

# **Houston Arts Alliance**

## **GRANTS FOR ORGANIZATIONS**

### **Arts Incubator Guidelines FY 2011-2013**

**September 1, 2010 – August 31, 2013**

**3201 Allen Parkway, Suite 250  
Houston, TX 77019  
(713) 527-9330  
[www.haatx.com](http://www.haatx.com)**



### Accessibility and Special Needs

Houston Arts Alliance (HAA) works to make its grant application process, assistance and workshops open to all interested parties. If you would like to attend a HAA grants workshop and need special accommodations, please contact HAA staff one week in advance (if possible) at (713) 527-9330.



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### Houston Arts Alliance

3201 Allen Parkway, Suite 250  
Houston, TX 77019-1800  
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Website: [www.haatx.com](http://www.haatx.com)

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# IMPORTANT DATES

## MODE Arts Incubator

<b>Grant Period or Grant Term</b>	<b>Arts Incubator:</b> September 1, 2010 –August 31, 2013
<b>Deadline to Apply and Submit Required Support Materials</b>	Monday, April 26, 2010 - 5:30 P.M. (RECEIVED IN OUR OFFICES) <b><u>NOT A POST MARK DEADLINE</u></b>
<b>Panel Review &amp; Meeting</b> <ul style="list-style-type: none"> <li>• Review of Pending Grants</li> <li>• Funding decisions made</li> </ul>	May - June 2010
<b>Notification letters mailed to applicants</b>	July 2010
<b>Incubator Orientation and Contracts Issued for Signature</b>	August 2010
<b>Incubator Move-In</b>	September 1, 2010

## Grant Application Workshops Date and Location

Day	Date	Time	Topic	Location
THURSDAY	March 18, 2010	12:00 p.m. to 1:00 p.m.	Arts Incubator Program	Houston Arts Alliance
THURSDAY	April 1, 2010	12:00 p.m. to 1:00 p.m.	Arts Incubator Program	Houston Arts Alliance

## ELIGIBILITY AT-A-GLANCE

All organizations applying for Houston Arts Alliance grants must be 501(c)(3) non-profit, public charity organizations (or the equivalent) in good standing with the Internal Revenue Service and received their IRS recognition at least one year prior to application date.

Grant categories are open to specific types of organizations. Not all grant programs are open to all types of organizations. Please read the appropriate sections carefully for complete information on eligibility.

### **Type of Organization**                      **MODE Arts Incubator Eligibility at a Glance (see page 8 for more details)**

Arts and Cultural Organizations Multicultural Arts Organizations	<ul style="list-style-type: none"> <li>• The applicant must be an eligible arts/cultural and/or multicultural arts organization that have received HAA funding since FY05 Grant cycle (July 1, 2004 – present).</li> <li>• The applicant organization’s annual cash revenues (not including any HAA grants) are between \$50,000.00 and \$200,000.00.</li> <li>• The applicant must employ at least one (1) part-time employee that acts at the chief executive officer or executive director of the organization.</li> </ul>
University/Education Agencies, Departments & Organizations	Ineligible to apply.
Other Nonprofit Organizations	Ineligible to apply.

## Need Assistance?

Houston Arts Alliance staff assists applicants through a series of Application Workshops to answer questions, offer tips for success, and discuss the application process before applications are submitted. To assist both new and renewing applicants, grant workshops are offered in March & April (listed on page 3).

All applicants are required to read the guidelines and application instructions to become familiar with the program requirements and criteria before beginning the application process. To speak with Program & Services staff at Houston Arts Alliance or to make an appointment, please call (713) 527-9330 or email us at:

<b>Jerome Vielman, Program &amp; Services Manager</b>	<b>jerome@haatx.com</b>
<b>Janel Badrina, Program &amp; Services Coordinator</b>	<b>janel@haatx.com</b>
<b>Richard Graber, Director of Programs &amp; Services</b>	<b>richard@haatx.com</b>

## Who Must Attend Workshops

All first time applicant organizations and former applicants who were not approved for funding or have not applied in the past Incubator Program cycle are required to attend the application workshop prior to applying. Workshop dates and times listed on page 3. As Guidelines change periodically, all other applicants are strongly encouraged to attend as well.

## Management Assistance and Organizational Development Enterprise (MODE)

**MODE's Mission** is to build the organizational capacity of multicultural, small and mid-sized arts organizations in Houston, facilitating their artistic growth and strengthening them as channels for diverse cultural expression in the community.

### MODE Goals:

- To facilitate delivery of effective assistance through coordination, collaboration and networking.
- To demystify management tools, techniques and approaches so that they are understood, accepted, and appropriately and effectively integrated into operations of service recipients.
- To tailor service delivery to reflect and acknowledge the special and diverse character culture and needs of individual participating organizations.
- To ensure long-term viability of arts organizations as channels for diverse cultural expression.

In its nineteenth year existence, MODE has received local and national acclaim for its documented ability to increase the organizational capacity of arts organizations. MODE was cited as one of eight model programs across the country in the discussion draft, "Rethinking Stabilization: Strengthening Arts Organizations During Times of Change," prepared by Strategic Grantmaker Services for The Ford Foundation.<sup>1</sup>

In March 2009, Houston Arts Alliance (HAA) conducted an assessment of the Management & Organizational Development Enterprise (MODE) Program. In an eleven (11) year period (1998 - 2008), over \$825,000 in hotel occupancy-tax funding supported the MODE program. The assessment yielded these findings:

- 85%+ of MODE clients (24 of 27 clients) experienced averaged growth in operations and programming.
- Over 60% of MODE clients (17 of 27 clients) experienced consistent growth in Total Net Assets, strong fiscal management, and good cash stability.
- Clients have maintained a "good" level of competency in exercising clarity of mission, effective leadership, and organization continuity / flexibility, and realistic / achievable goals. Clients need continued development in the areas of financial viability and sensitivity to constituencies / markets.

**MODE currently offers assistance through four service components: General Assistance, Incubator, Intensive Services Program (ISP), and Stabilization Enterprise.**

**General Services:** MODE collaborates with other area service providers to leverage community resources. MODE also develops its own projects to meet the needs of arts organizations and artists. General services include: technical assistance workshops, publications, networking meetings, and Resource Library.

**Arts Incubator:** The three (3) year Incubator Program will build organizational capacity for arts/cultural or multicultural grantee organizations (with program budgets from \$50,000 to \$200,000) through management services, incubator residency, and capacity funding (up to \$15,000 per year). For thirty six (36) months, each organization will receive in depth training, diagnostics, planning and resources to address six competencies including 1) clarity about mission, 2) effective leadership, 3) financial viability, 4) organizational continuity and flexibility, 5) sensitivity to constituencies and markets, and 6) realistic and achievable goals.

**Intensive Services Program (ISP):** The ISP Program will facilitate growth of midsize and/or multicultural arts grantee organizations (with total revenues from \$100,000 to \$750,000) through the creation of board adopted strategic plans and funding for strategic plan implementation. Phase 1 Strategic Plan Funding (up to \$10,000) will support the creation and board adoption a multi-year strategic plan. Phase 2 Implementation Funding (up to \$20,000) will support specific strategic plan objectives for implementation.

**Stabilization:** The Stabilization Program will facilitate continued growth for midsize arts & cultural and multicultural organizations (with program budgets over \$750,000+) through funding (up to \$20,000) of either a multi-year strategic plan or funding for strategic plan implementation.

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<sup>1</sup>Thomas Wolf, ed., Rethinking Stabilization Strengthening Arts Organizations During Times of Change, Strategic Grantmaker Services, May, 1995.

## MODE - ARTS INCUBATOR PROGRAM

### DEADLINE

The downloadable application must be submitted by 5:30 P.M. on **Monday, April 26, 2010**. All supporting documents must be received at the Houston Arts Alliance office no later than 5:30 P.M. on **Monday April 26, 2010**. This is **not** a postmark deadline. Grant Application Workshop: Thursday, April 22, 2010 at noon for those seeking assistance.

Please type or use a word processor to fill out the form. There is no online application for this program. Do not staple or bind the application or supporting documents. Handwritten materials *will not* be accepted. Please visit our website at [www.cachh.org/grantsorg.html](http://www.cachh.org/grantsorg.html) for a downloadable application formatted in Microsoft Word©.

### TERM OF RESIDENCY

September 1, 2010 – June 30, 2013

### ADMINISTRATIVE SALARY SUPPORT AND TECHNICAL ASSISTANCE GRANTS

Administrative Salary Support and Technical Assistance Grants are awarded annually. All benefits are contingent upon funding availability.

### PURPOSE

The Houston Arts Alliance is dedicated to advancing the arts in the Greater Houston area. We are funded principally by the City of Houston through Hotel Occupancy Tax Funds (Chapter 351). Our mission is to nurture, fund and promote participation in the arts in Houston and Harris County.

Established by the Cultural Arts Council of Houston and Harris Council in the mid 1990s as part of the Management Assistance and Organizational Development Enterprise (MODE), the Arts Incubator Program provides incubator residency, management services, and capacity funding to new and 'emerging' arts organizations that have received funding since FY05 grant cycle (July 1, 2004 – current). Organizations are accepted into the Incubator for a three-year period, contingent upon meeting the program requirements.

Through our public/private partnership with the City of Houston, we support a variety of arts and cultural organizations that make Houston a more attractive destination and provide both residents and citizens with access to exciting and innovative cultural programs. Our programs are supported principally by the City of Houston with additional funding from Harris County, the Texas Commission on the Arts, the National Endowment for the Arts, and private donations.

### INCUBATOR BENEFITS

Arts organizations selected to become residents of the Arts Incubator receive the following benefits:

Management Services by HAA Staff:

- **Conduct** annual review of Diagnostics including:
  - *Organizational Self-Assessment* focusing on refining the six (6) core competencies:  
Clarity of Mission | Effective Leadership | Financial Viability | Realistic & Achievable Goals  
Organizational Continuity & Flexibility | Sensitivity to Constituencies & Markets
  - *Financial Profile Assessment* charting quarterly and annual growth changes in both revenue and expense by source.
  - *Technology Audit Assessment* to address information technology and workflow systems.
- **Provide** Monthly Incubator Meetings focusing on topics regarding the one of six (6) core competencies.
- **Implement** annual organizational capacity plans to address specific issues and tailored individually to each Incubator organization.

(continued)

- **Support** to attend local annual conferences focused on capacity building, marketing & public relations, fundraising, board development, and leadership. Conferences include:
  - *PR Day* (by the Public Relations Society of America – Houston Chapter)
  - *PowerTools for Non-Profits* (by UH School of Continuing Education)
  - *Ask The Experts Fund Raising Conference* (by Association of Fundraising Professionals – Houston)
  - *Best Boards* (by the Glasscock School of Continuing Studies at Rice University)
  - *Non Profit Leadership Collaborative Forum*

#### Incubator Residency

- **Occupy** a private office provided by the Houston Arts Alliance Arts Incubator space.
- **Access** to business equipment including a copier, fax machine, and scanner.
- **Access** to a conference room for board or staff meetings.
- **Share** space with other resident arts organizations that can lead to peer-to-peer collaborations and learning opportunities.

#### Capacity Funding

- **Funding** from the Houston Arts Alliance for additional staffing or technical assistance costs.

#### FEES AND OTHER COSTS

There is no fee for the application. Applications are reviewed competitively. Resident organizations pay a monthly ‘participation fee.’ The monthly participation fee is \$125 in the first year of residency; \$175 for the second; and \$250 for the third year.

The monthly ‘participation fee’ is done to help the organization plan financially for leaving the Incubator and having to pay market rates for business space. Incubators are expected to "graduate" within three years of joining the Incubator program.

##### 1. *What types of technical assistance are available?*

Upon entering the Incubator, each organization will undergo a self-assessment, financial history profile, and information technology audit to identify management, organizational or artistic areas for additional support. Based on funding availability, the Houston Arts Alliance will then work with the organization to develop a customized plan for technical assistance.

##### 2. *What types of financial support are available?*

The Houston Arts Alliance will provide a salary and technical support grant to the Arts Incubator organizations, pending availability of funding. In addition, the organizations in the Arts Incubator may be eligible to apply for other organizational grants through the Houston Arts Alliance’s Grant Program.

Please be aware that potential technical assistance and salary support grants as well as General Operating Support/Expansion, Touring/Neighborhood Arts, and Intensive Services grants may not exceed 50% of an organization’s previous year’s cash revenues. The general policies of the Houston Arts Alliance’s FY2010 – 2011 Grants for Organizations Program apply. (For more information on this requirement, please visit our website at [www.haatx.com](http://www.haatx.com) to review the FY2010 - 2011 Organizational Guidelines) All benefits are contingent upon funding availability.

#### ADDITIONAL REQUIREMENTS

Houston Arts Alliance will monitor Incubator grantees on a regular basis through meetings with the grantees and/or consultants and review reports. Houston Arts Alliance designated staff and the organization’s Leadership Team will meet quarterly to assess the client’s progress.

A Leadership Team is established for each participating organization. At a minimum, the Leadership Team will consist of non-paid senior-level board members and the Executive or Artistic Director. Likewise, the Leadership Team may not be comprised of more than 50% staff.

While a resident of the Arts Incubator, the organization will be required to continue offering its public programming and maintain its high standards of artistic merit. The organization will also be asked to:

- Pay the monthly participation fee over the term of the agreement.
- Provide accountant-prepared financial statements at the end of each year of residency.
- Submit a projected organizational budget annually.
- Maintain & implement annual Capacity Plan objectives for organizational growth.
- Participate in monthly Arts Incubator meetings (with the peer organizations, consultants and HAA staff).
- Participate with Leadership Team in organizational development workshops.
- Attend mandatory two out of five annual capacity building conferences per year as advised by MODE staff.
- Implement and monitor annual capacity building plans as advised by HAA staff & Leadership Team.
- Maintain an organized business space and adhere to the usage rules for the Houston Center for the Arts facilities.
- Office must be staffed for at least 20 hours a week during regular business hours.

#### **ELIGIBILITY**

The following are the eligibility requirements to apply for the Arts Incubator Program:

1. The organization's **primary mission**, as described in its mission statement and approved by its board of directors, **is the production or presentation of a regular season of arts and cultural programming through the year.**
2. The applicant must be an arts/cultural and/or multicultural arts organization grantee organization since the FY05 Grant cycle (July 1, 2004 – present). HAA funding includes General Operating Support, General Operating Support Expansion, Arts Project, Touring & Neighborhood Arts Project, and City's Initiative (Mayor's) Grant Program
3. The applicant organization's annual cash revenues (not including any HAA grants) are between \$50,000.00 and \$200,000.00.
4. The applicant must employ at least one (1) part-time employee that acts at the chief executive officer or executive director of the organization.
5. 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.
6. The organization has produced or presented through the year, a season of arts or cultural programming open to the general public for at least one year prior to the grant application deadline.
7. The organization is physically based within the incorporated limits of the City of Houston.
8. The applicant organization's board of directors has at least three independent board members who meet regularly to conduct the business of the organization.
9. The majority of the organization's programs and events are advertised and open to the general public.
10. The majority of the organization's programs and events attract visitors and tourists to Houston.
11. The organization does not have any outstanding Final Reports due to Houston Arts Alliance including General Operating Support, General Operating Support Expansion, Arts Project, Touring & Neighborhood Arts Project, City's Initiative (Mayor's) Grant Program, and any pre-FY09 grant programs.

Please note that nonprofit arts/cultural organizations or multicultural arts organizations funded by HAA grants (General Operating Support, General Operating Support Expansion, Artist Project Grant, or Touring & Neighborhood Arts Program, and City's Initiative (Mayor's) Grant Program) since FY05 Grant Cycle (July 1, 2004 – current) are eligible for the Arts Incubator Program. Priority will be given to 'new' (those established in the past five years) or 'emerging' organizations (organizations incorporated after 1989 that show evidence of growth from one phase to the next in their organizational development).

For the purpose of the Houston Arts Alliance Incubator Program:

- **an arts/cultural organization** is defined as a non-profit cultural organization whose primary mission, as described in its mission statement and approved by its board of directors, is the production or presentation of a regular season (year-round) of arts and cultural programming. The chief activity of the organization is the presentation or production of ongoing arts/cultural programs for the public at large, including visitors and tourists. Such organizations include but are not limited to performing arts companies, visual arts organizations, literary organizations, galleries, art centers, artists' associations and arts service organizations.
- **a multicultural arts organization** is an arts organization that is deeply rooted in and reflective of the culture of a minority, inner-city, tribal, or disabled community; is primarily devoted to providing art to their unique community; presents a ongoing season of art or cultural programs that also attracts visitors and tourists to Houston; and has a local board of directors with a majority of members representative of the minority, inner-city, tribal or disabled community served. Applicants for this category must be reviewed by HAA to be accepted into the category.

The general policies of the Houston Arts Alliance's FY2010 - 2011 Grants for Organizations Program also apply.

#### **SELECTION CRITERIA**

Organizations chosen to participate in the Arts Incubator Program will be selected through a competitive panel review process. The panel consists of a diverse group of professionals in arts management, nonprofit and business management. The panel will review and evaluate applications and make recommendations to the HAA Board of Directors.

The panel's evaluation will be based on "core competencies" to participate in a capacity building program as demonstrated using the following criteria weighted on a rating scale:

- Clarity of Program Role = 250 Points
- Effective Leadership = 200 Points
- Financial Viability & Balance = 200 Points
- Organizational Continuity & Flexibility = 150 Points
- Realistic / Achievable Goals = 100 Points
- Sensitivity to Constituencies & Markets = 100 Points

Applicants should address specific criteria when answering the narrative questions in the downloadable grant application. The criteria are the grant review panelists' guide in rating the grant applications. The criteria, which have been developed over a period of time and with input from Houston Arts Alliance constituents, represent the qualities that are considered important for a well-run arts/cultural organization.

The criteria are intended to set standards; therefore, not every applicant will meet the criteria in exactly the same way. The size, mission and other characteristics of an organization are relevant to an organization's evaluation.

As they review your organization's application, panelists will consider the following:

1. The organization has a clear mission and artistic goals that correlate with the objectives of the Hotel Occupancy Tax.

2. The organization displays an understanding of their need for change and the role of the Incubator program in their development.
3. The organization's programs provide evidence of artistic merit and commitment to advancing the specific art form or cultural expression. When evaluating the artistic merit of the applicant organization, the panel will consider the following factors:
  - 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 that are knowledgeable of their discipline;
  - Innovative and creative programming and artist selection;
  - Artistic or curatorial staff that shows vision and leadership; and,
  - Effective use of artistic resources of the community.
4. Evidence of the organization's ability to benefit from a capacity building program as demonstrated by board and staff commitment.
5. Existence of volunteer or paid staff to work at the organization's office in the Arts Incubator for at least 20 hours per week (regular business hours—(9:00A.M. to 5:30 P.M.).
6. Evidence of an active board of directors.
7. Realistic and achievable artistic and organizational goals as identified in the application.
8. Evidence of administrative capability to manage a growing arts/cultural organization.
9. Impact of participation in the Arts Incubator Program for the long-term growth and stability of the organization and the Houston nonprofit arts industry. Organizations accepted into the Incubator program should demonstrate viable organizational capacity and characteristics for success.

#### **IMPORTANCE OF THE APPLICATION AND REQUIRED SUPPORT MATERIALS**

**An organization's application should stand on its own. Applications and support materials should be prepared and submitted so that peer review panelists will have at hand all the information they will need to make informed decisions about the grant proposal.**

**Addressing the Panel: An interview with key staff and board of the organization is a vital part of this application process.** Each applicant will be required to send up to four representatives of the organization to respond to questions from the panel or to clarify any comments made by the panel during the review process. The representatives must be able to answer questions about the organization's operations and programs, budget and finances, and the specifics of the application. We strongly encourage for the Executive Director or CEO to be one of the designated representatives. No new materials may be distributed to the panel during the review process.

#### **HOW TO APPLY**

To apply, please complete the downloadable application and submit with the required support materials, to the Houston Arts Alliance by the **Monday, April 26, 2010** deadline. Interested organizations are encouraged to contact the Houston Arts Alliance staff for additional information or clarifications.

Houston Arts Alliance Grants & Services Staff will screen the applications for eligibility requirements and completeness including all requested attachments and required copies. When necessary, applicants will be notified of missing documentation and given the opportunity to complete the application packet. Incomplete applications will not be forwarded to the panel. Should you have any questions, please feel free to contact Jerome Vielman, Program & Services Manager, at [jerome@haatx.com](mailto:jerome@haatx.com) or (713) 527-9330.