

**City of Berkeley Arts Organizations and Arts Programs Grants Guidelines
FY20 Grant Cycle for Berkeley-based Arts Nonprofit Organizations and Arts Programs of Service
Nonprofits: July 1, 2019 — June 30, 2020**

[Final Draft Guidelines, Dated November 29, 2018]

[All comments in blue are editorial.]

1. PURPOSE, ELIGIBILITY, STANDARDS, GRANT AMOUNTS, USE RESTRICTIONS & FISCAL SPONSORS

1.1 Purpose

Recognizing that arts and culture are integral to the Berkeley's identity, history and desirability as a place to live and visit, the Berkeley Civic Arts Commission utilizes its grant making to foster a healthy civic arts ecosystem and to strengthen diverse cultural expressions in order to enrich the city as a whole. Civic Arts grant funds provide general operating support that is strategically targeted to: bolster the growth and stability of Berkeley's arts community; support a wide array of nonprofit arts organizations, and arts programs of service nonprofits throughout the City of Berkeley; and empower and promote equitable representation of cultural perspectives that have been historically marginalized.

1.2 Eligibility

Applications that are complete and submitted by the deadline will be accepted from ALL applicants that meet the following conditions:

- Organization (and its fiscal sponsor, if applicable) must be housed in the City of Berkeley with its corporate address in the City of Berkeley. Organization and fiscal sponsor address will be verified in GuideStar by City staff.
- Have a majority (at least 51%) of its arts activities in Berkeley for no less than two years.
- Demonstrated financial health for no less than two years as evidenced by:
 - Receiving diverse sources of funding and not being overly dependent on any one source of contributed income.
 - Managing a budget size and percentage of earned revenue appropriate to the programming or arts activity.
 - Not carrying an operating deficit unless it is strategically planned with reserves to cover the deficit.
- Applicant's grant funded operations, programs, or activities take place during July 1, 2019 – June 30, 2020.
- Applicant is in good standing on previous and/or current City of Berkeley grants and with other City departments. Note: Any previously awarded Civic Arts Grants programming must be completed and closed out and final report submitted before new grant funds will be disbursed.
- Demonstrate current nonprofit and tax-exempt status, as identified by Section 501(c)3 of the Internal Revenue Code. The following additional documentation must be made available upon request: organizational by-laws, roster and meeting calendar for a functioning Board of Directors or advisory group, copies of meeting minutes and resolutions.
- Applicants WITHOUT tax-exempt 501(c)3 status must acquire a nonprofit and tax-exempt 501(c)3 fiscal sponsor based in Berkeley and must submit a letter of agreement between the applicant organization and fiscal sponsor.

- Applicant must be one of the following:
 - A nonprofit organization with a mission statement clearly focused on the development, production, and/or presentation of arts and culture.
 - An ongoing program of a non-arts or service-based nonprofit organization that is focused on the development, production, and/or presentation of arts and culture. The applicant's organizational budget category will be based on the arts-program budget only.
- Organizations that are not primarily arts or cultural providers are eligible to apply **only** if they are committed to the development of an ongoing, substantial, and integral arts program within their organization.
- The organization must operate and offer its arts programs in a non-discriminatory manner and in compliance with all applicable laws, including, without limitation, anti-discrimination laws covering protected classes.

1.3 Standards of Practice

The following Standards of Practice provide practical benchmarks to guide and measure organizational grant applicants relative to professional practices in the field which support the overall well-being of the arts ecosystem. An organization's adherence to these standards is taken into consideration by the review panel as part of the grant application evaluation as described Section 3.1: Evaluation Criteria and Weighting.

Recommended Minimum Standards of Practice for All Applicant Organizations

- Artists who are participating in programming in a substantial way are compensated with at least an honorarium, except for:
 - Artists enrolled as students who are receiving course credit for their involvement with the organization.
 - Artists who are amateur participants in a community arts organization such as a community chorus or a community orchestra.
 - Artists who are amateur participants in a non-accredited arts and cultural training program, such as a school of theater or school of dance.

Additional Recommended Standards for Applicant Organizations with average annual budgets above \$500,000

- At least the equivalent of one full-time paid employee with duties including executive and/or artistic management.
- Current practice of Annual Reviewed Year-End Financial Reports.
- Healthy ratio of budget spent on administration and overhead to programs and artist fees.
- Artists and staff compensated at generally accepted professional standards for the field within the San Francisco Bay Area.
- Provide reasonable accommodations for people with disabilities to ensure access to offices, rehearsal spaces, training and other facilities necessary to prepare programs.

1.4 Grant Amounts

The Arts Organizations Grants operate on a one-year cycle based on the City of Berkeley's Fiscal Year

(July 1 – June 30). Awards are contingent upon the allocation of funds from the City Council each year. The total amount allocated to each of the three grant categories (Arts Organizations, Festivals, and Individual Artists) will be recommended by the Civic Arts Commission's Grants Committee after an evaluation of the review panel results and based upon the size of the applicant pools and the corresponding scores. The Grants Committee's recommendation will be forwarded to the full Civic Arts Commission for approval.

Arts Organizations Grants are awarded according to the following categories:

Small Organizations with a 2-year average budget of up to \$100,000	up to \$10,000
Mid-Size Organizations with a 2-year average budget between \$100,000 - \$1,000,000	up to \$14,000
Large Organizations with a 2-year average budget over \$1,000,000	up to \$17,000

Budget levels will be calculated based on cash income. In-kind donations and volunteer work may be listed but should be kept separately from the budget numbers used for calculating eligibility.

Important Note: Grants are awarded on a competitive basis. Past grant awards are no assurance of future awards.

1.5 Funding Use Restrictions

The following restrictions apply to **ALL** applicants:

- Applicant organization may not be an agency or department within the City of Berkeley.
- Applicant organizations may only apply for one Arts Organizations Grant.
- Any previously awarded Arts Organizations Grant programming must be completed and closed out and final report submitted before new grant funds will be disbursed.
- Public and private K-12 schools and school districts are not eligible for funding. Organizations may apply to work in after-school programs, but grant funded activities may not be part of the school day curriculum.
- The awarding of funds does not imply that the Civic Arts Program or any other City department will produce, exhibit, or present the art created. It is the responsibility of the applicant to secure a venue and any required permits for public activities.

The City of Berkeley DOES NOT fund the following:

- Organizations or activities that are part of the curriculum of colleges or universities (this does not apply to artistic presenting units of a university or college that are working on a program outside of the curriculum).
- For-profit organizations.
- Start-up costs/seed money for new organizations or businesses.
- Social service-oriented projects that are not primarily arts focused.
- Operating expenses for private commercial facilities.
- Programs taking place in school during the daily curriculum.
- Out-of-state travel.
- Programming or activities taking place outside of the grant window.
- Capital construction and/or acquisitions (except for ADA accessibility improvements).

- Equipment purchases.
- Events where fundraising is the primary purpose.
- Deficit or debt reduction.

1.6 Fiscal Sponsors

Definition of Fiscal Sponsor: Fiscal sponsor is a 501(c)3 tax exempt and nonprofit organization that has been assigned the responsibility to process the funds of another organization. This can take the form of processing a single check or providing complex accounting services and project oversight and is unique to each circumstance.

Organizations applying for funding through a Fiscal Sponsor should take particular note of the following requirements that the Fiscal Sponsor must meet:

- Fiscal Sponsor shall be responsible for all fiscal obligations of the grantee's awarded funds.
- Fiscal sponsors must be based in Berkeley.
- A written contract or Letter of Agreement between the applicant and the Fiscal Sponsor specifying the conditions of the Fiscal Sponsor arrangement must accompany the Grant application. **(This agreement must be between the Fiscal Sponsor and the organization; a memorandum or letter to the Civic Arts Commission is not sufficient).** See the Fiscal Sponsor Supplemental Information Sheet. [\[Add as addendum to the grant application.\]](#)
- If the Fiscal Sponsor is also an applicant to the Arts Organizations Grants Program for their own organization, any funds awarded to the organizations that they fiscally sponsor will not be counted as part of the fiscal sponsor's application budget.
- Information submitted in the grant application, including all budget information, applies to the organization conducting the program, not the Fiscal Sponsor.

2. GRANT APPLICATION MATERIALS

In order to be considered for funding, applicants must submit fully completed grant applications and all required application materials. The Arts Organizations Grants Program application consists of the following components: [\[The specific applications questions and required documents will be further developed for each of the application components listed below and will correlate to the Evaluation Criteria found in Section 3.\]](#)

Small to Mid-Size Organizations with a budget of up to \$500,000:

- General Application.
- Narrative Description.
- Short Budget Form, including budget notes.
- 501(c)3 Federal Tax Exempt Status Letter (unless fiscally sponsored).
- Staff and/or Project Personnel Bios (relevant to program focus).
- List of Board of Directors.
- Work Samples and Descriptions of Art Programs/Activities from within the last two years.
- **If fiscally sponsored:** Fiscal Sponsor Supplement including a letter of agreement between applicant and fiscal sponsor and the fiscal sponsor's Federal Tax Exempt Status Letter.

Large Organizations with a budget of \$500,000 or above:

- General Application.

- Narrative Description.
- 2-Year Budget Form, including budget notes.
- 501(c)3 Federal Tax Exempt Status Letter.
- Staff and/or Project Personnel Bios (relevant to program focus).
- Board of Directors.
- Program Calendar (last, current, and projected year).
- Work Samples and Descriptions of Art Programs/Activities from within the last two years

3. EVALUATION CRITERIA & SCORING SYSTEM

3.1 Evaluation Criteria and Weighting

Applications will be evaluated according to the following criteria which are described so that applicants may have an idea of how the panel will score each application:

Artistic Merit & Professional Quality _____ **25 percent**

- The applicant’s art and cultural work demonstrates high quality and strong artistic merit or promise through its artistic history, accomplishments, and examples of previous work.

Quality of Identified Goals and Strategy _____ **25 percent**

- Applicant’s programmatic and operational goals align with organization’s mission and programmatic trajectory; processes to implement work are clear; and work demonstrates high quality and relevance to identified communities. Given its mission, the applicant’s ability to define and achieve appropriate artistic goals, its commitment to creativity and quality and, if appropriate to its mission, the development of new work.

Capacity _____ **25 percent**

- Applicant demonstrates qualifications and capacity of staff and board relative to programming and operational goals; overall fiscal health of applicant is good and organization demonstrates ability to obtain necessary funding.
- Given the applicant’s budget size and age, the general state of its governance and organizational development, management, and operational and financial soundness, ability to achieve appropriate audience and fundraising goals; extent of operational innovativeness and adaptability to external trends.
- Adherence to Standards of Practice outlined in Section 1.

Cultural Equity Impact _____ **15 percent**

- Demonstrated ability of the applicant to support Berkeley’s diverse cultural traditions and values, including capacity to support and empower the City’s underserved communities.
- Applicant clearly articulates how their program, project or artistic expression is rooted in and reflective of historically marginalized communities and geographically underserved areas of the city.
- Programming and other activities that reach out to economically disadvantaged communities and communities that lack conventional arts venues or formal arts programs.

- The organization demonstrates a commitment to cultural equity. For example, strategic board development to ensure a diverse board of directors.

Community Impact _____ **10 percent**

- Applicant clearly articulates programs and outreach appropriate to their identified audience(s); programs clearly and significantly support the communities, partners, and artists identified.
- The reach of the applicant’s core programs and the extent to which they engage audiences and provide opportunities for participatory involvement in the arts, including targeted engagement and lifelong arts learning opportunities (i.e., youth, seniors, etc.); the effectiveness of its audience-development activities and its plans for reaching a diverse, broad-based audience and the contribution it makes to sustaining a local community of artists.

3.2 Rating System

When evaluating each criterion, panelists will use the following 10-point scale, which is then translated to the appropriate weight for each criterion:

- Exceptional (9 - 10 points)
- Somewhat Exceeds Expectations (8 – 8.9 points)
- Meeting Accepted Standards (7 – 7.9 points)
- Needs Improvement to Warrant Funding (6 – 6.9 points)
- Does Not Merit Funding (0 – 5.9 points)

An application must receive an overall score of at least 70 percent of total possible points in order for the panel to consider it for funding. However, achieving a score of at least 70 percent of total possible points does not guarantee that the panel will recommend an application for funding, as funds may not be sufficient to recommend a grant for all applicants that score above the minimum threshold.

Prior success in receiving an Arts Organizations Grant is no assurance that an applicant will be awarded another grant.

4. APPLICATION REVIEW PROCESS

4.1 Eligibility Screening

Civic Arts Program staff will review for completeness and eligibility all applications that meet the deadline. Applications that pass this initial review will then be evaluated for their strengths by a separate Grant Review Panel, which will rely on the application and related materials submitted by applicants.

4.2 Grant Review Panel

Applications will be reviewed in categories differentiated into three categories (Small, Mid-Size Organizations, and Large Organizations) in order to make the competition among applications more equitable.

The Review Panel is comprised of individuals with substantial background in the arts and a demonstrated commitment to cultural equity, usually drawn from the ranks of experienced and skilled

managers and board members of greater Bay Area arts organizations, professional practicing artists from visual and performing arts fields, and experienced arts grant-makers from the philanthropic and public sectors. An open call and application for potential review panelists will be advertised. Review panelists will be approved by the Civic Arts Commission.

Review panelists must not have any conflict of interest, which is defined as a situation in which a panelist has a competing professional, financial, or personal interest, which might make it difficult to fulfill his or her duties impartially and could impair an individual's ability to perform his or her duties and responsibilities objectively. A conflict of interest exists even if no unethical or improper act results. A conflict of interest can create an appearance of impropriety that can undermine confidence in the selection process, the Grants Program, the Civic Arts Commission and the City. If a panelist has a conflict of interest, they must recuse themselves and they must notify the City staff in advance of the panel (so that they're not assigned a lead reader role for those cases) and they must leave the room during any panel discussions regarding the applicant with whom there is a conflict of interest so that the panelist does not influence the process.

The City may engage an experienced consultant to conduct an in-depth examination of aspects of selected applications, in which case the consultant's reports will also be provided to the Review Panel. In addition, the City may provide prior grant report information and other officially gathered information to the Review Panel.

Applicants are encouraged to attend the Grant Review Panel meeting which will be held during normal City business hours and will be publicly accessible. Staff will send the grant review schedule and meeting location to applicants before the Review Panel meeting.

Applicants are not permitted to address the Review Panel. Panel notes summarizing the Review Panel comments will be made available to applicants after the Grants Committee's review of the panel recommendations, but before the Civic Arts Commission's approval.

After the Panel Meeting, Staff will review the Review Panel's recommendations to align proposed grant awards with available funds and for consistency with granting policies and guidelines.

4.3 Civic Arts Commission Approval and City Council Review

The funding recommendations are submitted to the Civic Arts Commission Grants Committee, which reviews them and makes reasonable modifications it deems necessary in order to be consistent with policy, before forwarding the recommendations to the full Civic Arts Commission. The award amounts as recommended by the Grants Committee are made public at least five business days prior to the Civic Arts Commission review. The Civic Arts Commission reviews the funding recommendations for approval and once approved sends the slate of selected grantees and grant amounts to City Council for review. Grant awards are subject to the City Council's adoption of the annual budget, which usually occurs in June.

5. SELECTED GRANTEE CONTRACTUAL REQUIREMENTS

5.1 Business License and Insurance Requirements

Successful grant applicants must have a current Berkeley Business License. This includes the organization and the fiscal sponsor if using one. In addition, successful grant applicants must submit a certificate of insurance satisfactory to City of Berkeley Risk Management in order for their grant awards to be processed.

5.2 Invoices

Grantees may invoice for up to 90% of the grant amount once they have entered into a grant agreement with the City of Berkeley. Grantees may invoice for remaining grant funds upon approval of the Final Report by Civic Arts staff.

5.3 Final Report

All Grantees must complete and submit the City's Final Report form for the grant no later than 60 days after the fiscal year end. Grantees must be current on filing required reports before they can receive grant funding. Programs and projects must have been developed and presented in Berkeley with meaningful, accessible engagement of the public during the grant period.

5.4 Financial Penalty for Late Final Reports

If Final Reports are not submitted by the deadline, the City of Berkeley may assess a financial penalty of \$25 per day for each business day a submission is late beyond the submission requirements deadline. The penalty amount will be deducted from the final invoice payment. The penalty amount is capped at 10% of the total grant amount.

5.5 Acknowledging City Support

It is important that the Berkeley community know that their local tax dollars make it possible for them to enjoy the caliber of arts produced in Berkeley. All grantees should recognize Civic Arts Grants in the same manner in which it recognizes other contributors in terms of benefits, type size on publications, and frequency of acknowledgement. Failure to comply with this request may affect future grant opportunities.

Grant recipients must acknowledge the City's financial support in all appropriate materials and media. The acknowledgement should read, "Supported in part by a Civic Arts Grant for Arts Organizations from the City of Berkeley" or similar language, unless the City is a part of a list of supporters. In the latter case, the acknowledgement may say simply City of Berkeley. Grantees must display the City's logo whenever other sponsor logos are displayed, and in accordance with City logo use guidelines.

5.6 Project Notification

Grantees must provide a 30 day advance notice to their City Council Office and Civic Arts Program to invite representatives to the public presentation of the funded program.