

Grants for Organizations (GFO) FY2025 Guidelines

DEADLINES:

September 15, 2023: Intent to Apply Form November 15, 2023: On Year Application December 15, 2023: Off Year Application





Individuals who do not use conventional print may contact the Maryland State Arts Council to obtain this publication in an alternate format. 410-767-6555 or msac.commerce@maryland.gov



For individuals who are deaf or hard-of-hearing. TTY: Maryland Relay 1-800-735-2258 or 711

This publication is available as a PDF file on the MSAC website: www.msac.org.

Maryland State Arts Council

Overview

The Maryland State Arts Council (MSAC) advances the arts in our state by providing leadership that champions creative expression, diverse programming, equitable access, lifelong learning, and the arts as a celebrated contributor to the quality of life for all the people of Maryland.

The Council comprises an appointed body of 17 citizens from across the state, 13 of whom are named by the Governor to three-year terms that may be renewed once. Two private citizens and two legislators are appointed by the President of the Senate and by the Speaker of the House. All councilors serve without salary.

To carry out its mission, MSAC awards grants to not-for-profit, tax-exempt organizations for ongoing arts programming and projects. MSAC also awards grants to individual artists and provides technical and advisory assistance to individuals and groups. MSAC reserves the right to prioritize grant awards.

MSAC receives its funds in an annual appropriation from the State of Maryland and from grants from the National Endowment for the Arts, a federal agency. MSAC may also receive contributions from private, non-governmental sources.

Authority

MSAC is an agency of the State of Maryland under the authority of the Department of Commerce, Division of Tourism, Film and the Arts.

Wes Moore, Governor
Aruna Miller, Lieutenant Governor
Kevin Anderson, Secretary
Signe Pringle, Deputy Secretary
Thomas B. Riford, Assistant Secretary
Steven Skerritt-Davis, Executive Director, MSAC

Mission and Goals

MSAC's mission is to advance the arts in our state by providing leadership that champions creative expression, diverse programming, equitable access, lifelong learning, and the arts as a celebrated contributor to the quality of life for all the people of Maryland.

MSAC's most recent strategic plan outlines five goals:

- 1. Increase Participation: Broaden MSAC's constituency, providing avenues designed to increase pathways to engagement.
- 2. Provide Intentional Support: Embrace thoughtful and targeted approaches to serving known and yet to be known MSAC constituents.
- 3. Build Capacity: Work strategically to further build organizational and governance capacity to ensure that MSAC is capable of vigorously delivering on its mission.
- 4. Leverage Connections: Further enhance current relationships and involve additional collaborators, and constituents who will benefit from and advance the work of MSAC.
- Bolster Maryland Arts: Showcase the high caliber, diverse and relevant work of Maryland's artists and arts organizations; their contributions to community vitality and MSAC's role as a catalyst.

Visit the About Us page at msac.org to read the full strategic plan and learn more about implementation actions.

Equity and Justice Statement

The arts celebrate our state's diversity, connect our shared humanity, and transform individuals and communities. The Maryland State Arts Council (MSAC) and its supporting collaborators are committed to advancing and modeling equity, diversity, accessibility, and inclusion in all aspects of our organizations and across communities of our state.

MSAC and its grantees are committed to embracing equity and non-discrimination regardless of race, religious creed, color, age, gender expression, sexual orientation, class, language, and/or ability.

The driving goals of MSAC's granting processes are:

- To yield a greater variety of funded projects
- To eliminate biases that may be found in any part of the granting process (e.g., applications, panelist procedures, adjudication systems)
- To acknowledge positions of privilege while questioning practices, shifting paradigms of status quo arts activities, and taking more risks
- To expand deliberations to include criteria beyond current conventions or Western traditions

Accessibility Policy

The Maryland State Arts Council (MSAC) is committed to making sure all Marylanders can access our programs and services. Everyone is welcome, and all events and activities sponsored by or operated within MSAC must be fully accessible both physically and programmatically. MSAC complies with all applicable disability-related statutes and regulations and seeks to ensure meaningful participation by all Marylanders regardless of need or ability.

Feedback Procedures

If guests would like to provide general feedback to MSAC about accessibility for MSAC's programs or programs funded by MSAC, contact MSAC at msac.commerce@marvland.gov.

Grievance Procedures

For programs or services provided by MSAC

If a program or service operated by MSAC, facilities operated by MSAC, or public meetings conducted by MSAC are inaccessible to persons with a disability or is illegally discriminatory and you want to file a grievance:

- If you have any questions or would like to discuss the situation before filing a grievance, contact the Accessibility Coordinator.
- To file a formal grievance, contact Dan Leonard, Director of EEO & Fair Practices and ADA Coordinator: daniel.leonard@maryland.gov

For programs or services that are not provided by, but are funded by MSAC

- Communicate the grievance to the sponsoring organization.
- If you think your grievance was not handled appropriately by the sponsoring organization, or if you have not received a response from the organization within thirty (30) days, contact MSAC to file a formal grievance at 410-767-6555 or msac.commerce@maryland.gov.

MSAC will work with you to provide assistance as appropriate.

Accessibility Web Page

MSAC has a dedicated accessibility page on msac.org that includes contact information for the accessibility coordinator, federal and state regulations, the organization's Equity and Justice statement, grievance procedures, an emergency preparedness plan, accommodation policies, and other accessibility resources for artists and arts organizations, and PECS images.

Language Access

MSAC makes language accessibility services available. Services include making translations of grant materials, remote American Sign Language (ASL) interpretation, subtitles, braille translation, translation into languages other than English, and more. Please contact msac.commerce@maryland.gov for more information.

En Español/Spanish: MSAC pone a disposición servicios de traducción y accesibilidad de idiomas. Contacte msac.commerce@maryland.gov para más información.

中文普通话/Mandarin Chinese: 马里兰州艺术委员会(MSAC)提供翻译和语言无障碍服务。请联系msac.commerce@maryland.gov了解更多信息。

한국어/Korean: MSAC 는 한국어 지원을 돕고 있습니다. 자세한 문의사항은 <u>msac.commerce@maryland.gov</u>로 연락 주시기 바랍니다.

Professional Grants Review Panels

To assist the Council in its decision-making, professionals in the arts are appointed to a variety of grants review panels. The function of panels is to evaluate applications from organizations and individuals and to offer policy recommendations to the Council. Each year, MSAC publishes an open call, and more than 100 individuals serve as grants review panelists for the Council's programs, including Grants for Organizations, Arts in Education, Independent Artist Awards, Public Art Across Maryland, Creativity Grants, Maryland Touring Grants, Maryland Touring Artist Roster, Maryland Traditions grants, and County Arts Development. Anyone wishing to serve should visit msac.org for detailed information and application forms for any open calls.

Staff

MSAC maintains a professional staff to administer its grants programs and Council-initiated programs. Staff members are available to provide technical assistance to the arts community.

Meetings

All Council and Grants Review Panel meetings are open to the public in accordance with the Open Meetings Act set forth in Title 3 of the General Provisions Article of the Annotated Code of Maryland. The dates, times, and locations of Council and Grants Review Panel meetings may be obtained from the MSAC website at www.msac.org or by contacting MSAC offices at (410) 767-6555.

Requirements For Grant Recipients

- Must comply with Title VI, Section 601, of the Civil Rights Act of 1964, which states that no persons, on the grounds of race, color, or national origin, shall be excluded from participation in, be denied the benefits of, or be subjected to discrimination related to, the arts.
- Must comply with Title IV, Section 1681, of the Education Amendments of 1972, and the Age Discrimination Act of 1975, Section 6101, which prohibit discrimination on the basis of sex or age.
- Must maintain complete and accurate records of all activities connected with the grant.
- Must have filed a satisfactory reporting with MSAC for the most recently completed fiscal year.
- Must file a final report in alignment with the program requirements. Necessary reporting methods will be
 provided by MSAC in ample time to meet the deadline. Failure to report may jeopardize any future grant being
 received by the organization and may result in the organization being required to repay grant funds.
- Must give credit to MSAC in accordance with the <u>Recognition Guidelines</u> whenever and wherever credit is being given.
- Must notify the appropriate MSAC staff person in writing if a significant change is made in any MSAC-funded program or project.

Accessibility Requirements for Grant Recipients

Grantees must ensure that any programming remains accessible to all, and if needed, conduct programs in accessible venues other than their own organization in order to meet accessibility requirements. Grantees are required to:

- 1. Comply with Section 504 of the Rehabilitation Act of 1973, as amended, and the Americans with Disabilities Act of 1991, as amended.
- 2. Prohibit discrimination on the basis of: (a) political or religious opinion or affiliation, material status, race, color, creed, sexual orientation, or national origin: of (b) gender expression, sex, or age, except when age or sex constitute a bona fide occupational qualification; or (c) the physical or mental disability of a qualified individual with a disability.
- 3. Designate an Accessibility Point of Contact to ensure compliance, receive accommodation requests, and document grievances, and publish direct contact information for the Point of Contact to the public.
- 4. Create and publicly share a grievance procedure to allow stakeholders to address any events or programs that are inaccessible.
- 5. Upon request, submit documentation of operations and compliance with the above.

Notice: Certain personal information requested by the Department of Commerce is necessary in determining eligibility for grants. Failure to disclose this information may result in the denial of one or all of these benefits or services. Availability of this information for public inspection is governed by the provisions of the Maryland Public Information Act, Title 4 of the General Provisions Article of the Annotated Code of Maryland. This information will be disclosed to appropriate staff of the Department, or to public officials, for purposes directly connected with administration of the program for which its use is intended. Such information is routinely shared with state, federal, or local government agencies.

Appeals Process

MSAC takes great care during the grant review process to ensure fair and equitable distribution of grant monies based on stated criteria. Therefore, dissatisfaction with the denial of an award or with the amount of an award is not sufficient reason for an appeal. However, a grant request may be reconsidered if a procedural impropriety or error has affected its review.

Grounds for such reconsideration are:

- A decision based on review criteria other than those stated in these guidelines.
- A decision based on material provided to panelists and/or Councilors that was substantially incorrect, inaccurate, or incomplete despite the applicant having provided the staff with correct, accurate, and complete application information.

Based on the above, if an applicant believes there is legitimate reason for an appeal, the following steps must be taken:

- The applicant must discuss the problem with the program director who handled the application.
- To pursue an appeal, the applicant must write a letter to the MSAC Executive Director within 60 days following
 receipt of the grant award or denial letter requesting a reconsideration of the Council's decision and stating the
 grounds for the request.
- The applicant will receive written notification on the determination of the appeal within 90 days of the receipt of the written request for reconsideration.

Constituent Opportunities

Maryland Arts Directory

All MSAC constituents are invited to create a profile on the Maryland Arts Directory, an online resource for promoting, selling, and raising the profile of the work of Maryland artists and arts organizations. Joining the directory is free and

available to all Maryland residents and organizations with a connection to the arts. Browse the directory at msac.org and log in or create a profile here.

Professional Development

MSAC maintains a regular schedule of virtual and in-person professional development offerings, including webinars, networking events, regional meetings, and a statewide symposium. Follow MSAC's <u>Eventbrite page</u> to learn more about upcoming professional development opportunities.

Overview

Purpose

The Grants for Organizations (GFO) program provides annual operating grants to organizations that produce or present the arts to the general public through public programs or services. The purpose of the GFO program is to strengthen the vitality and sustainability of Maryland's cultural organizations to maintain a strong and stable arts infrastructure in the State of Maryland. Eligible organizations may apply for a single GFO grant per year. The deadlines to apply are offered annually.

Terms followed by an asterisk(*) throughout are defined in the Glossary on the MSAC website.

Description

General Operating Grants (GOG)

GOG provides operating support to nonprofit organizations whose purpose is producing or presenting the arts through public programs or services. Applicants must be arts organizations, organizations whose mission/purpose is producing or presenting the arts through public programs or services, such as art museums, orchestras, galleries, theaters, arts centers, etc.

Organizations applying for General Operating Grants (GOG) must have allowable* operating income of more than \$50,000 to be eligible. The minimum General Operating Grants (GOG) will be \$1,000 and require a three to one cash match from non-state funds.

Arts Program Grants (PRG)

PRG provides arts program support to nonprofit organizations whose primary purpose is other than producing or presenting the arts, but who provide ongoing public arts activities through public programs. The mission of these organizations is not specifically dedicated to the arts but they do have ongoing arts programming. These are considered non-arts organizations for MSAC purposes. Examples include: community centers, churches, non-art museums, libraries, universities, etc.

These organizations may apply for an Arts Program Grant for the costs of their ongoing arts activities produced or presented for general audiences through public programs. Units of local government, colleges, and universities are also eligible to apply. Curricular activities or activities required of students are not eligible to be covered by an Arts Program Grant.

E.g., A Library is not an arts organization but it has an annual concert series that has been in place for a number of years. The library may apply for an Arts Program Grant specifically for the costs of their concert series.

Organizations applying for Arts Program Grants (PRG) must have allowable* operating expenses of more than \$50,000 for their Arts Program to be eligible. The minimum Arts Program Grant will be \$1,000. Arts Program Grants require a three to one cash match from non-state funds.

Artistic Categories

Eligible organizations may apply for a single GFO grant per year in only one of the artistic categories listed below.

Organizations should select the artistic category that most closely characterizes the <u>predominant</u> activities of their organization. Descriptions and definitions of the artistic categories are available in <u>Appendix B</u>. Contact the appropriate Program Director to discuss your organization's category.

GFO grants are awarded in the following artistic categories:

- Dance
- Folk and Traditional Arts
- Literary Arts
- Multi-Discipline A

- Multi-Discipline B
- Music
- Music C
- Theater

- Visual Arts/Media A
- Visual Arts/Media B
- Service

Those organizations that fall in the "Service" category will answer alternative questions noted within the application.

Grant Cycle

MSAC uses a staggered, three-year application cycle to conduct panel reviews of the majority of GFO applications. Artistic categories are rotated on the cycle and are in an "On Year" every three years, and in "Off Years" the two years between. Applications are submitted annually by all organizations; but the "Off Years" is a simplified application.

Three-Year Application Cycle

Organizations that are recommended for the three-year application cycle, and are in good standing with all grant reporting requirements, will go through a full panel review of their application once every three years. In this "On Year" the organization will be required to submit a full application, and will receive the appropriate site visits from grant review panelists as designated by the organization's grant type for GOG and PRG. In the two "Off Years" that follow, organizations will be required to submit a simplified application and will not go through a panel review. Organizations that consistently receive favorable reviews during the panel review process and application evaluation are likely to continue to be recommended for this three-year application cycle.

One-Year Application Cycle

Organizations not eligible or recommended for inclusion in the three-year application cycle are instead required to be on the one-year application cycle. Organizations recommended for the one-year application cycle are in the "On Year" status and are required to submit a full application, receiving the appropriate site visits from grant review panelists, every year until they are recommended for the three-year application cycle.

Scenarios in which an organization might be recommended for the one-year application cycle:

- First time applicants to the GFO Program.
- Applicants that did not receive funding in the previous grant cycle.
- Applicants that were recommended for a one-year application cycle in the previous fiscal year grant review, as noted in their grant award notification.
- Applicants with significant financial or organizational changes may be recommended for one-year funding.

Any organization may request an "On Year" full panel review at any time, with the understanding that the most recent panel score, whether it is lower or higher, will be used to determine the organization's grant amount.

To confirm your application status and deadlines, please contact your Program Director.

Check the On and Off Year schedule below or contact the appropriate MSAC program director for more information.

FY 2025

Applications: Support Period: July 1, 2024 through June 30, 2025

If awarded, funds must be spent or obligated by June 30, 2025. This means that the funds are expended, encumbered, or otherwise legally committed to be used, such that returning the unspent funds would cause the grantee legal harm.

"On Year" Artistic Categories submitting full GFO application.

Deadline will be on November 15, 2023 for:

- Literary Arts
- Music
- Visual Arts/Media A and B
- New applicants, those not funded for FY2024, and grantees notified of one-year funding with FY2024 award notification

"Off Year" Application deadline will be on December 15, 2023 for all other disciplines not listed above.

FY 2026

Applications: Support Period: July 1, 2025 through June 30, 2026 "On Year" Artistic Categories submitting a full GFO application.

Deadline will be on November 15, 2024:

- Dance
- Multi-Discipline A
- Music C
- New applicants, those not funded for FY2025, and grantees notified of one-year funding with FY2025 award notification

"Off Year" Application Deadline will be December 15, 2024 for all other disciplines not listed above.

FY2027

Applications: Support Period: July 1, 2026 through June 30, 2027 "On Year" Artistic Categories submitting full GFO application.

Deadline will be on November 15, 2025 for:

- Service
- Folk and Traditional Arts
- Multi-Discipline B
- Theater*
- New applicants, those not funded for FY2023, and grantees notified of one-year funding with FY2023 award notification

"Off Year" Application Deadline will be on December 15, 2022 for all other disciplines not listed above.

*For FY27, Children's Theater organizations in the Theater category will be considered for the Cherry Adler Award, a monetary award given every three years in honor of a former MSAC councilor and funded through private donations. Additional information about the award will be shared with eligible organizations ahead of panel review of GFO applications.

Eligibility

All Applicants to the GFO program must:

Produce or present the arts to the public through ongoing arts programming.

- Must be one of the following:
 - o 501(c)3 nonprofit organization (an organization with an IRS-designated 501(c)3 status).
 - Model A Fiscal Sponsorship (comprehensive sponsorship, in which the assets, liabilities, and exempt activities collectively referred to as the project are housed within the fiscal sponsor).
 - For fiscal sponsorships supporting an individual, the artist(s) must meet the residency requirements for Independent Artists.
 - o Unit of government (a unit of government [town, city, county, state] with the capacity to undertake an arts program)
 - College or university (an established higher education institution in Maryland)
 - Public, private and charter K-12 schools, and pre-schools are not eligible to apply.
- Be incorporated in Maryland as a nonprofit or have significant physical presence in Maryland. Organizations
 that are not incorporated in Maryland but have a significant physical presence in Maryland may not be eligible
 for a General Operating Grant, but may be eligible for an Arts Program Grant to support activities taking place
 in Maryland. For more information please contact the program director for the artistic category for which this
 scenario applies.
- Have operated as an arts organization or arts program for one full fiscal year and be able to submit a financial statement* for their most recently completed fiscal year at the time of application.
- Establish that the majority of the arts activities it produces and/or presents take place in Maryland and that
 most of the arts organization's or the arts program's annual expenditures are devoted to activities that occur
 within the State of Maryland.
- Must be governed by a legally-liable board of directors acting under a mission statement and budget specific to the organization.

Contact Information

MSAC staff offer the following technical assistance throughout the application process:

- Professional development related to grant writing and program requirements
 - See msac.org/programs/grant-organizations for upcoming How To Apply webinars and recordings of past sessions
- One-on-one conversations and feedback
 - Emily Sollenberger, Program Director, Arts Services (Visual/Media Arts, Multi-Discipline, Folk/Traditional Arts, Service)
 - emily.sollenberger@maryland.gov
 - **4**43.326.5637
 - Laura Weiss, Program Director, Arts Services (Theatre, Music, Dance, Literary Arts)
 - <u>laura.weiss@maryland.gov</u>
 - **4**43.326.5564
- Grants logistics and technological assistance
 - o Catherine Teixeira, Grants Director
 - catherine.teixeira@maryland.gov
 - **443.799.7256**
 - Tammy Oppel, Grants Management Associate
 - tammy.oppel@maryland.gov
 - **410.767.8851**
 - Kirk Snow, Grants Management Associate
 - kirk.snow@maryland.gov
 - **410.767.8865**

Application Process, Review, and Reporting

Process

SmartSimple

All applications are submitted via the secure online grants management system SmartSimple. Log in or create a free account at <u>marylandarts.smartsimple.com</u>.

- Applicants are required to complete and submit their applications by electronic means, including the use of an electronic signature.
 - Applicants must click the "Submit" button and SmartSimple must accept the application by 11:59P.M. to
 meet the deadline. Upon successful submission, applicants will receive an onscreen confirmation
 message and an email from SmartSimple with a copy of the application within one hour. Please check
 spam or junk folders if the messages do not appear in email inboxes within this timeframe.
- Lost, misdirected or late applications are the sole responsibility of the applicant.
- Applicants must meet all revision deadlines after submission, as specified in writing, or the application will be withdrawn.
- Technical support for SmartSimple is available during regular office hours, 8:00 AM through 4:00 PM, Monday through Friday.
 - Please note: MSAC staff are available for application assistance during regular business hours only, and will not be available for evening/weekend assistance prior to a deadline.

Matching Requirements

All General Operating Grants and all Arts Program Grants must be matched at least three to one (3:1) in cash. Funds or services from the State of Maryland are not allowed as part of the match. In-kind* contributions or donated services may not be used as part of the match.

Use of Funds

GFO funds may be used for an organization's (GOG or PRG) general operations. Please note the Allowable Income and Expenses, along with the Non-Allowable Income and Expenses listed below under Financial Requirements.

GFO funds may not be used for:

- Re-granting
- capital improvements* or purchases of permanent equipment
- acquisition of capital assets*
- activities for the exclusive benefit of an organization's members
- activities that are principally recreational, therapeutic, or rehabilitative
- travel outside Maryland to present or produce arts
- projects chiefly for classroom use
- activities not open to the general public
- scholarships awarded by the applicant organization for its own activities
- contributions to any persons who hold, or are candidates for, elected office
- contributions to any political party, organization, or action committee
- activities in connection with any political campaign or referendum

If awarded, funds must be spent or obligated by June 30, 2025. This means that the funds are expended, encumbered, or otherwise legally committed to be used, such that returning the unspent funds would cause the grantee legal harm

Application Types

Intent to Apply Application - New Applicants

Applicants are considered "new" if they did not apply for, or did not receive a Fiscal Year 2024 GFO grant award. All new applicants are required to complete and submit the **Intent to Apply Form** along with the required additional documents.

If a new nonprofit has been formed out of an existing GFO-supported organization, and the former nonprofit is no longer being supported through the GFO program, the newly formed organization may not be considered "new" within the GFO program. Through consultation with a GFO Program Director and with approval from the Executive Director, the newly formed nonprofit may use financials and programming from the last fiscal year of the former organization in the first year of its GFO application process. An Intent to Apply Form may be required of the newly formed nonprofit, along with the completion of an 'On Year' full application. The former and new organization should contact the assigned Program Director well in advance of the intent to apply deadline to discuss.

Intent to Apply Form - REQUIRED: Deadline Friday, September 15, 2023, 11:59pm

The Intent to Apply form and additional documents will be reviewed by the appropriate GFO program director to determine eligibility to apply for a GFO grant. You may contact the appropriate program director if you have questions. A list of arts council program directors with contact information for each artistic category is available in <u>Appendix B</u>. The Intent to Apply form must be submitted via Smart Simple by the deadline noted above.

New applicants who attempt to submit a full application without first verifying their eligibility by submitting an Intent to Apply form will be deemed ineligible.

You will be notified of your eligibility based on the review of the Intent to Apply application. If the organization is deemed eligible for the GFO program, it must submit a full "On Year" Application by November 15, 2023 at 11:59pm. See details below for the full "On Year" application process.

"On Year" Application - Returning and New Applicants

"On Year" Application: Deadline - Wednesday, November 15, 2023, 11:59pm

If your organization is on an "on year" because of its three-year cycle by discipline or if it was designated as participating in the one-year cycle this year, you must complete a full "On Year" application. All new organizations must complete an "on year" application. Submissions received after the deadline will not be considered for funding.

Preparing Your "On Year" Application

Please refer to the Review Criteria as you prepare your narrative and other required documents. All materials should tell the same story and represent your organization at its best. Panelists look for evidence of your commitment to your mission, vision, goals, and values, as well as sound governance, management and operations, based on your strategic planning. Grant review panelists look for evidence of your organization's understanding of, and responsiveness to, its community. During the panel meeting, panelists discuss and rate your application based on how your organization demonstrates that it meets the Review Criteria. A sample "On Year" application is found on the MSAC website, which includes the scoring rubric, and descriptions of the required documents that must be included for General Operating and Arts Program grant applicants.

"Off Year" Application - Returning Applicants

"Off Year" Application: Deadline - Friday, December 15, 2023, 11:59pm

The Off Year Application has a simplified narrative section for indicating any changes in the organization, and noting accomplishments. There is no panel review or site visits in the "Off Year." Organizations submitting an "Off Year" application are required to attach the documents specified in the application found in Smart Simple.

Review Criteria

The review of all GFO applications is based on the following four criteria from the lens of either the Arts Organization (General Operating: GOG) or Arts Program (Arts Program: PRG). Rubrics detailing these criteria can be found <u>on our website</u> under the "Application Process" section.

Why is the work of your organization important?

How does your organization design its programs?

How does your organization operate?

How does your organization evaluate what it does?

Financial Requirements

Financial information is an essential part of your application. All applicants must submit a signed financial statement or independent external audited financial statements* for your last completed and finalized fiscal year at the time of application submission.

NOTE - Organizations (GOG or PRG) with an allowable income of \$600,000 or more are required to submit an independent external audit at the time of the application deadline. If your most recently completed fiscal year audit is not finalized at the time of the application deadline, contact your Program Director prior to the deadline to discuss the option of submitting your audit after the deadline, which must be received by the Program Director on or before **March 1, 2024**. If this is not possible, the organization would be required to submit the previous year's completed audit as part of the application. If a financial statement meeting this criteria is not provided, the application will be considered incomplete, and deemed ineligible.

Allowable* expenses and income include but are not limited to artist fees, salaries, technical fees, marketing, exhibition materials, theater sets, musical scores, rentals on space and objects necessary to production and administration, educational fees, supplies for classes and productions and other costs to maintain an arts organizations or arts program. Revenues may include but are not limited to ticket sales, tuition, donations, foundation support, corporate support, public support, gift shop sales, fundraisers, income released from restriction, etc.

Arts Programs should include direct costs* of the arts program as well as expenses that are prorated.

Non-allowable* Income or Expenses are those deemed by MSAC to be non-permissible in figuring total operating expenses and operating income when calculating a grant amount. Non-allowable* as operating expenses include but are not limited to re-granting*, accessions, acquisition of capital assets*, allocations to cash reserves*, capital improvements*, depreciation*, deficits, loan principal payments, contributions to endowments* or scholarships awarded by the applicant organization for its own activities. Non-allowable* as operating income include but are not limited to are loans, carryover, debt forgiveness, support from the parent organization, transfer of funds earned in prior years, revenue raised for capital or endowment funds or funds intended for the purpose of re- granting, unrealized gains/losses; prorated salaries, rent, or utilities, temporarily restricted income; or other prorated expenses. Other items may be deemed non-allowable*. These items may be included in your financial statement* or budgets but will not be used to determine your "total allowable* income" when calculating your organization's grant amount.

Please note: Any income associated with MSAC's <u>Arts Relief Funding</u> - General Operating Support (Round 1 and 2) and <u>Special Request</u> program is <u>considered non-allowable income</u> and should be noted as such in financials for any GFO applications or reports.

All applicants are required to submit a current signed $\underline{W-9 \text{ Form}}$ upon application submission. The address on the W-9 Form must match the address of the applicant information entered in SmartSimple. If awarded, grant funds will be made payable to the person/entity and address indicated on the W9.

Review

Staff Review

After both the "On Year" applications and "Off Year" applications are received electronically they are reviewed by staff for completeness and adherence to GFO guidelines. Applicants will be notified if their application is incomplete and if additional information or corrections are necessary; applicants will be given a specific deadline in writing to provide any revisions and/or other necessary information. Applicants must meet all of these specified deadlines for completing/providing revisions and information or the application will be considered withdrawn.

Panelist Selection and Review

MSAC utilizes a peer Grants Review Panel to aid in its decision-making. The Panel is engaged to review and evaluate On Year applications only. Off Year applications do not receive a panel review as they are on a simplified schedule.

Panelists are professionals in the field with relevant knowledge and expertise in the artistic categories in which GFO grants are awarded. The panels will meet formally as a group and are instructed to evaluate applications according to MSAC's review criteria. At the panel meeting, an evaluative discussion will occur for each application. Following the discussion, panelists rate the application based on how well it meets the Review Criteria.

Artistic Activity Visits and In-Depth Conversations are conducted by panelists as a required part of the evaluation process for General Operating and Arts Program Grants submitting an "On Year" Application. Each GOG and PRG applicant submitting an "On Year" application is required to receive these visits by assigned panelists prior to the panel meeting:

- 1. Artistic Activity Visit— a panelist will attend or view a form of performance, exhibit or other event that is an example of artistic programming from the organization
- 2. In Depth Conversation a panelist will speak with organizational personnel and/or project directors to develop an informed opinion about how the proposed activities in the grant application meet the criteria.

Grant review panel meetings are open to the public for observation only, not for open participation. Representatives from your organization are encouraged to attend and hear the panel's comments about your application. If you are interested in observing a panel meeting discussion, please visit www.msac.org for updated information about dates, times and locations and/or call for details on the appropriate meeting.

Funding Amounts

GFO Grant award amounts are calculated by using a formula looking at an organization's allowable income, its application's score received from the grant review panels, and a percentage cap allocation.

Application Score – (All GFO Grants)

Grant Review Panels submit scores for each "On Year" GFO Application they evaluate. This percentage score is calculated directly into the Grant Award Amount.

Funding Formula - Cap Allocation

The budget of MSAC changes each year and is approved by the Governor and the General Assembly. On September 9, 2021, the Maryland State Arts Council voted to adopt a new funding formula for the GFO program in an effort to more equitably distribute state appropriated funds to arts organizations across the state. The change will be implemented over a five-year phase-in period beginning in FY2024 through FY2028. The new formula groups organizations into five budget tiers, providing a larger percentage of the GFO budget as a maximum grant award to smaller budget organizations, and a smaller percentage to larger organizations that have greater access and connections to non-governmental funding sources, professional fundraising staff, and other resources.

There will be a 5 year "phase in" process of the new funding formula. Over 5 years (starting with FY24 funding), the formula's target cap allocations will adjust so that they align philosophically with the explanation above. Approximate cap allocation percentages by Tier level for FY28, when the funding formula will be fully implemented, are offered below for reference:

Tier 1: (Organization is budgets between \$50K - \$500K) - 15% (cap allocation) over 5 year transition

Tier 2: (\$500K - \$1.5M) - 10% (cap allocation) over 5 year transition

Tier 3: (\$1.5M - \$5M) - 6% (cap allocation) over 5 year transition

Tier 4: (\$5M - \$10M) - 4.5% (cap allocation) over 5 year transition

Tier 5: (\$10M+) - 4% (cap allocation) over 5 year transition

During this 5 year process, a grant amount maximum will also be put implemented, as follows:

Year 1 (FY24): \$1.4M maximum grant

Year 2 (FY25): \$1.3M maximum grant

Year 3 (FY26): \$1.2M maximum grant

Year 4 (FY27): \$1.1M maximum grant

Year 5 (FY28): \$1M maximum grant

Note - the cap allocations will vary based on the MSAC funding allocation each year for the GFO program, along with the other variables, including number of organizations in the GFO program, and each organization's allowable income year to year, and panel score.

The funding formula is the following:

Total Allowable Income \$ X Panel Score % X Cap Allocation % = Grant Award

The funding amount for applicants submitting an "On Year" GFO Application is determined by MSAC's review processes. For applicants in the three-year grant cycle, funding for the second and third years ("Off Years", when submitting the abbreviated application) will take into account the funding percentage and the organization's total allowable income* for the given fiscal year, provided the level and scope of the organization's activities remain consistent.

The Allowable Income used in the Funding Formula comes from the Financial Table within the application, and verified by the attached financial statement provided by the applicant in the application.

If your organization is identified as having experienced a significant change in income from the previous fiscal year, the total allowable income will be adjusted in the following way to account for the significant change:

Final Total Allowable Income = (Previous Fiscal Year Allowable Income + 50% of Current Fiscal Year Income)

"Significant increase" is defined as a 50% or more growth in allowable income from the previous fiscal year. Additionally, "significant decrease" is defined as a 50% or more decrease in allowable income from the previous year.

Notification and Payment

After the staff and panel reviews (if applicable) are completed, recommendations are presented to the Council's Grants Committee, a committee composed of Councilors appointed by the Council Chairperson. Following this review, the Grants Committee presents the funding recommendations for each category to the full Maryland State Arts Council. The

Council meets in June to review the recommendations and reach funding decisions. The Council's decisions are forwarded to the Secretary of Commerce (or their designee) for final approval.

All applicants to the FY2025 GFO program will receive notification of their grant award or denial after July 1, 2024. The individual listed as the primary contact in the application will receive all notifications. Notifications from SmartSimple will be sent from noreply@smartsimple.com.

The notification will include information on accessing the grant agreement* form; this must be signed and the grant recipient must meet all reporting requirements before grant funds are disbursed.

Unless otherwise notified by the Program Directors, funds are distributed in two installments—75% after the Grant Agreement Form and if applicable, final reports from the previous FY are submitted and approved, and the remaining 25% after the Interim Report is submitted and approved in January. Please note that at the discretion of the Program Directors, grantees experiencing significant organizational change or transition may be required to submit quarterly reports with funding distributed on a quarterly basis, after each report is submitted and approved. Grantees in such situations will be notified directly by the Program Directors.

The grantee will receive the first payment approximately 6 to 8 weeks from the date of receipt of a fully executed Grant Agreement Form and the approval of the previous year's Final Report (if applicable) due August 15, 2024. The grantee will receive the second payment approximately 6 to 8 weeks from the date of the approval of the grant's Interim Report due January 31, 2025.

Those who are prior grant recipients can elect to receive grant payments via direct deposit, please follow the instructions and complete the required forms from the <u>Comptroller of Maryland</u>.

New grant recipients will receive grant funds via check made payable to the name and address indicated on the grantee's W9.

If the grantee owes any Maryland state taxes or other state liabilities, the General Accounting Division (GAD) of the State Comptroller's office may intercept grant payments and hold them until the liability is resolved. Should this be the case, GAD will send written notice of this directly to the grantee via mail. MSAC is not provided further information as it is confidential; grantees will be able to find more info and discuss options with the Central Collections Unit (CCU) at 410-767-1642.

Reporting

If awarded a GFO grant, recipient organizations must file an interim and a final report in SmartSimple by the deadlines specified in communications from MSAC with the organization. Both reports require narrative and financial updates on arts activities conducted during the grant support period. Failure to submit reports by the specified deadlines may jeopardize current and/or future MSAC grants being received by the organization and may result in requiring repayment of grant funds. Before any funds are distributed, GFO grantees are also required to submit any outstanding reports/requirements for any other MSAC grants they have received. Submitting a late interim or final report may cause ineligibility for funding in the following year.

FY25 Interim Report are due on January 31, 2025

FY25 Final Reports are due on August 15, 2025

If awarded, FY25 GFO funds must be spent or obligated by June 30, 2025. This means that the funds are expended, encumbered, or otherwise legally committed to be used, such that returning the unspent funds would cause the grantee legal harm

Appendix A

Annual Grants for Organizations Timeline

Annual Application Deadlines

Intent to Apply (new applicants only): September 15

On Year Application: November 15 Off Year Application: December 15

Panelist Review Period (On Year)

Written Application Review: November - January

Extension Assignments (Artistic Activity Visit, In-Depth Conversation): February - March

Staff Reviews (On Year & Off Year)

Applications: December - March

Updated Financial Statements Submitted (if applicable) - March 1

Panel Meetings - Virtual (On Year): late March-early April

Program Directors Finalize Formulas for Grant Recommendations: April - May

Council Reviews and Approvals: May - June Notifications to Grantees: mid-late July

Annual Report Deadlines

Mid Year Interim Report: January 31

Final Report: August 15

^{*}Note there may be more specific deadlines throughout each fiscal year that Program Directors will communicate directly.

^{**}Note all dates are subject to change within a given fiscal year's guidelines

Appendix B - GFO Artistic Categories and Program Directors

Service: Grants in this category support organizations that support organizations and/or independent artists as entrepreneurs that produce and present arts and arts education programs. Program Director: Emily Sollenberger 410-767-6484; emily.sollenberger@maryland.gov

Dance: Grants in this category support organizations that produce or present dance. Program Director: Laura Weiss, 410-767-6545; laura.weiss@maryland.gov

Folk and Traditional Arts: Grants in this category support organizations that primarily document, produce, and/or present folk and traditional arts. Program Director: Emily Sollenberger, 410-767-6484; emily.sollenberger@maryland.gov

Literary Arts: Grants in this category support organizations that present, publish, or disseminate all literary forms. Program Director: Laura Weiss, 410-767-6545; laura.weiss@maryland.gov

Multi-Discipline* A: Grants in this category support organizations that produce or present arts events in two or more artistic disciplines, none of which predominate, and interdisciplinary arts activities that combine two or more artistic disciplines. Those with a predominant discipline should apply in that discipline. Program Director: Program Director: Emily Sollenberger, 410-767-6484; emily.sollenberger@maryland.gov

Multi-Discipline* B: Grants in this category support arts festivals, and units of local government or government agencies that produce or present arts events in two or more artistic disciplines, none of which predominate, and interdisciplinary arts activities that combine two or more artistic disciplines. Those with a predominant discipline should apply in that discipline. Program Director: Emily Sollenberger, 410-767-6484; emily.sollenberger@maryland.gov

Music: Grants in this category support organizations that self-produce music Program Director: Laura Weiss, 410-767-6545; laura.weiss@maryland.gov

Music C: Grants in this category support organizations that present music programs. Program Director: Laura Weiss, 410-767-6545; laura.weiss@maryland.gov

Theater: Grants in this category support organizations that produce or present theater Program Director: Laura Weissi, 410-767-6545; laura.weiss@maryland.gov

Visual Arts/Media A: Grants in this category support arts organizations that produce or present visual/media arts. Program Director: Emily Sollenberger, 410-767-6484; emily.sollenberger@maryland.gov

Visual Arts/Media B: Grants in this category support non-arts organizations that produce or present visual/media arts. Program Director: Emily Sollenberger, 410-767-6484; emily.sollenbergere@maryland.gov