A funding mix that includes foundation and corporate support, other government support, private contributions, cash, and earned income (where appropriate) is desirable;
- While proposed projects may include some aspects of operating costs (e.g., staff salaries, space rental), the project itself should be one that serves the public or your constituency, not the applicant organization; do not ask for projects that are essentially general operating support;
- Artists' fees should be of a level consonant with a professional wage.

PANEL REVIEW PROCESS

For Fiscal 2013, DCA will award Program funds through the Cultural Development Fund to organizations that go through a competitive panel review during spring, 2012. All organizations will be evaluated based on the organizational and programmatic qualifications stated earlier in these Guidelines. If the proposal is from a previously funded organization, past performance is also considered.

Panels consider each application as a whole including all projects proposed, and funding recommendations are based on the entire application, not on individual projects.

DCA Funding Priorities and Organizational Criteria: Each panel will review proposals with the following funding priorities and organizational criteria in mind.

DCA looks for breadth or depth of programming, and requires that CDF-funded projects be accessible to the public. The participants or audiences you serve – whether the general public, students, arts professionals, seniors, or another audience particular to your organization's programs – must be able to access your programs within FY13.

PRIORITIES for Programs Funding (projects should meet one or more)

DCA has identified these as the focus of CDF support. An applicant's proposed services need not meet all of the priorities listed, but the panel will expect the project/s to align with at least one. Note that these priorities are not themselves prioritized, and the examples given below each are not all-inclusive:

Artistic Dialogue

- Forum for new works to be presented
- Support of critical dialogue
- Works that engage multiple genres or disciplines

Audience Development

- Outreach to new audiences
- Increased access to programming
- Cross-cultural programming

Preservation

- Of New York City's rich cultural heritage
- Of the cultures of New York's diverse populations
- Of historic artifacts or sites relevant to New York City
- Of reference materials and documentation of a discipline

Education

- Ongoing and/or sequential arts programs for children, youth or other targeted audiences
- Cultural activities in schools, with emphasis on programs which include curricular content
- In-school artists' residencies
- Arts programs for children at cultural organizations

Services to the Field

- Services to the creative community
- Professional training within a discipline
- Maintenance of entry-level avenues
- Creation of new work
- Services to organizations serving a discipline
- Services in support of institutional stability and development

CRITERIA for Programs Funding (organizations should demonstrate all)

The panel evaluates an organization's potential to realize its project/s according to the following criteria. The applicant demonstrates evidence of these criteria by providing a high level of detail throughout the proposal. The panel will look to the applicant to demonstrate the ability to meet the criteria listed.

Organizational Capacity and Responsibility

- Reliability
- Accountability
- Professionalism
- Fiscal Stability

Impact

- On the recipients of the service
- On the field

Excellence

- Artistic
- Organizational

Uniqueness of the Service

- To the discipline, community, neighborhood, and/or the City

Recommendation of funding is based in part on the level of detail and clarity provided in the Application, as well as an evaluation of the organization's track record in presenting similar projects. Organizations will be reviewed on a borough or discipline-specific basis depending on their Fiscal 2010 operating income. Organizations with a primary purpose other than arts and culture will be reviewed based on the cultural component of their Fiscal 2010 operating income.

An organization with an operating income or cultural budget of \$250,000 or less in its Fiscal 2010 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 or cultural budget of greater than \$250,000 in its Fiscal 2010 will be reviewed by a discipline-specific panel comprised of representatives from the field and a designee of the City Council. Where volume requires, Applications may be further grouped or sorted. Applicants in this category will be eligible for multi-year funding, and those which are not recommended for CDF support in Fiscal 2013 will be eligible to apply for funding again in Fiscal 2014.

DCA staff may contact an organization to confirm or suggest changes to an organization's selected borough and/or discipline.

FUNDING LEVELS

Each applicant should request what it believes is an appropriate level of DCA support for its project. The incremental levels below are provided to the panel to determine award size, but factors such as the total cost of the project exclusive of in-kind support, the organization's total operating budget and other sources of support anticipated for the project are considered. DCA cannot fund more than 50% of the total cost of a project, and seldom approaches that percentage. DCA uses the composite figure of requested funding to measure need in the field; panels consider request levels when evaluating an organization's administrative capacity.

For Organizations with a Fiscal 2010 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 • \$17,500 •
\$20,000 • \$25,000 • \$30,000 • \$35,000 • \$40,000 • \$50,000

Please note that total project cost(s) must be \$10,000 or more in cash 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 for one year with no guarantee of renewal.

For Organizations with a Fiscal 2010 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

Please note that total project cost(s) must be \$30,000 or more in cash to qualify for minimum funding.

Organizations with operating incomes over \$250,000 in Fiscal 2010 will be eligible for multiyear support. Organizations receiving multi-year support based on their 2013 Application must comply with DCA's annual reporting procedures in order to receive funds in 2014 and 2015. Support in Fiscal 2014 and 2015 is contingent upon funds available and may reflect decreases or increases to DCA's Fiscal 2014 and 2015 budgets.

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 cultural organizations for support. Such support, known as Member Item or discretionary support, is usually allocated through DCA's budget when it is for cultural activities. **Organizations seeking or receiving such Member Item support in Fiscal 2013 must submit a CDF Application by the February 13th deadline**, and the project(s) for which such support is sought should be the same as those in the Application.

Note that organizations receiving Member Item support must comply with the lobbying registration requirements of the New York City and State Lobbying Laws, and must complete a Lobbying Certification form if awarded Member Item funds. For information about filing requirements related to lobbying, visit the website of the City Clerk (www.cityclerk.nyc.gov) and click Lobbying Bureau on the sidebar.

Organizations awarded Member Item support for the provision of cultural services will be notified of this funding in their Fiscal 2013 award letters. These Member Item allocations will be incorporated into the applicant organization's Fiscal 2013 CDF grant Agreement. Member Item allocations are for one year only. There are additional requirements to secure Member Item funding and organizations interested in this support are advised to contact their City Council Member. For Member Items disbursed by DCA, the Agency is required to collect a copy of your Lobbying Certification, along with other required documents related to this funding. Funds will not be disbursed until the City's Budget has been reconciled and the Agency has confirmed that the organization is compliant with City requirements.

GRANT ADMINISTRATION AND LEGAL GUIDELINES

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 DCA will notify organizations separately of particular, applicable regulations. In addition, every funded organization should comply with the following requirements:

Insurance: Funded 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 upon request a certificate of insurance for such policies to DCA for verification that coverage is adequate (see the "Supplemental Information" section of the online Renewal form).

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 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, in partnership with the City Council."**

All funded organizations are required to use DCA's logo; upon notification of an 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 funded

organizations are expected to move forward on their projects in advance of receipt of funding.

Most organizations will receive up to 80% of the total award as an initial payment once compliant with City funding requirements. Final payment is based on submission of a Final Report which includes an online form as well as supporting documentation. If the City budget demands, reductions may be taken against final payments.

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. 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 to assure 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. 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 Renewal has been submitted. The organization's prior performance record may be a determining factor when considering future funding.

APPEAL PROCESS

Any organization considered for competitive support may contact the Program Services Unit for an explanation of funding awarded, or to find out why a proposal was declined. If, following a conversation with the appropriate DCA staff, an organization believes it has been declined unfairly, the organization may submit a written appeal. Organizations have 21 days from the date of the notification letter to request a conversation; after the conversation, organizations must submit an appeal within 10 business days. The organization's appeal must set forth the reason why the organization believes reconsideration is appropriate. The grounds for reconsideration are:

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

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

Award amounts are not subject to appeal. Failure to respond to appeal procedures will invalidate the appeal.

Appeals are reviewed by the Commissioner who will attempt to render a final decision within 45 business days of receipt of the final appeal. The Commissioner's determination is final and will be sent in writing to the organization making the appeal.

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 on the City's website, www.nyc.gov.

FURTHER QUESTIONS

Inquiries regarding the funding process are answered at seminars conducted in conjunction with the proposal process; further inquiries can be made by contacting the Program Specialist to whom your organization has been assigned, or by calling the Department of Cultural Affairs' Program Services Help Desk at (212) 513-9381.