



# CULTURAL DEVELOPMENT FUND

## FISCAL 2013 RENEWAL GUIDELINES

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### OVERVIEW

The Department of Cultural Affairs (DCA) is pleased to announce the Fiscal 2013 Cultural Development Fund (CDF) Renewal process for nonprofit New York City arts and cultural organizations in receipt of current multi-year funding commitments from DCA. The CDF Renewal consists of two parts:

- An online form to be completed and submitted on the DCA website at [www.nyc.gov/culture](http://www.nyc.gov/culture) no later than midnight on Monday, June 11, 2012.
- Required Supplemental Materials that must be received at any time prior to 6:00 pm on Monday, June 11, 2012, or postmarked by the U.S. Postal Service no later than that date.

**The final deadline for both portions of the Renewal is Monday, June 11, 2012.**

DCA will consider proposals for services that take place within the five boroughs of New York City and within the City's Fiscal 2013 (July 1, 2012 – June 30, 2013). Fiscal 2013 projects should be similar in scope to those projects outlined in the organization's Fiscal 2012 Proposal.

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 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.**

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.

Your organization is expected to carry out all of the projects for which you requested support, regardless of the award amount received from DCA. The scope of the proposed projects should be equivalent to those supported in previous phases of the multi-year commitment.

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## 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 as a non-profit 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 a Renewal, 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 cultural services. 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.

## PROPOSAL PROCESS

Any arts or cultural organization interested in renewing funding from the Department of Cultural Affairs during Fiscal 2013 (July 1, 2012 - June 30, 2013) must complete the online Renewal form and submit hard copies of the Supplemental Materials. **The Renewal form must be submitted online no later than midnight on June 11, 2012. Hard copies of the Supplemental Materials must be postmarked by the U.S. Postal Service no later than June 11, 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 Renewal, organizations will receive automatic confirmation of submission and a unique application number via email. Once the required Supplemental Materials are received by DCA, Renewals will be reviewed for completeness and quality of services provided. Organizations will be sent confirmation of their Renewal completeness status as soon as both portions of the Renewal have been reviewed and processed.

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All criteria listed below must be met by any organization seeking funding through the CDF.

**Organizational Criteria:** 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 Criteria:** 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.

**Program Criteria:**

- 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 consistent with a professional wage.

**FUNDING LEVELS**

**Renewing organizations should request funding at one of the thresholds listed here. Refer to the Fiscal 2013 Renewal Notification to determine the organization's correct funding threshold.**

\$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 have cash expenses of \$30,000 or more to qualify for minimum funding as DCA cannot fund more than 50% of the total cost of a project.

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## 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 Renewal by the June 11<sup>th</sup> deadline**, and the project(s) for which such support is sought should be the same as those in the Renewal. Organizations awarded Member Item support will be notified of that support, which will be incorporated into the renewing organization's grant Agreement for Fiscal 2013 once the City's Budget has been reconciled and the organization is compliant with City requirements. Member Item allocations are for one year only. There are other requirements to secure Member Item funding and organizations interested in this support are advised to contact their City Council Member. Organizations will be notified of Member Item funding through DCA in their Fiscal 2013 Award Letter.

## 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 a Fiscal 2013 renewal amount, 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.

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## **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.

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.

## **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](http://www.nyc.gov).

## **FURTHER QUESTIONS**

Inquiries regarding the funding process can be made by contacting the Program Specialist to whom your organization has been assigned or by calling (212) 513-9346.