



# Operating Support Grants: Guidelines for Fiscal Year 2024

Effective July 1, 2023 through June 30, 2024

## Program Intent

The intent of the Operating Support grant program is to strengthen and stabilize arts organizations that demonstrate programming of high artistic quality and efficient management by supporting their organizational goals and day-to-day operations rather than specific projects.

## Grant Award Amounts

Operating Support grants are two-year grants and available in two levels based on average annual expenses:

- 1) Average annual **expenses under \$25,000: may request up to 35%** of that average for each of two years
- 2) Average annual **expenses of \$25,000 to \$173,999: may request up to 15%** of that average for each of two years.

For both levels, a competitive grant round may result in awards less than the requested amount, with the available budget split among all applicants who meet the grant criteria.

The Operating Support grant program is dependent on funding from the voters of Minnesota, thanks to MN State legislative appropriations from the arts and cultural heritage fund.

Organizations may be awarded a maximum of \$20,000 in SW MN Arts Council grants per fiscal year, excluding operating support.

## SW MN Arts Council Contact Info

Contact the SW MN Arts Council (SMAC) office with questions, for a draft review, or if you need accommodations while applying for this grant.

Email: [info@swmnarts.org](mailto:info@swmnarts.org). Phone: 507-537-1471 or 800-622-5284. Website ([www.swmnarts.org](http://www.swmnarts.org))

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## Important Dates and Deadlines

### Project Start and End Dates

The start date for a SMAC grant is defined as the point at which the project is set in motion (e.g. auditions, rehearsals, advertising and public notification, payment of fees, ordering and/or paying for supplies or printed material, etc.). No funds can be expended prior to the project start date. Funds spent before the project start date, such as a deposit on a contract, cannot be included in the grant project budget. No advertising by the applicant organization can take place before the start date, whether or not it will be paid for through the grant. However, posting basic information such as event dates is allowed.

The funding years for SMAC operating support grants will run from January 1 through December 31. The project end date for this two-year grant will be December 31, 2025, two years after the start date.

### Application Deadlines

Applications must be submitted by 4:30 pm on the deadline date.

### ***OPERATING SUPPORT DATES***

- Grantwriting Webinar: August 10, 2023
- **Pre-Application Financials Deadline: September 20, 2023**
- Request application draft review by: October 11, 2023
- **Application Deadline: October 25, 2023**
- Panel Review: November 18, 2023
- Board Action: November 28, 2023
- Earliest Project Start Date: January 1, 2024

## Who Can Apply

### Geographic Area

Applicant organizations must be located within the SW MN Arts Council service region, consisting of eighteen counties (Big Stone, Chippewa, Cottonwood, Jackson, Kandiyohi, Lac qui Parle, Lincoln, Lyon, McLeod, Meeker, Murray, Nobles, Pipestone, Redwood, Renville, Rock, Swift, and Yellow Medicine counties) and two tribal nations (Pezihutazizi/Upper Sioux Community, Cansayapi/Lower Sioux Community). We acknowledge that the Southwest Minnesota region occupies the traditional, ancestral, and contemporary lands of the Dakota people.

### Types of Organizations

The Operating Support grant program is open to nonprofit organizations as described in Section 501 (c)(3) of the United States Internal Revenue Code with Articles of Incorporation on file with the State of Minnesota.

Additional requirements include:

- A mission statement that is focused clearly and solely on the arts
- At least two years of completed arts programming and financials
- Total annual expenses of less than \$174,000

## Ineligible Activities

The following are NOT eligible for these grants:

- Organizations that are eligible to receive an Operating Support grant from the Minnesota State Arts Board. (In fiscal year 2024, arts organizations with two-year averaged annual expenses of \$174,000 or over are eligible to apply for a Minnesota State Arts Board Operating Support grant.)
- SMAC operating support funds used as a match for other SMAC grants.
- SMAC operating support grant recipients including pro-rated general operating costs in the budget for any other SMAC grant request covering the same time period as the operating support grant.
- Applications that do not have an art focus.
- Activities of a for-profit project, organization, or business.
- Applications that are primarily for educational projects within a school system.
- Requests for new building construction, purchase of real estate, or endowment funds.
- Fundraising events. Grant funding should allow projects to break even, not make a profit.
- Payment of costs for projects that will take place outside the geographic boundaries of the state of Minnesota or costs related to travel outside the state of Minnesota, including performer, artist, or consultant travel.
- Costs for relocating the applicant's legal address/residence outside the state of Minnesota.
- Projects for which artists are required to pay excessive entry or exhibition fees in order to exhibit or perform in the project for which funds are sought.
- Activities which are not open to the public. Projects must be inclusive and accessible in their process and/or final product, considering economic, geographic, and physical accessibility, as well as the cultural, racial, ethnic, age, and gender make-up of the community.
- Activities essentially for the religious socialization of the participants or audience.

- Activities that attempt to influence any state or federal legislation or appropriation.
- Applications submitted for the purpose of regranting, lobbying, or scholarships.
- Projects that don't provide timely promotion of the project throughout the SMAC region with use of the proper funding credit line and logo.
- Requests for funds to account for deficits in projects or programs begun prior to the project earliest start date. In other words, payment of debts incurred before the grant activities begin or outside of the grant project scope of activity.
- Applicants with past due SMAC final (or other) reports.

## How to Apply

### Application Assistance

Before beginning an application, applicants are encouraged to contact SW MN Arts Council to determine if this grant program is right for their project and that their activities and expenses are eligible. Other forms of assistance include grant support open office hours, info sessions and webinars, and conversations with staff. Visit the SMAC website for more details.

To request a review of your application prior to submission, contact staff at least two weeks prior to the deadline. A staff member will review the application, as time permits, for eligibility and completed requirements. Staff review does not imply that a grant request will be funded. Project quality, content, budget, and accuracy of an application are solely the responsibility of the applicant.

### Accommodations

Applicants may fill out and submit their application in several ways:

- through our online grant system, accessed on our [website](http://www.swmnarts.org) ([www.swmnarts.org](http://www.swmnarts.org))
- in a Word document, submitted by email along with required attachments to [info@swmnarts.org](mailto:info@swmnarts.org). The document can be found on the webpage for this grant program.
- on paper with required attachments, submitted by mail (PO Box 55, Marshall, MN 56258) or contact us to arrange drop-off. Print out a questions document from our website or contact us to request a paper copy.

Contact the SW MN Arts Council office if other accommodations such as audio or video responses are needed.

### Required Pre-Application Submission

To determine your maximum allowed request amount, you must submit financial information for your organization's two most recently completed fiscal years. Email a completed financial statement form via email to [info@swmnarts.org](mailto:info@swmnarts.org) by September 20, 2023. The form will calculate the maximum amount you can request. SMAC staff will reply to approve that amount, and then you can move forward with your actual application.

## **Application Questions**

In the application, you will describe your goals for the coming two years and answer questions related to the following criteria:

- the artistic quality and merit of your organization's programs and activities
- your organization's commitment to the community
- your organization's management practices
- the impact the funds will have on your organization's capacity and stability

You will also be asked to provide some demographic and financial data, along with contacts for your organization.

## **Materials Needed**

You will need to provide the following materials:

- Work samples showing the quality of your programming (attachments or links)
- List of board members
- Resumes for key personnel
- Two-year budget narrative
- Evaluation tool (optional)

Organization applicants must provide their EIN, which is used to verify their 501(c)(3) status.

## **Grant Review Process**

### **Eligibility Check**

SMAC staff reviews submitted applications for eligibility and completeness. If there are missing requirements or eligibility concerns, the applicant will have 48 hours to make corrections or provide additional information. Only eligible, complete applications will be forwarded to the grant review panel.

### **Grant Review Panel**

A grant panel reviews all eligible applications based on the criteria for the grant program, outlined below. Panelists are chosen for their knowledge and expertise in the arts and nonprofit management and their ability to interpret the guidelines and review criteria equitably and fairly for each application. Geographic representation, ethnicity, and gender are also considered to ensure the panel reflects the diversity of the region. Board and panel members with a conflict of interest in regard to a specific applicant or project declare such and abstain from comment and scoring of that application.

### **Scoring Criteria**

The review panel will use the following criteria to score each application:

- *Artistic Quality and Merit (34% of total score)*
  - The organization has a clear, meritorious mission that is focused clearly and solely on the arts.

- The organization shows evidence of high artistic standards in its activities.
- The organization demonstrates artistic growth in recent years.
- The organization contributes to the artistic development of the respective art form and/or audience.
- *Commitment to the Community (22% of total score)*
  - The organization assesses the community's needs and responds to those needs to the benefit of the community.
  - There is evidence of ongoing support from the community in terms of financial contributions, the contribution of volunteered time or materials, and attendance at projects or events.
  - The applicant identifies the underserved and/or underrepresented groups in their community and attempts to reach one or more of those groups to enable them to participate in their activities.
  - The applicant is making an effort in regard to ADA accessibility.
- *Organizational Stability & Management (22% of total score)*
  - The board of directors' members and practices enable it to operate effectively.
  - Staff and other paid or volunteer personnel, especially the main staff person (or president, if no staff) and the person responsible for finances, are qualified.
  - The organization has an effective marketing plan.
  - The organization shows that it has the capacity to accomplish its work and continue long-term.
  - Good planning practices are implemented in the organization's regular activities.
  - There is evidence of sound fiscal management and financial information reflects a variety of income sources.
- *Impact (22% of total score)*
  - The organization has identified how these funds would increase its capacity and long-term stability.
  - The organization has identified how these funds would allow them to challenge and stretch their organization while building on their mission and programming.
  - The applicant has identified specific proposed changes to take place as a result of this funding and a plan to measure or prove whether those changes have taken place.

### **Observation**

The date and time of the panel meeting will be posted on the SMAC calendar ([www.swmnarts.org/calendar/](http://www.swmnarts.org/calendar/)). SMAC operates in the spirit of the State of Minnesota open meeting guidelines, so applicants are allowed to observe grant review panel proceedings. They must notify SMAC staff at least 24 hours in advance of the meeting time if they plan to observe. Applicants will then receive a link if the meeting is virtual. Applicants cannot interact with the panel. If attending virtually, applicants must turn off their microphones and cameras.

Grant applicants may not discuss their application with SMAC panelists or board members following the grant deadline, until after the board has acted on the application. Communication regarding an application with SMAC board or panelists during this time will result in the application being ineligible for funding consideration.

## **SMAC Board**

The recommendations of the panel are submitted to the SMAC Board of Directors for final approval, splitting the available budget among all applicants who met the grant criteria.

## **Notification**

All applicants will receive email notification of acceptance or denial after the SMAC Board's final funding decisions. If an application receives partial funding, a revised project description and budget must be submitted within 30 days of notification.

## **Appeals Policy**

Any applicant who can show cause that established grant review procedures were not followed, or can show that the policies of the program are not equitable to all applicants, may file an appeal in writing within ten (10) days of notification of the Board's decision on that application. There is no right of appeal to dispute decisions in regard to each program's respective criteria. Contact SMAC at 800-622-5284 or [info@swmnarts.org](mailto:info@swmnarts.org) for more details about the appeal process.

## **Grant Contract and Distribution of Funds**

All awarded grantees must sign an electronic contractual agreement within 30 days of notification. Failure to provide any required documents within the prescribed time can result in the cancellation of a grant commitment.

Year 1 grant funds will be paid in full in January 2024 after completion of the Year 1 grant contract. All Year 1 funds must be expended by December 31, 2024.

Year 2 grant funds will be paid in full in January 2025, on completion of the Year 2 grant contract. All Year 2 funds must be expended by December 31, 2025.

## **Acknowledgement of Financial Assistance**

Funding for this grant program comes from the voters of Minnesota, thanks to a legislative appropriation from the arts and cultural heritage fund.

SMAC's financial assistance must be acknowledged on all publicity and promotional materials through the credit line included in your grant contract. The grant contract will direct you to the specific credit line to use and if the Legacy Logo (shown here) should be used in promotion of the project.



A complete listing of all funding credit lines, logos, and posters is located on the SMAC website. [Grant Credit Lines and Logos](https://swmnarts.org/grant-credit-lines/) (https://swmnarts.org/grant-credit-lines/)

## **Reporting**

- An interim report will be due March 1, 2025, 60 days after the end of the first funding period.
- A final report is due March 1, 2026, 60 days after the end of the second funding period.

The report forms can be accessed within SMAC's online grant system. The reports require an evaluation of the year's accomplishments, along with actual costs, audience numbers, etc. Grant awards may be reduced if actual expenses are significantly less than projected expenses. Failure to submit a report within 60 days of the end of the project without a prior request for an extension will result in a 20% penalty on the applicant's next application. If an interim or final report is not submitted and there is no communication from the grantee over a period of six months after the report deadline the grant will be closed and the grantee must wait three years before they are eligible to apply to SW MN Arts Council again.