



(REVISED FEBRUARY 2013)

houstonartsalliance

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**GUIDELINES  
GRANTS FOR ORGANIZATIONS  
Fiscal Year 2014**

**General Operating Support/  
General Operating Support Expansion**

**Houston Arts Alliance**

3201 Allen Parkway, Suite 250 • Houston, TX 77019

Phone 713.527.9330 • Fax 713.630.5210 • Website: [www.houstonartalliance.com](http://www.houstonartalliance.com)



### **Accessibility and Special Needs**

Houston Arts Alliance works to make its grant application process, assistance and workshops open to all interested parties. Applicants with special needs should contact Houston Arts Alliance grants staff. If you would like to attend an application workshop and need special accommodations, please contact Houston Arts Alliance grants staff one week in advance [if possible] at 713.527.9330.



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*February 2013*

Dear Members of the Houston Arts Community:

It is with great pleasure that we present the Fiscal Year 2014 Guidelines to Grants for Organizations of Houston Arts Alliance. These guidelines outline the funding and application process for nonprofit arts and cultural organizations and other nonprofits interested in presenting or producing artistic and cultural activities in the City of Houston.

Houston Arts Alliance is the City of Houston's partner for the distribution of municipal Hotel Occupancy Tax receipts to support arts and cultural programs in the city. The City of Houston's significant investment in the arts reaches organizations of all sizes and artistic disciplines—from experimental visual arts and performance groups, to nationally renowned museums and performing arts institutions, to culturally specific organizations that reflect Houston's diverse populations. We are proud of our long association with the City of Houston and applaud our city leaders for their long-time commitment to investing in the arts for the benefit of our community. The creative endeavors of Houston's arts organizations and artists truly make our city a better place to live, work and visit— indeed, one of the most culturally-rich communities in the country!

The FY 2014 Guidelines reflect changes introduced to streamline the application process and maintain the accountability necessary for the disbursement of public funds. Our focus remains on supporting the wide variety of artistic and cultural programming that is the hallmark of Houston's nonprofit arts industry.

We strongly encourage returning and new applicants to attend a workshop prior to completing your application. We look forward to working with you to serve the citizens and visitors of Houston through the arts.

Sincerely,

Jonathon Glus, CEO

Diem Jones, Director of Grants

## OVERVIEW OF HOUSTON ARTS ALLIANCE GRANT PROGRAMS

Houston Arts Alliance seeks to advance the nonprofit arts industry in Greater Houston through its public/private partnership with the City of Houston. Houston Arts Alliance strives to support artistic programs that make Houston an attractive cultural destination and a lively community for its residents. Serving the Greater Houston area, Houston Arts Alliance's efforts directly benefit approximately 220 organizations that are committed to providing quality artistic programming to residents and visitors to the Greater Houston area. The Grants for Organizations Program supports the encouragement, promotion, improvement and application of the arts to promote tourism and the convention and hotel industry. Through its grant programs, Houston Arts Alliance encourages programming that embraces issues of diversity and the needs of all cultures and people of varying abilities.

**SOURCE OF GRANT FUNDS:** Funding for Houston Arts Project Grant category is provided by the City of Houston utilizing Hotel Occupancy Tax (HOT). Each year, the City allocates 19.3% of the municipal Hotel Occupancy Tax receipts to support arts and cultural organizations, as permitted by the Texas Tax Code, through an annual agreement with Houston Arts Alliance. Per state law, revenue from the municipal Hotel Occupancy Tax may be used only to promote tourism and the convention and hotel industry. Organizations applying for and receiving Hotel Occupancy Tax funds are required to adhere to the state laws governing the use of such funds. Only organizations based in the City of Houston are eligible to receive Hotel Occupancy Tax funds for activities that meet the purposes described above. The complete details of the State of Texas Hotel Occupancy Tax Code may be found at our website <http://www.houstonartsalliance.com/grants/organizations/managing-your-grant/>. Among the permitted uses of HOT monies are the following related to arts and cultural activity:

- *The encouragement, promotion, improvement, and application of the arts, including instrumental and vocal music, dance, drama, folk art, creative writing, architecture, design and allied fields, painting, sculpture, photography, graphic and craft arts, motion pictures, radio, television, tape and sound recording, and other arts related to the presentation, performance, execution, and exhibition of these major art forms [Texas Tax Code Section 351.101(a) (4)].*
- *Historical restoration and preservation projects or activities or advertising and conducting solicitations and promotional programs to encourage tourists and convention delegates to visit preserved historic sites or museums at or in the immediate vicinity of convention center facilities or visitor information centers or located elsewhere in the municipality or its vicinity that would be frequented by tourists and convention delegates [Texas Tax Code Section 351.101(a)(5)].*

**BASIC ELIGIBILITY REQUIREMENTS FOR ALL APPLYING ORGANIZATIONS:** In order to be eligible to apply for funding, an organization must have received its IRS 501(c)(3) designation as a public charity no later than March 2012 and maintain the designation current with the IRS; have a history of ongoing artistic/cultural programs for at least one year prior to the application deadline; and be able to submit financial reports to document its revenues and expenses for one full year prior to the application deadline. All applicants for the General Operating Support/General Operating Support Expansion Grant must have filed the required IRS 990 reports posted on [www.Guidestar.org](http://www.Guidestar.org).

**TERMS OF GRANT SUPPORT:** The period of support for this grant cycle is **July 1, 2013**, through **June 30, 2014**. Grant funds cannot be used for budgeted expenses incurred prior to or after the grant term. A final report will be due no later than August 15, 2014.

**POSTING TAX INFORMATION:** For all organizational grant applicants, **FY11** (2010-2011) & **FY12** (2011-2012) 990s must be filed with the IRS or on the web database known as **Guidestar.org**, no later than May 24, 2013. No payments can be made until both the FY11 and FY12 IRS 990 are on file with Guidestar.org.

**NOTE:** If an applicant has been registered only one fiscal year as a 501(c)(3), organization, then only the FY12 990's will be required. To speed up the process, organizations can self-submit their 990s on Guidestar.org. Please visit Guidestar.org for instructions on creating an account and posting your 990s. To post the 990s your organization may be charged a nominal fee.

## GENERAL OPERATING GRANT PROGRAM – AT A GLANCE

This category is open only to nonprofit arts and cultural 501 (c) 3 public charity organizations with prior two year average cash revenues in excess of \$50,000 as determined by their IRS 990s. Organizations must have been in existence for minimum of three years prior to application date and have completed two previous consecutive years of HAA funding in any grant category.

The General Operating Support category provides financial support to aid arts and cultural organizations to present or produce arts and cultural programs that serve to: (1) establish a nationally recognized cultural environment that attracts visitors and tourists to the City of Houston; and (2) meet the needs of the culturally diverse residents and visitors of Houston.

Because funding for this category is City of Houston Hotel Occupancy Tax, the funded projects should impact tourism and the hotel and convention industry. Due to budget limitations, Houston Arts Alliance rarely fully funds any grant request. The maximum amount awarded for a General Operating Support or General Operating Support Expansion grant is \$100,000.

<b>General Operating Support (GOS)</b>	<ul style="list-style-type: none"> <li>• Provides operating support for organizations that present a regular season of arts or cultural programs that serve residents, visitors and tourists to Houston</li> <li>• Must have a two year average operating revenue of \$50,000 or more</li> <li>• Must have received two consecutive prior years of HAA funding in any grant category</li> </ul> <p>First-time and former applicant organizations that have not received a Houston Arts Alliance General Operating Grant in the past two years will be considered ‘first-time’ applicants and are not eligible for General Operating Support; these organizations may apply for an Arts Project Grant (pending eligibility for that category).</p>
<b>General Operating Support Expansion (GOSE)</b>	<ul style="list-style-type: none"> <li>• Provides operating support for organizations that present a regular season of arts or cultural programs that serve residents, visitors and tourists to Houston</li> <li>• Organization’s programs must be deeply rooted in and reflective of a minority, inner-city, tribal or disabled community</li> <li>• Organization must be devoted to primarily providing art to its minority, inner-city, tribal or disabled community</li> <li>• 50% or more of the organization’s board of directors is representative of the minority, inner-city, tribal or disabled community</li> <li>• Provides operating support for multicultural arts organizations that present a regular season of arts or cultural programs that serve residents, visitors and tourists to Houston</li> <li>• Must have two year operating revenue of \$50,000 or more</li> <li>• Must have received two consecutive prior years of HAA funding in any grant category</li> </ul> <p>First-time and former applicant organizations that have not received a Houston Arts Alliance General Operating Support Grant in the past two years will be considered ‘first-time’ applicants and are not eligible for General Operating Support; these organizations may apply for an Arts Project Grant (pending eligibility for that category).</p>
<b>Continuation</b>	<p>Houston Arts Alliance’s <i>Continuation</i> process is for arts organizations that receive General Operating Support or General Operating Support Expansion funding. Houston Arts Alliance convenes the peer review panels on an alternate-year basis (every other year), reducing the paperwork burden on organizations who receive funding from HAA from year to year.</p>

<b>IMPORTANT DATES</b>			
<b>Application Workshop</b>	United Way		
Located:	50 Waugh Drive, Houston TX 77253		
	February 22, 2013	12:00 – 1:00 P.M.	
<i>All applicants are encouraged to attend the application workshop or view the workshop online which will be posted the day after workshop.</i>			
<b>Online Application</b>			
	OPENS	February 23, 2013	8:30 A.M.
	CLOSES	Monday, March 25, 2013	5:30 P.M.
<p><b>Important:</b> The Online Application includes required support materials which are also required to be uploaded into the Grants Application Portal. Any support materials that cannot be uploaded MUST be communicated to the grants staff by email at <a href="mailto:Grants@haatx.com">Grants@haatx.com</a> and arrangements made for materials to be received at Houston Arts Alliance’s office no later than 5:30 P.M. on March 25<sup>th</sup>.</p> <p><i><u>This is not a postmark deadline, all applications and materials are required to be submitted using the online application portal.</u></i></p>			

**OBJECTIVES FOR FUNDING:**

Arts/cultural organizations that operate year-round will generally offer a wide variety of programs. A large number of programs are targeted to the general public and are thus attractive to tourists or serve to advance Houston’s competitiveness as a cultural tourism destination; a smaller number of programs are targeted to specific populations that are not tourism-related. In considering whether to apply or not for a General Operating Support/General Operating Support Expansion grant, please take into account that the application should provide a broad-view of the organization’s year-round programs and highlight those which meet the requirements of the revenue source for the grants (Hotel Occupancy Tax). HAA reserves the right to move an organization from General Operating Support to Arts Project Grant, if it deems its programs to be limited in scope.

Funded organizations are not restricted in the types of programs they can offer or include in their application; the only restriction is in how Houston Arts Alliance grant funds are utilized. Since the grants have to be matched with other revenues (and generally most applicants exceed the 1:1 match), it is our experience that most grantees have no difficulty identifying expenses related to programs that meet the requirements of the Hotel Occupancy Tax

- To provide a consistent funding mechanism for arts and cultural organizations of excellence in the City of Houston.
- To support arts and cultural activities that implement the intended use of Hotel Occupancy Tax funds, as described in Sections 351.101(a)(4-5) and 351.101(b) of the Texas Tax Code.
- To promote cultural tourism by supporting special efforts to entice visitors to include arts activities in their Houston itineraries.
- To advance the artistic, administrative and organizational capacity of arts/cultural organizations.
- To ensure access to the arts for all residents and visitors.
- To provide supplementary financial support to multicultural arts organizations in order to fortify the cultural diversity of arts programming available to visitors and area audiences.
- To stimulate economic and community development through the arts.

**ELIGIBILITY:**

Only arts and cultural organizations are eligible for General Operating Support and General Operating Support Expansion grants, **provided that they meet the following requirements:**

1. The organization's **primary mission**, as described in its mission statement and approved by its board of directors and reflected in its annual scope of programs, **is the production or presentation of a regular season of arts and cultural programming through the year.**
2. The organization has current tax-exempt status under Section 501(c)(3) (or the equivalent) of the Internal Revenue Service as a public charity. The tax-exempt status must have been granted by the IRS at least three years prior to the grant application deadline. Organizations with lapsed IRS 501(c)(3) status are not eligible to apply.
3. The organization has produced or presented arts or cultural programming during the 12 months prior to the grant application deadline.
4. The organization is physically based within the incorporated limits of the City of Houston.
5. The organization is governed by a local board of directors that meets regularly.
6. The majority of the organization's programs and events are advertised and open to the general public.
7. The majority of the organization's programs and events attract visitors and tourists to Houston.
8. The organization has successfully managed at least two Houston Arts Alliance organization grants.
9. The organization does not have any outstanding final reports due in any grant programs to Houston Arts Alliance.
10. The majority of programming takes place in the City of Houston.

**INELIGIBILITY:**

1. We do not accept fiscal agent applications or umbrella organization applications. If an organization is an umbrella organization of a national chapter, then the applying organization must have 501(c)(3) status one full year prior to applying and must be based within the City of Houston.
2. Nonprofit organizations whose primary mission is other than presenting or producing arts and cultural programs are not eligible for the General Operating Support/General Operating Support Expansion category. This includes social service agencies, units of local government, community organizations, university /college or educational departments or agencies and other nonprofits.
3. Organizations that are less than three years old or that have not been funded through the Grants for Organizations peer panel process by Houston Arts Alliance in the past two consecutive years are ineligible. These organizations may be eligible for Arts Project Grants (APG); please refer to the APG guidelines for additional information.
4. Nonprofit organizations (arts/cultural and others) whose physical administrative offices (or main place of business) are outside of the City of Houston are not eligible for Hotel Occupancy Tax support from Houston Arts Alliance.
5. Organizations that receive Hotel Occupancy Tax funds through the group agreements with the Houston Museum District or Theatre District Association are not eligible to apply for additional General Operating Support Grants from Houston Arts Alliance.
6. Arts/cultural organizations with activities that have no measurable impact on the promotion of tourism and the convention and hotel industry are not eligible to receive Hotel Occupancy Tax funded General Operating Support Grants. Grant funds may not be used for activities that take place outside of the City of Houston or that do not comply with the intended use of Hotel Occupancy Tax funds as defined in state law.
7. General Operating Support Grants may not go to university/college or other education agencies or departments.



**AWARD DETERMINATION:** Requests for General Operating Support Grant awards from Houston Arts Alliance far exceed the available resources. Therefore, an applicant rarely, if ever, receives 100 percent of its maximum eligible award. An organization's maximum possible award is based on: (1) two-year average cash operating income, with any capital campaign or City of Houston HOT funding deducted, (2) multiplier or percentage range based on budget size, (3) the amount of funds available for the grant program, (4) quantity of applications received, and (5) number of awards recommended.

Applicants must complete all lines of the budget portion of the online application so that your maximum award can be calculated. This will be multiplied by an equation derived from the peer panel review score to create a reference for determining the final award. The higher the score of the application, the larger the final award amount.

In reporting revenues for purposes of calculating the Maximum Eligible Award, organizations cannot include revenues that are:

- In-kind donations,
- Used for debt reduction,
- Used for capital campaigns,
- Derived from for profit school(s) or academies,
- Received from Houston Arts Alliance (all grant categories), the Theater or Museum District, Miller Theatre Advisory Board or other City of Houston sources,
- Revenue from one-time large sources of income (such as bequest or one-time special grants that are greater than 10% of total revenue), or earned revenue from touring activities outside of Texas.

Organizations are required to post their most recent 990s on Guidestar.org and if HAA cannot verify the 990s on Guidestar.org it will have an impact on the accuracy of the award. Do not submit paper copies of your 990s.

## SIZE OF GRANT AWARD

The size of each grant award is determined by the following factors:

1. Amount of funding available as projected by City of Houston;
2. Peer panel score of the application;
3. Number of awards; and
4. Quantity of applications.

## ORGANIZATION CATEGORY AND PANELS

- In FY 2013, those that submitted a **"full application"** will submit a CONTINUATION APPLICATION, which does not require an organization's presence during panel review.
- In FY 2013, those organizations that submitted a **"continuation application"** will submit a FULL APPLICATION, which does require an organization's presence during panel review..
- **All service organizations** regardless of the **"full or continuation" category** are required to be present and participate in the peer panel review to answer any questions based solely on its current application.

Invitation to panels will be clarified during the grant workshops held on February 22st at the United Way, 50 Waugh, Houston TX 77253.

If an organization is unable to attend the grant workshop, it can verify its designation as **"full"** or **"continuation"** applicant via an email sent to past HAA organization grantees and/or the posting on the HAA website:

<http://www.houstonartsalliance.com/grants/organizations/generaloperatingsupportgeneraloperatingsupportexpansion/>

## FY14 ARTISTIC DISCIPLINES

- Architecture/Design/Historic Preservation & Museums
- Dance
- General
- Literary Arts
- Multi-disciplinary
- Music Choral
- Theatre and Musical Theatre
- Visual Arts, Media and Craft
- Music Non Choral

***Please note:*** Pay special attention to your organization's application designation. The designation of a "full" or "continuation" application will also provide additional detail as to the required participation in the panel process. All "full" applicants as well as "service" applicants are required to attend a panel session as informed by the grants staff. Additionally if you are a service organization and you are designated as a "continuation" applicant, you are still required to be present during the peer review panel process.

Detail of your organization's designation will be provided in numerous communications as follows:

- a. The Grants Workshop, held on February 22, 2013
- b. A personal email from the Office of the Director of Grants following the workshop
- c. Online posting by organization with detail of FY 14 panel participation

*Participation in a panel as directed by the grants staff is required. The organization's application will be considered incomplete if there is no representation at the peer panel.*

## HOW TO APPLY

***The Houston Arts Alliance now has a NEW Online Grants Application Portal!***

Please go to the following link to access the online application portal.

*Will be provided at the workshop on 2/22/2013 and posted on the HAA website by 5:30 P.M., as the application portal will open 2/23/2013.*

**The application portal will be open February 23, 2013, and closes on March 25, 2013, at 5:30 P.M.**

We encourage you to review the instructions for using the online application portal before beginning the application process. If you have any questions, please feel free to contact a grants staff member by emailing to [Grants@haatx.com](mailto:Grants@haatx.com) or calling 713-527-9330.

## REQUIRED SUPPORT MATERIALS

The Online Application includes required support materials which also are required to be uploaded into the Grants Application Portal. Any support materials that are unable to be uploaded, MUST be communicated to the Grants Department by email at [Grants@haatx.com](mailto:Grants@haatx.com) and arrangements made for materials to be received at Houston Arts Alliance’s office no later than 5:30P.M. on March 25<sup>th</sup>.

**Your application will not be accepted as completed unless you submit the required documents in the portal.**

<b>REQUIRED DOCUMENTS FOR UPLOAD</b>	
<ol style="list-style-type: none"> <li><b>1. Signed Assurance Page</b></li> <li><b>2. Board of Directors List</b>- including name, professional title, ethnicity, address, email &amp; phone number for each member</li> <li><b>3. Brief Description Page</b> - of the artistic materials submitted to include date of performance, location, title and/or performers, and please provide the list chronologically based on the order you uploaded the submission.</li> <li><b>4. Artistic Support Materials</b> - these should be uploaded in the appropriate format as indicated below. <i>(Examples of support materials are printed materials including: programs, flyers, press clippings, posters etc.)</i>, as applicable to your artistic discipline or project. Please make sure you provide the proper scale and clarity for your electronic submissions.</li> </ol>	PDF format
<b>FORMAT SUBMISSION</b>	
Movies or Clips	3-5 minute video of supplemental examples MOV format
Music or Audio Clips	3-5 minute recording MP3 or MP4 format
Other visual aides, such as brochures, pictures programs, flyers, press clippings, posters etc.	5 – 10 images JPEG format

## REVIEW PROCESS (APPLICABLE TO ALL CATEGORIES)

The review process will consist of staff review, panel review, in person panel interview (if the organization is required to participate in this format per communication from the Grants Department) and board review based on the following criteria:

### REVIEW CRITERIA:

All General Operating Support Grant applications are reviewed using the following criteria weighted on a rating scale as follows:

#### ARTISTIC/CULTURAL MERIT (40%)

- Activities that are of high artistic quality or exemplary of the organization's discipline
- Quality of the artists or experts involved in performances, works, and/or activities
- Involvement of artists or experts who are knowledgeable of their discipline
- Innovative and creative programming
- Artistic or curatorial staff that shows vision and leadership
- Effective use of artistic resources of the community
- Performance/exhibition based upon actual or submitted materials
- Effective use of available resources to produce content of the highest artistic merit

#### ADMINISTRATIVE ABILITY (20%)

- Evidence of board/staff interaction as demonstrated through working committees
- Evidence of leadership and experience of administrative staff
- Evidence of short range and/or long range planning
- Financial stability; balance of earned and contributed revenue
- Accurate record keeping and regular preparation of financial reports
- A board of directors, representative of the community, that meets at least quarterly and sets policies for the organization
- Ability to deliver services effectively
- Established process for board review of financials
- The overall quality of the application, including attention to spelling, grammar and clarity
- Effective management of past Houston Arts Alliance grant(s) including timely submission of reports and timely completion of grants, events, programs and activities
- Diversification of its funding base as evidenced by efforts to secure financial support from the private sector as well as the public sector

#### CULTURAL TOURISM IMPACT (20%)

- Marketing and public relations efforts to promote activities and programming that may draw tourists and visitors to the region or is directed at conventions or visitors in the City of Houston
- Efforts to increase Houston's competitiveness as a cultural tourism destination
- Programming that contributes to creating a regional identity/image of quality and creativity to attract and retain residents and visitors to Houston

#### AUDIENCE DEVELOPMENT & COMMUNITY OUTREACH (20%)

- Furthering an understanding of and generating interest in the organization's particular art form or discipline
- Efforts to reach and serve visitors and tourists
- Efforts to involve individuals of different backgrounds at the artistic, technical, administrative and board levels
- Outreach efforts to develop future audiences, to reach and serve new, special and/or diverse audiences
- Collaborating with other organizations
- Providing programming in venues and through methods that make the programming accessible to people with disabilities

**STAFF REVIEW:** Upon receipt of the applications, staff reviews applications for completeness, eligibility and verification of the 501(c)(3) status. When necessary, applicants are asked to revise proposals or supply additional information. Incomplete applications or those that do not meet eligibility requirements cannot be considered and will be returned to applicants. Applicants that do not submit all of the required support materials by the appropriate deadlines will not be eligible for consideration. **The organization's 990s must be posted to Guidestar.org by May 24, 2013.** Please note that Houston Arts Alliance grants are funded from public tax dollars and, as such, grant records may be subject to the Texas Open Records Act. Applications submitted to Houston Arts Alliance become the property of Houston Arts Alliance and are subject to review by members of the public upon request.

**PEER PANEL REVIEW:** Peer panels - consisting of objective and knowledgeable arts professionals, artists, community and corporate volunteers and others with arts expertise - evaluate each application using the published funding criteria. Panelists meet to discuss and score each eligible application; their scores are totaled and averaged for each application following the panel meetings.

- Panel meetings are open to the public for observation only. Members of the public that are interested in attending a panel meeting and need special accommodations are asked to notify Houston Arts Alliance grants staff one week prior to the panel meeting when possible.
- Addressing the Panel: All grant applicants are given an equal and set time to respond to questions from the panel or to clarify any comments made by the panel during the review process. **All applicants are required to have an informed representative(s) attend their review time. If representatives cannot be present, they must make arrangements with HAA at least 24 hours in advance to be available by phone during the panel meeting.** The representative(s) must be able to answer questions about the organization's operations and programs, budget and finances, and the specifics of the application. HAA strongly encourages the Executive Director or CEO to be the designated representative. No new materials may be distributed to the panel at this time.
- An organization's application should stand on its own. Site visits are not part of the review process. Any previous grant report may be reviewed by the panel as well. While panelists are encouraged to attend applicant events and be familiar with the organization, it is the primary responsibility of the applicant to inform the panel about the applicant's activities and programs through the best quality submission of the online application and support materials and to send an informed representative(s) to answer questions from the panel during the organization's peer panel review time.
- Houston Arts Alliance has a Conflict of Interest Policy for panelists. Panelists must declare their conflicts of interest regarding the organizations being reviewed by their specific panel. Panelists may neither review nor score applicants with whom they have a fiduciary, personal or adversarial relationship currently, in the past twelve months, or in the projected grant term. Panelists who have a conflict of interest with an applicant must leave the panel meeting during the discussion of that application.

**BOARD REVIEW:** Grant recommendations from panels are forwarded to the Houston Arts Alliance Grants Committee for review. The committee, in turn, forwards its recommendations to Houston Arts Alliance Board of Directors for final approval. These recommendations are subject to organizations meeting all requirements prior to issuing a grant agreement. Organizations that are not funded might be asked to attend HAA workshops or other training for further assistance.

## ITEMS INELIGIBLE FOR GRANT FUNDS (Applicable to All)

For grants funded with Hotel Occupancy Tax, funds may not be used for activities, programs or events or their administrative costs that are not consistent with the intent of the Hotel Occupancy Tax as defined in Sections 351.101(a)(4-5), 351.101(b) and other applicable sections of the Texas Tax Code. Additionally, Houston Arts Alliance grant funds may not be used for:

1. Capital improvements (construction, renovation, the purchase of permanent (or non-expendable) equipment or real property), unless expressly authorized in the Hotel Occupancy Tax legislation.
2. Funding deficits or budgeted expenses incurred after July 1, 2013.
3. Expenses associated with touring programs or other travel outside of City of Houston, except for artists/experts being brought to the City of Houston.
4. Tuition costs or costs of instructional programs that have primary impact on individuals or small groups.
5. Organizations whose physical administrative offices are outside of the City of Houston.
6. Projects or events that are extensions of training or academic programs for which participants receive academic credit.
7. Costs related to performances funded by Miller Outdoor Theatre or already funded by Hotel Occupancy Tax.
8. Programs not open and advertised to the general public.
9. Scholarships, purchase of awards or cash prizes.
10. Benefits, galas and projects planned primarily for fundraising.
11. Licensing fees of any kind other than performance royalties.
12. Loans, interest on loans, fines, penalties or costs of litigation.
13. Refreshments, beverages, social functions, parties or receptions.
14. Individuals or projects by individuals (these are funded through Houston Arts Alliance Individual Artist Program).
15. Activities currently funded by another Houston Arts Alliance grant.
16. Projects, productions, workshops and/or programs that include obscene material as defined in Section 43.21, Penal Code of Texas.
17. Religious projects or activities.

**Note:** Religious organizations or groups closely affiliated with religious organizations may receive funding if all the following conditions are met:

- a. Funds may not be used for a direct religious purpose.
- b. Funds may only be used to support programming of a secular purpose.
- c. The primary effect of the funding does not advance or inhibit any one religion or faith.
- d. The activity is open to the general public and meets the authorized uses of the Hotel Occupancy Tax.

## MULTIPLE APPLICATIONS

Only one application is accepted from an eligible organization. Eligible organizations may participate in projects both as an applicant and as the featured artist/arts group of another applicant. However, no more than two applications per grant cycle may feature the same arts organization (assuming that one is by the organization and the other is under another organization featuring the arts organization as a guest artist). Houston Arts Alliance reserves the right to determine which application will be funded. Applications from more than one organization for the same project cannot be accepted.

## AFTER RECEIVING A GRANT

An organization awarded a grant by Houston Arts Alliance is required to attend a new grant applicant workshop. The grantee will enter into a grant agreement that clearly states the scope of services and outlines the requirements of the grant. All grant funds are to be used for the stated activities as a requirement of the grant agreement.

**SIGNING THE GRANT AGREEMENT:** Houston Arts Alliance requires two authorized officials from the awarded organization sign the agreement. One of these officials must be the CEO, executive director, president or board chair of the organization. If the CEO and board president or chairman is the same person, then another non-related officer must sign as second signature. The grant agreement will outline the terms of the grant, scope of services, reporting requirements and legal issues applicable to the funding. Houston Arts Alliance reserves the right to make changes to the grant program policies, schedule or guidelines. If any changes are made, grantees will be notified in writing within 30 days of the change.

**INSURANCE:** Grantees that are awarded over \$30,000 in funding from the City of Houston from its various grant programs must provide Houston Arts Alliance with proof of the following types of insurance (see below).

1. Worker's Compensation (statutory amounts);
2. Employer's Liability (\$500,000, \$500,000, \$500,000);
3. Commercial General Liability including Contractual Liability to cover Houston Arts Alliance and the City of Houston for the Indemnification (\$500,000/\$1,000,000);
4. Automobile Liability, where appropriate (\$500,000/\$1,000,000); and
5. Copyright Protection (\$500,000/\$1,000,000)—where appropriate.

All insurance must be on an occurrence basis. All grantees must include Houston Arts Alliance and the City of Houston as additional insured's and provides Houston Arts Alliance with certificates of insurance. It is the responsibility of the grantee to provide updated insurance to HAA throughout the grant term should it lapse. Grantees receiving less than \$30,000 are required to maintain the necessary insurance to conduct their business but do not have to provide proof of insurance to Houston Arts Alliance.

**CREDITING SUPPORT OF THE CITY OF HOUSTON AND HOUSTON ARTS ALLIANCE:** Grantees are required to acknowledge the support of the City of Houston and Houston Arts Alliance through the use of logos and credit lines on all marketing and promotional materials. Houston Arts Alliance and City of Houston logos can be found on the Houston Arts Alliance website ([www.houstonartsalliance.com/news/haa-logo-usage-guidelines/](http://www.houstonartsalliance.com/news/haa-logo-usage-guidelines/)), the credit line is: *"This project (or organization) is funded by a grant or grants from the City of Houston through Houston Arts Alliance."*

**GRANT PAYMENT:** Grant payments are made in quarterly installments, following the distribution of Hotel Occupancy Tax funds to Houston Arts Alliance from the City of Houston. The initial payment will be made after execution of the grant agreement. As a requirement of the grant agreement there are two quarterly reports, called 2<sup>nd</sup> and 3<sup>rd</sup> quarter reports, to be submitted by the grantee. A payment will be provided after each quarterly report has been submitted and approved. The final payment is dispersed after submission and approval of the final report. (Please see the reporting requirements section below.)

Grantees with outstanding reports from previous years are not eligible to receive any payments until the previous grants are closed out. Grantees are ineligible for any future grants if they are in default of a previous grant

## REPORTING REQUIREMENTS

- **GOS & GOSE** grantees receiving funding from Houston Arts Alliance are required to submit, via the online grants portal, a List of Activities, from which the scope of services will be created for the agreement. An update of the list of activities is required quarterly as new activities or changes to previous grant activities occur. This list, required per Texas Tax Code Section 351.108, should include each scheduled activity, program, or event as well as date and exact location address that: (1) is directly funded by the tax or has its administrative costs funded in whole or in part by the tax; and (2) is directly enhancing and promoting tourism and the convention and hotel industry. The List of Activities which is part of each quarterly report, must be received prior to the issuance of the second and third payments. Additionally, grantees are asked to immediately notify Houston Arts Alliance of changes to the programs and activities proposed in the application. If changes have been made after receipt of an award and occurs prior to submission of the 2<sup>nd</sup> quarterly report, please request to update the changes immediately with the grants staff. During the grant term, grantees are also required to survey audience during HAA funded public events. A sample survey form can be found online at <http://www.houstonartsalliance.com/grants/organizations/managing-your-grant/>. This is a sample only; *you will be required to perform all grants reporting within our Grants Management Platform*. Information on logging into the grants management portal and reporting will be provided along with your initial grants agreement and requirements package.

- **FINAL REPORT** is required after the completion of the scope of services and activities specified within the grant agreement. The final report includes information and documentation on completed activities, income and expenses for the grant. Documentation for how grant funds were used **must** include copies of every invoice/receipt **and** check written for grant expenses paid for with Houston Arts Alliance funds. Every check copy and receipt/ invoice copy provided Houston Arts Alliance should be dated during the grant term (between July 1, 2013, and June 30, 2014).

## HELPFUL TIPS

- Read the guidelines, criteria and grant application instructions before beginning the application process.
- Plan your narrative following the questions and funding criteria. Plan your answers carefully to avoid repetition.
- Write to the funding criteria. Keep the funding criteria in front of you when preparing your proposal. Remember all applications are reviewed and scored based on how well the applicant meets the funding criteria.
- Don't assume. The panelists who review your proposal may have no knowledge of your organization or its programming. Make sure you describe existing and proposed programs in detail. The application should stand on its own merits. You will be notified of panel review date and required to send a qualified representative(s) who can discuss the budget and program proposed.
- Avoid generalizations. Rather than stating, "We have operated a successful series of concerts for the last four years," use numbers to prove your case. For example, "We have produced six plays with 10-performance runs for the last four years to audiences ranging from 75 to 100 for each performance."
- Proofread. Before submitting your application, have at least one person in addition to yourself proofread your application. If the reader has questions, it is likely the panel will as well. You are advised to create your narrative in Microsoft Word, or comparable software program, utilizing the spell-check, grammar check, and word count features, and then to cut and paste it into the online application. Applications that contain frequent typographical errors, poor grammar or misspelled words do not give a positive impression of the organization and rarely score well. If your narrative doesn't fit into the allowed word limit, it is your responsibility to edit it to fit.
- Balance your budget for the projected grant period (projected income and expenses must balance). Previous years may show deficits or surpluses, since these are actual numbers and not projections.

## NEED ASSISTANCE?

Applicants are encouraged to become familiar with the program requirements and criteria before beginning the application process. To speak with grants staff at Houston Arts Alliance or to make an appointment, please call (713) 527-9330 or email [Grants@haatx.com](mailto:Grants@haatx.com)

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