



# CONNECTICUT ARTS ENDOWMENT FUND

The Connecticut Arts Endowment Fund, administered by the Department of Economic and Community Development (DECD), offers matching grants to eligible organizations to help strengthen the state’s nonprofit arts industry.

## PROGRAM TIMELINE

**MUST BE RECEIVED (NOT POSTMARKED) BY DECD BY 4:00 PM ON DECEMBER 15, 2011**

Application Deadline	Thursday, December 15, 2011
Award Notification	March, 2012
Contract Return Deadline	April 1, 2012
Funding Period	April 15, 2012 - October 15, 2012
Final Report Due	On or before December 15, 2012

## WHO MAY APPLY

### Eligible Applicants

Connecticut Arts Endowment Fund applicant organizations must:

- Be incorporated in Connecticut as a not-for-profit for at least two years prior to the application date. Primary place of business and operations must be in Connecticut
- Have obtained tax-exempt status under Section 501(c)(3) of the Internal Revenue Code
- Demonstrate that its primary purpose is to create, perform, present or otherwise promote visual, performing or literary arts in the state
- Have received a minimum of \$25,000 in private sector contributions (i.e., from corporations, foundations, businesses and individuals) for each of its two most recently completed fiscal years as verified on Internal Revenue Service forms (*see What & How We Fund*)

### Ineligible Applicants

- Organizations whose primary purpose is not arts-based
- Organizations whose primary purpose is educational or instructional (e.g. schools)
- Organizations whose primary purpose is to receive contributions for, or provide funding to other organizations. Such organizations that are ineligible include, but are not limited to, all organizations determined to be tax-exempt under section 509 of the Internal Revenue Code.

## WHAT & HOW WE FUND

The Connecticut Arts Endowment Fund (CAEF) was established by the Connecticut State Legislature to stimulate the development of private sector funding resources and to ensure the long-term stability of Connecticut’s arts industry by providing funding to organizations (C.G.S. § 10-406-409). The Fund is managed by the Office of the State Treasurer. Interest earned on the Fund principal is distributed annually through DECD to eligible organizations.

CAEF grants are “unrestricted,” that is, organizations may apply funds toward programming, administrative or operational costs, capital projects, equipment purchase, or to build their own endowments. Applicants do not specify a grant request amount, or propose specifically how funds are to be spent.

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**WHAT & HOW  
WE FUND**

Grantees shall indicate use of funds after receiving notification of the grant award. Funds that an organization has raised from the private sector for its operations and programs qualify as the cash match for the CAEF grant.

Grant awards are calculated based solely on a formula which compares the amount of private sector (non-governmental) contributions an organization has raised in its two “most recent” fiscal years. The formula is designed to reward organizations that have experienced a substantial increase in the amount of private contributions during the more recent reporting year. The formula is outlined in C.G.S. § 10-407.

Formula data is derived from the Contributions Worksheet page of the CAEF application. Figures on this worksheet must reconcile with the organization’s two IRS Forms 990 submitted with the application, and be verified by the organization’s accountant or chief financial officer. Government contributions (grants) received are **not** included as eligible amounts, nor is the value of most noncash contributions.

An organization’s share of the distributed interest earnings (grant amount) may vary from year to year, sometimes rather substantially. In 2011, 102 organizations shared \$767,183 in Endowment Fund earnings, with grant amounts ranging widely.

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**APPLICATION  
MATERIALS**

**All applicants** must submit:

- A completed and signed original application plus copies as noted on checklist
- Complete copies of the organization’s two most recently filed IRS Forms 990 (for clarification, see *What Constitutes an Acceptable Form 990*)

**First-time applicants** to the Arts Endowment Fund must also submit:

- A copy of the organization’s Internal Revenue Service 501(c)(3) determination letter (tax-exempt certification)
- A certified copy of the organization’s Certificate of Incorporation as filed with the Connecticut Secretary of State’s Office. This document dates back to the organization’s establishment and should include language which defines the its purpose. It should not be confused with an organization’s by-laws.
- A brief narrative in support of the organization’s eligibility to receive proceeds from the Arts Endowment Fund.
- Additional materials that substantiate the organization’s primary purpose as arts focused, e.g., a comprehensive list of programs offered, a breakout of operating expenses related to arts-specific programming, etc.) may also be included.

**What Constitutes an Acceptable Form 990**

State law mandates that applicants submit IRS Forms 990, *Return of Organization Exempt from Income Tax*, to substantiate reported contributions on which grant calculations are based. These forms must be completed, signed and filed with the Internal Revenue Service by December 15, 2011 to be considered valid for application to the CAEF. Draft copies or unsigned forms will not be accepted. Be sure that signatures appear on **both** 990 Forms submitted. If forms were submitted electronically, the CFO must verify (by signature) they are already filed and not subject to amendment.

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**APPLICATION  
MATERIALS**
**Acceptable 990 Forms** *(continued)*

Form 990-PF, *Return of Private Foundation*, is **not** acceptable.

**EZ Forms**

While transitioning to the extensively redesigned 2008 Form 990, the IRS raised the income and assets threshold for Form 990-EZ to allow many more filers to use it. It is acceptable to submit the 990-EZ, however, applicants must take care to accurately categorize private sector contributions on the application Worksheet.

**Returning applicants**

CAEF awards are calculated based on a formula that compares contributions received in two different years. Organizations that apply in consecutive years must compare a “new” year and therefore provide a new Form 990 to substantiate contributions. For example, if an organization last submitted 990’s for “tax year” 2008 (year one) and tax year 2009 (year two), that organization should now submit 2009 and 2010 forms. If the organization received a filing extension from the IRS, their audit has not yet been completed, or for some other reason has not filed its 2010 form by December 15, it **cannot apply** to the CAEF this year because it is unable to produce a new “year two” form.

This year, it is acceptable to submit tax returns for **organizational fiscal years ending ‘09 and ‘10, or fiscal years ending ‘10 and ‘11**. Tax returns will have the year 2008, 2009 or 2010 in the upper right corner.

Applicants with questions regarding which forms to submit should contact David Bahlman, Director of Culture, at 860-256-2754 or david.bahlman@ct.gov, well before submitting their application. **There will be no opportunity to amend the application if incorrect forms are submitted. Furthermore, extensions of time to apply will not be granted.**

**Change of Fiscal Year**

If an organization has recently changed its accounting period (fiscal year), its two most recent federal tax reporting years will be of differing length and not necessarily equal twelve months. This is acceptable as long as the minimum \$25,000 requirement is met for each reporting year as shown on the 990 Forms submitted. Contact the program manager for clarification on which forms to include prior to submission.

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**GRANTEE  
RESPONSIBILITIES**

Please read the Connecticut Office of the Arts Grant Overview Guidelines available on the agency web site. Note the following sections, beginning on page four:

- Grantee Responsibilities
- Credit and Publicity Responsibilities
- Reporting requirements
- Grant cancellations

State law dictates that proceeds of the Connecticut Arts Endowment Fund be distributed annually by April 15, therefore requiring an expeditious process. Once notified of awards, grantees will have approximately **one month to return a signed grant contract and required certifications** in order to receive funds.

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**GRANTEE  
RESPONSIBILITIES**

Applicants should anticipate the need for two certifications which must accompany every DECD grant contract. Note: these are not required at the time of application.

**1) Certification of Authorized Official** (a.k.a. Certified Resolution)

This document, signed by the board secretary, certifies that the recipient organization has passed a resolution authorizing a certain individual to sign contracts with the State of Connecticut, and that the resolution is *still in effect*. The board need not meet to pass a new resolution unless the authorized official has changed. A new certification with a current date, however, must be provided with every grant contract returned to DECD.

**2) Nondiscrimination Certification**

This document certifies that the grantee has a nondiscrimination policy in place that complies with agreements and warranties set by state law. Templates for both certifications are available on the DECD web site.

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**HOW TO APPLY**

All DECD applications must be **received** (not postmarked) by 4:00 pm on or before **December 15, 2011**. No application or parts thereof will be accepted after the deadline. E-mail or fax submissions will not be accepted.

If hand-delivered, applications must be **received** by 4:00 pm. Applicants must request and retain a receipt from the DECD staff person accepting the hand-delivered application, regardless of delivery date.

All mailed applications shall be sent to:

David Bahlman, Director of Culture  
Connecticut Arts Endowment Fund  
Department of Economic and Community Development  
One Constitution Plaza, 2nd Floor  
Hartford, CT 06103

We strongly urge applicants to use an express carrier with a tracking system and to retain the mailing receipt. Applicants will be notified of receipt of their application via e-mail within two weeks of the deadline. Questions regarding the CAEF may be addressed to the David Bahlman at 860-256-2754 or david.bahlman@ct.gov.

**Applicants must follow all instructions and provide accurate and complete information in all sections and supporting materials as stated in the guidelines. Failure to do so will render your application ineligible for review.**