

# Grassroots Arts Program Guidebook

Last Updated March 2024

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North Carolina Arts Council



North  
Carolina  
Arts  
Council

This guidebook was prepared as a resource for Grassroots Arts Program partners.

The information is also available, and frequently updated, on the North Carolina Arts Council's website: [ncarts.org/local-arts-council-resources](https://ncarts.org/local-arts-council-resources)

We encourage Grassroots Arts Program partners to reach out to North Carolina Arts Council staff with questions or to schedule a consultation.

**Janelle Wienke**

**Arts in Communities Western Regional Director**

**(919) 814-6506**

[janelle.wienke@dncr.nc.gov](mailto:janelle.wienke@dncr.nc.gov)

**Sam Gerweck**

**Arts in Communities Eastern Regional Director**

**(919) 814-6523**

[sam.gerweck@dncr.nc.gov](mailto:sam.gerweck@dncr.nc.gov)

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# **I. Grassroots Arts Program: Background**

## **Purpose**

In 1977, the North Carolina General Assembly established the Grassroots Arts Program to ensure that every citizen has access to high-quality arts experiences. The program provides funding for the arts in all 100 counties in North Carolina. Funds are primarily distributed through local arts councils using a per capita-based formula. The North Carolina Arts Council manages the Grassroots Arts Program for the state and provides technical and program assistance to its community partners.

The creation of the Grassroots Arts Program (GAP) increased the number of local arts councils and helped establish North Carolina as a leader in community arts development. Nationally, North Carolina has one of the largest networks of local arts agencies and also the country's oldest arts council, which serves Winston-Salem and Forsyth County. Grassroots funds support hundreds of arts activities across the state each year.

## **Partnership with the North Carolina Arts Council**

There are two ways that an organization can become a Grassroots Arts Program partner: Designated County Partnership and Provisional County Partnership.

A local arts council that has been nominated by its county's board of commissioners and approved by the North Carolina Arts Council to receive and administer Grassroots funds is known as a Designated County Partner (DCP). With the assistance and support of the N.C. Arts Council, DCPs have an important role in sustaining and growing the arts in their counties and serving as advocates for the arts in their service areas. DCPs are expected to administer the Grassroots Arts Program in accord with the current standards, policies, and requirements outlined in this guide.

In counties without a Designated County Partner, the N.C. Arts Council selects an organization to serve as the Provisional County Partner (PCP) to oversee the distribution and management of Grassroots funds on a temporary, or year to year basis.

Together, Grassroots partners and the N.C. Arts Council have a shared responsibility to understand the communities they serve. Grassroots partners should be familiar with the arts and cultural resources in their county—including arts organizations, professional and accomplished artists, and the arts and cultural traditions of their region. As advocates for the arts in their communities, Grassroots partners develop relationships with county governments, schools and universities, city revitalization boards, economic development councils, chambers of commerce, and tourism bureaus. These partnerships are often the catalyst for sustainable economic and community development utilizing the arts and can lead to programs that connect diverse parts of a county through shared arts experiences.

**The North Carolina Arts Council offers a broad range of technical and programming assistance:**

- **Local Arts Council Resources page:** The Local Arts Council Resources page on the N.C. Arts Council website is an online portal for Grassroots Arts Program partners. The site provides tools and links including yearly allocation tables, aggregated local government support data, webinars for completing applications and final reports, as well as this guidebook. The webpage can be found at [ncarts.org/local-arts-council-resources](https://ncarts.org/local-arts-council-resources).
- **North Carolina ArtsMarket:** The [North Carolina ArtsMarket](#) is a showcase for artists and presenters organized every other year by the North Carolina Presenters Consortium.
- **Executive Directors' Retreat:** The N.C. Arts Council hosts a learning retreat for arts council executive directors biannually. The retreat offers training and workshops on specific topics related to arts development, as well as networking opportunities with arts managers from across the state.

- **Individual consultations:** N.C. Arts Council staff consult individually with communities to plan and implement arts programs and provide training, tools, and resources for cultural planning, board and staff development, strategic planning, and grants writing.

## **How Grassroots County Allotments Are Determined**

Each year the North Carolina General Assembly allocates a portion of the state budget for Grassroots funds, divided into two portions. The first portion is for all counties and the second portion is for Tier 1 and Tier 2 counties, and Tier 3 counties with populations of less than 250,000 people. A formula is applied to each portion separately, with 20 percent distributed in equal amounts to all eligible counties, and the remaining 80 percent distributed on a per capita basis. A table of county allotments using the most recent population estimates is available at [ncarts.org/local-arts-council-resources](https://ncarts.org/local-arts-council-resources).

Included in the allotment schedule is a combined percentage of each county's multicultural population. A representative portion of each county's Grassroots allotment must be spent in support of arts programs that reflect the county's racial and cultural diversity. For example, if the county's multicultural population is 29 percent of the total population, then at least 29 percent of the Grassroots funds should be spent for multicultural programming.

## **Local Arts Councils Standards of Practice**

Grassroots partners must uphold certain standards to maintain their partnership status with the North Carolina Arts Council. Compliance with these standards is monitored by N.C. Arts Council staff and reviewed by grants panel members. Commitment to upholding these standards is part of the annual grant evaluation for Designated County Partners.

**The standards are as follows:**

- Provide support for high-quality programming in the performing, visual, literary, and traditional arts. Programming choices are responsive to community needs and demonstrate improvement and innovation. Programming choices also engage constituents across geographic, cultural, social, and economic strata.
- Foster collaborative relationships with and provide services and support to county arts organizations and other arts resources.
- Support individual artists in the county through services and opportunities and compensate artists appropriately for their work. Promote and participate in the Artists Support Grant program.
- Conduct or support arts-in-education programs led by qualified artists for pre-K–12 students. A DCP must show commitment to comprehensive arts education opportunities for the county’s youth.
- Demonstrate a commitment to diversity, equity, accessibility, and inclusion (DEAI) in programming, board representation, governance, and administrative practices.
- Demonstrate stability and fiscal responsibility through effective board and staff leadership, sound administrative practices, and strategic planning. If staffed, arts councils must provide appropriate salaries and benefits.
- Demonstrate leadership in the arts by actively participating in tourism, economic development, and community development efforts in the county that the local arts council represents.
- Maintain a history of managing the Grassroots grant responsibly and according to requirements, including meeting the deadlines for applications, fulfilling the subgranting and multicultural requirements, and completing final reports.

# II. Funding Policies and Requirements

## Approved Uses of Grassroots Arts Funds

The three primary uses of Grassroots funds are as follows:

**1. Provide operating support to Grassroots Arts Program Partners.**

A Designated County Partner may use up to 50 percent of its Grassroots grant funds for general operating support. These funds may be used to support administrative costs associated with the organization’s operations, including salaries, benefits, space rental, equipment rental, contract personnel fees, utilities, insurance, telephone, postage, office supplies, and marketing fees.

Provisional County Partners that are arts organizations may use up to 20 percent of their Grassroots grant funds for general operating support. Counties, schools, and municipalities serving as PCPs cannot use Grassroots funds for operating support.

**2. Provide program or operating support through subgrants to arts organizations that do not receive operating support from the North Carolina Arts Council.**

Grassroots partners located in counties with 50,000 or more residents are required to subgrant at least 50 percent of their Grassroots allocation to other organizations in their counties to conduct arts programs.

Grassroots partners located in counties with fewer than 50,000 residents must use 50 percent of their funds for arts programs that they conduct OR for subgrants to other organizations for arts programs using qualified artists. In either case, Grassroots partners are expected to provide support to qualified arts organizations in their counties that consistently present high-quality arts programs and that are not already receiving operating support from the N.C. Arts Council. For complete information on subgranting, visit [Section IV](#).



**3. Support high-quality arts programs that reach and impact a broad cross-section of the county’s citizens and youth.**

Grassroots funds may be used to support high-quality arts programs that a Grassroots partner conducts in its county or for local programs funded through subgrants to other arts organizations.

Examples of arts programs that are commonly supported with Grassroots funds are:

- Performances
- Festivals
- Art exhibitions
- Arts camps and after-school programs
- Artist residencies for schools
- Artist fees for classes and workshops
- Website development
- Research
- Marketing expenses for art walks and studio tours
- Royalties, props, sets, and costumes for theater performances
- Equipment rental

**Additional Funding Policies and Matching Requirement**

1. Tribal organizations that receive Grassroots funds must represent state or federally recognized tribes. North Carolina’s state-recognized tribes are Coharie Tribe, Eastern Band of Cherokee, Haliwa-Saponi Tribe, Lumbee Tribe, Meherrin Tribe, Occaneechi Band of Saponi Nation, Sappony Tribe, and the Waccamaw Siouan Tribe. An approved list of tribes can be found at [www.doa.nc.gov/divisions/american-indian-affairs/nc-tribes](http://www.doa.nc.gov/divisions/american-indian-affairs/nc-tribes).
2. Colleges, universities, and libraries may receive grants for arts programs that are community-based or generate regional arts involvement. Grants may not

support their internal programs, administration, or operating expenses (e.g., library books, band activities, equipment purchases).

3. Grassroots funds may not be awarded to individuals.
4. Grassroots funds may not be used for art supplies or equipment purchases.
5. Grassroots funds may be used for student transportation to regional arts exhibits and programs on a limited basis. Prior approval from the Arts in Communities director is required, and documentation of the expense must be included in the organization's final report.
6. Subgrants may not be awarded to arts organizations that already receive operating support directly from the N.C. Arts Council.
7. Subgrants may not be awarded for prizes, competitions, scholarships, tuition, or financial awards.
8. Religious organizations or churches may not receive Grassroots funds unless the programs are presented outside regular church services, engage the larger community, and do not contain religious content.
9. Grassroots funds may not be used for activities associated with a school's internal arts programs, such as in-school student performances, the purchase of art supplies, or student arts competitions and publications.
10. Municipalities (city/county government) and community organizations may receive grants for arts programs that use qualified artists to conduct programs that involve the greater community. Grants may not support internal programs, administration, or operating expenses.
11. Because the N.C. Symphony is a state agency and receives state funds, including funds specifically for its touring and education programs, no Grassroots funds may be granted to the N.C. Symphony or the N.C. Symphony Foundation or to pay for performances or education programs of the N.C. Symphony.

**Grassroots Arts Program money may NOT be used for the following kinds of expenditures:**

- Art, music, and dance therapists\*
- Artifacts
- Purchases of artwork
- Capital expenditures\*\*
- Contingency funds
- Deficit reduction
- Fundraising events
- Food or beverages for hospitality or entertainment functions
- School band activities or equipment
- School choral activities
- Lobbying expenses
- Oral history and history projects\*\*\*
- Tuition for academic study
- Interest on loans, fines, or litigation costs

*\* Art, music and dance therapists conducting a therapeutic program cannot be funded. However, qualified artists conducting an arts program in a health care setting may be supported with Grassroots funds.*

*\*\* Capital expenditures include expenses for purchase of buildings or real estate; renovations or improvements involving structural changes; payments for roads, driveways, or parking lots; or permanent and generally immobile equipment such as grid systems or central air conditioning. Capital expenditures include acquisitions, which are expenses for additions to a collection of art.*

*\*\*\*Oral history and history projects are not eligible for Grassroots funds. However, folklife documentation of traditional arts, including the creation of interviews, photography, videography, and other documentary media, is eligible for support through the Grassroots Arts Program.*

## **Matching the Grassroots Grant**

The Grassroots Arts Program legislation requires that county allotments must be matched dollar for dollar with cash from local sources during the applicable fiscal year. Grassroots applicants may match the entire county allotment from within their own budget, or they may use the cash match from subgrantees to fulfill the requirement. A Designated County Partner may also partner with another organization in the county to allow its arts expenditures to be designated as a match.

If a Grassroots partner chooses to fulfill its match with a partnering agreement, the Grassroots partner must obtain a letter from that partner stating the source, amount, use, and fiscal year of the expenditures and giving the partner's approval to designate it as a match for the Grassroots allotment. The partner should be aware that its records become part of the Grassroots contract, and should there be an audit of the Grassroots award, it must be willing to allow its records to be reviewed.

Neither Grassroots allocations nor the matching funds may be used to match any other N.C. Arts Council grant. All matching funds must be documented as part of the final report at the end of the fiscal year.

## **Racial and Cultural Diversity**

To ensure that Grassroots-funded arts programs reflect the racial and ethnic diversity of our state, each Grassroots partner is required to spend a percentage of its annual county allotment on programming that reflects African American, Asian American, Latino, and Native American cultures. This requirement is met through supporting arts programming conducted by artists, ensembles, or organizations of color. It is not reached by counting or estimating the percentage of audience members or participants of color.

The minimum amount the Grassroots partner must spend on multicultural programming is provided on an allocation chart by county and is available for

download on the Local Arts Council Resources page at [ncarts.org/local-arts-council-resources](https://ncarts.org/local-arts-council-resources).

### **The requirement can be met in three ways:**

1. The Grassroots partner may hire artists or ensembles of color\* to conduct arts programs.
2. The Grassroots partner may award subgrants to African American, Asian American, Latino, or Native American organizations. The organization does not have to be an arts organization, but the funds must be used for arts programming.
3. The Grassroots partner can award subgrants to other organizations to hire artists or ensembles of color\* to conduct arts programs.

*\*The majority of ensemble artists must be African American, Asian American, Latino, and/or Native American.*

## **North Carolina Arts Council Logo Use and Credit Line**

The North Carolina Arts Council should be credited for programs funded by the Grassroots grant, including those of subgrantees. In all communications, **North Carolina Arts Council** should always be written out on first reference. **N.C. Arts Council** is acceptable on second reference. NCAC should not be used.

### **Credit Line**

Choose the appropriate credit line to use with the N.C. Arts Council logo, depending on your grant award's source of funding. Credit lines must also be displayed on all digital and printed publicity materials.

### Credit line for those who receive state funds



North  
Carolina  
Arts  
Council

This project was supported by the North Carolina Arts Council, a division of the Department of Natural and Cultural Resources.

### Credit line for those who receive state and federal funds



North  
Carolina  
Arts  
Council



This project was supported by the North Carolina Arts Council, a division of the Department of Natural and Cultural Resources, with funding from the National Endowment for the Arts.

***Please remember to remove the NEA tagline from your materials and website at the completion of the project.***

### Donor Recognition

If you list donor participation on printed materials or your website, you must include the North Carolina Arts Council in the appropriate category (e.g., sponsors, directors, and benefactors)

### Reproducing the Arts Council Logo

Grantees may download logos from the N.C. Arts Council's [Logo & Branding Materials page](#). Do not reproduce the logo from faxed or photocopied images. The logo must be

reproduced as a unit without alteration. Please see our [Logo Usage Guide](#) for best practice.

The NEA logo can be downloaded from the [NEA website](#).

## **Web and Social Media Usage**

Please make sure that all digital instances of the N.C. Arts Council logo link to [NCArts.org](#).

Use the hashtag **#NCArts** across social media.

We invite you to follow us on social media:

- Instagram [@ncartscouncil](#)
- Facebook [@ncarts](#)
- X [@ncartscouncil](#)

## **Questions about Logo Use?**

Contact the North Carolina Arts Council Marketing & Communications team for assistance.

### **Diana Pineda**

Marketing Director

[diana.pineda@dncr.nc.gov](mailto:diana.pineda@dncr.nc.gov)

### **Ai-Ling Chang**

Graphic and Website Manager

[ai-ling.chang@dncr.nc.gov](mailto:ai-ling.chang@dncr.nc.gov)

# III. Grassroots Grant Cycle Information

## Annual Grant Submission

All Grassroots Arts Program partners must submit an annual grant application to be considered for funding. Designated County Partners (DCPs) are required to submit a full application every three years, and an update application in the off years. To access the DCP application schedule, visit the Local Arts Council Resources page at [ncarts.org/local-arts-council-resources](https://ncarts.org/local-arts-council-resources).

Provisional County Partners (PCPs) submit the same grant application yearly.



Applications are due on the first business day of March. Applicants must submit their grants through the online grant portal at: [ncarts.gosmart.org](https://ncarts.gosmart.org).



All Grassroots Arts Program grant guidelines can be found on the N.C. Arts Council website at [ncarts.org/gap-grant-guidelines](https://ncarts.org/gap-grant-guidelines).

## How Grant Applications Are Reviewed and Evaluated

North Carolina Arts Council staff performs a preliminary review of each Grassroots grant application to check for completeness and compliance. Arts Council staff troubleshoot potential application issues directly with partners to ensure that each application is complete prior to formal review by the Grassroots Arts Program panel. The panel is geographically and racially diverse and consists of arts and cultural specialists (peer leaders of arts organizations) and N.C. Arts Council board members.

The panelists review the applications grouped by the budget size of the organizations submitting them. They review the work samples submitted with each application as context for their evaluation of programming quality.



The panelists rate each application with a rubric based on the Local Arts Council Standards of Practice listed on [page 6](#) of this handbook.

The applicant organization's overall score determines whether it is re-authorized as a DCP. If an application receives a low rating, the DCP will be notified by N.C. Arts Council staff, who will provide technical assistance and work with the DCP to address the panel's concerns. The following year, the DCP must submit a full application, and if the application still receives a low rating, the applicant's status may drop from DCP to Provisional County Partner.

## **Grant Contract Process and Required Documentation**

Partners will be notified via email that they have been awarded a grant from the N.C. Arts Council. The contract package will also be sent via email and include instructions on how to execute your contract, as well as the actual contract for signature with DocuSign. Beyond signing the contract with the N.C. Arts Council, all Grassroots partners are required to submit specific documentation each year to receive a state grant.

The documentation can be found on the North Carolina Arts Council's [Grants Dashboard](#) page, and clearly listed on the instructions page of the contract.

**Grassroots partners will not receive payment until both the contract and the documentation have been received by the N.C. Arts Council's grant office.**

## **Final Reports and Legislative Letters**

Grassroots partners must submit a final report at the end of each fiscal year documenting how the Grassroots grant funds were used. The final report must be submitted annually online by **July 31**.

**The final report requires Grassroots partners to submit the following items:**

- A description of how Grassroots funds were used for the Grassroots partner's administration and programs, and how Grassroots funds benefited the Grassroots partner and its county.
- A budget report on Grassroots spending on the Grassroots partner's administration and programs.
- A description of how Grassroots funds were spent to meet the racial and cultural diversity requirement for the county, and the amount of funding spent on multicultural programs.
- Participation statistics for Grassroots partner and subgrantee programs.
- Information from subgrantee final reports, including brief descriptions of each subgrantee's projects, amount of funding, and project participation demographics and statistics.
- Examples of program publicity using the North Carolina Arts Council credit line and logo by the Grassroots partner and subgrantees.
- Copies of letters or e-mails sent to thank legislators for their support of the Grassroots Arts Program.
- Two original signatures certifying that the information included in the final report is accurate.

## **Legislative Letters**

Grassroots partner organizations are required to write a letter to each of their state legislative representatives thanking them for appropriating Grassroots funds. The letters should provide information about how Grassroots funds were used to support the Grassroots partner's program or project and the community impact of the event. Copies of letters to legislators must be included in the final report. In addition, Grassroots partners that require subgrantees to send legislative thank-you letters should submit copies of those letters in their final reports.

# IV. A Step-by-Step Guide to Subgranting

## Grassroots Arts Program Subgrant System Overview

Grassroots partners with county populations of 50,000 or more are required to subgrant at least 50 percent of their allocations to other organizations in their county to conduct arts programs. If the Grassroots partner is not required to subgrant, but chooses to, these same guidelines must be followed.

The N.C. Arts Council staff has prepared this toolkit to help Grassroots partners subgrant their Grassroots arts funds. All associated forms with the subgranting process are available online with the [Subgranting Toolkit](#).

## Eligibility for Subgrants

Organizations must have been in operation for at least one year. While nonprofit 501(c)(3) status is preferred, organizations that are nonprofit in nature may also receive Grassroots Arts Program subgrants. Grassroots partners may also require unincorporated nonprofits to have a fiscal agent to receive the funds on their behalf.

## Priorities for Funding

- 1 The **first priority** for awarding subgrants is to provide program or operating support to qualified arts organizations (where they exist), such as theaters, symphonies, galleries, art guilds, choral societies, dance companies, folk arts societies, writer's groups, and arts festivals. Subgrants of Grassroots funds may not be awarded to arts organizations that already receive operating support directly from the N.C. Arts Council.
- 2 The **second priority** for subgranting Grassroots funds is to support arts learning and arts-in-education programs conducted by qualified artists. These can be

artist residencies in schools, after-school programs, summer camps, or adult arts learning classes. Grassroots funds may not be used for activities associated with a school's internal arts programs such as in-school student performances, the purchase of supplies, or student art competitions and publications.

- 3 The **third priority** for awarding subgrants is to support other community, civic, and municipal organizations that provide high-quality experiences for the greater community. These programs must be conducted by qualified artists.

## How to Subgrant Grassroots Arts Program Funds

### Step 1: Establish a Timeline for the Subgrant Process

In establishing a timeline for the subgranting process, keep in mind the two annual N.C. Arts Council deadlines that Grassroots partners must meet:

- Grassroots partners must complete their subgrants panel meetings by **September 30**.
- Final reports from Grassroots partners are due to the N.C. Arts Council by **July 31**.

In general, most Grassroots partners announce the availability of funds to their communities in April or May and require that applications be submitted by June. A month-by-month timeline is available for review in the [Subgranting Toolkit](#) on our website.

### Step 2: Distribute Subgrant Guidelines and Application Form

Prepare a clear set of guidelines and criteria that will support applicants in preparing competitive subgrant applications. Guidelines should include all requirements for receiving and administering the grant (for example, matching requirement, racial and cultural diversity requirement, gathering audience statistics and demographics, and final report submission date). Post guidelines online and have printed copies available

for constituents. An application and a sample of grant guidelines are included in the [Subgranting Toolkit](#). You may modify these documents to include additional requirements.

### **Step 3: Publicize the Availability of Funds**

Publicize the availability of Grassroots funds to your community. Six weeks before the Grassroots subgrant application is due, prepare a news release explaining the Grassroots Arts Program and the availability of funds. Include information about assistance available for completing the grant application and the deadline for the application. Send information to past recipients, local newspapers, and the county's database of arts organizations. Post the application on your website. Follow up with phone calls to media outlets and former grant recipients. A sample press release can be found in the [Subgranting Toolkit](#).

### **Step 4: Offer Assistance to Constituents**

Provide training workshops and/or individual consultations to help organizations prepare their subgrant applications to the Grassroots Arts Program. A downloadable PowerPoint is available for you to use in conducting subgranting workshops at [ncarts.org/local-arts-council-resources](http://ncarts.org/local-arts-council-resources)

### **Step 5: Recruiting and Preparing Subgrant Panel**

Subgrant applications should be evaluated by a group of people knowledgeable about the county's arts organizations, local arts resources, and arts needs. The panel must reflect the demographics of the community. A typical panel has four to six members, with a board member of the granting Grassroots partner serving as chair. Other board members may serve on the panel, but the panel must also include arts professionals and other community members to ensure impartiality in decision making. Panel members' terms of service should be limited.

Panel members must be willing to review all applications prior to the evaluation meeting. A copy of all the applications should be sent to panel members at least two

weeks before the evaluation meeting. An overview of the subgrant review process, responsibilities of subgrant panel members, and the conflict of interest policy should be included in the package. Samples of all three documents are in the [Subgranting Toolkit](#).

### **Step 6: Subgrant Panel Meeting Format**

At the meeting, the chair should introduce each application, open the floor for discussion, and ask the panel to evaluate each application based on the grant guidelines and the following criteria:

- Artistic quality of proposed project or programs
- Community impact of project or programs
- Ability to plan and implement project
- Stability and fiscal responsibility of the organization

The subgrant panel must also consider the geographic distribution of funds in the county and meeting the racial and cultural diversity requirement of the Grassroots grant when awarding subgrants. Relevant panel comments on the application's merits should be recorded in writing. These notes are a source of feedback you can offer applicants to help them develop more competitive proposals for future rounds of subgranting. The notes also provide documentation if an applicant challenges a subgranting decision.

### **Step 7: Rating System and Final Approval**

The determination of grant awards should be based on an established rating system. A sample rating sheet is provided in the [Subgranting Toolkit](#).

The subgrant panel's funding decisions should be presented as recommendations to the Grassroots partner board of directors. The board of directors is required to vote and approve the subgrant panel's funding recommendations.

## **Step 8: Subgrant Award Letter and Contract**

When the subgrant panel's decisions are finalized, you should distribute an award letter, a contract with instructions, and a No Overdue Tax Debts form to each subgrantee. A sample of the award letter and contract, as well as the No Overdue Tax Debts form, can be found in the [Subgranting Toolkit](#). The purpose of the award letter is to inform the subgrantee that it has received a subgrant and refer the subgrantee to the requirements detailed in the contract. The state auditor's office requires the No Overdue Tax Debts form. The subgrantee should sign and return the form to you with the grant contract.

The grant contract spells out the terms of the award: the amount of the subgrant, matching and reporting requirements, for what purposes the money is to be spent, the period in which the money must be spent, use of the N.C. Arts Council credit line and logo link, and other specific requirements or stipulations that you may want to add. The contract should be signed both by the subgrantee and a Grassroots partner representative before money is transferred.

Any subsequent changes to the agreement should be in writing. If a subgrantee has been awarded less money than it requested, you may require submission of a revised project budget to assure that the project can still be implemented.

## **Step 9: Rejecting Applications**

Grassroots partners should send a letter to all applicants that did not receive funding. The letter may contain information about the number of applications that were submitted for a total amount requested and how many applications were approved with the total amount of funding awarded.

Organizations with poor applications may need more detailed feedback referencing the notes from the panel meeting on how to improve their proposals. A sample subgrant rejection letter can be found in the [Subgranting Toolkit](#).

## **Application Appeal Policy (recommended, not required)**

An applicant may appeal a subgrant panel decision within 30 days of formal notification of the final grant award or application rejection. Applicants must submit an appeal in writing to the executive director of the Grassroots partner and outline specific reasons or procedural violations that would merit the application being reviewed again. Note that differing opinions on a program's artistic content or program merit will not be reviewed. Appeals will be reviewed by the Grassroots partner's board of directors, which will recommend a course of action to the executive director.

## **Step 10: Monitoring Subgrantees**

The Grassroots partner is responsible for monitoring its subgrantees' funded projects throughout the grant cycle and verifying that the projects are proceeding on schedule. Each subgrantee must provide project information to you after the project ends. If you follow the N.C. Arts Council's suggested timeline, you will require final reports from subgrantees by the end of May or early June. This will give you some time to prepare your own final report, which must include information on subgrantees, by the N.C. Arts Council's July 31 deadline.

## **Step 11: Reporting Requirements**

Require Grassroots partner subgrantees to submit final reports providing detailed descriptions of the funded projects, participation statistics and demographics, sample marketing and program materials using the North Carolina Arts Council credit line and logo, and copies of their legislative letters (if you require them). It's good practice to send subgrantees a reminder of the final report deadline you have set. The Subgrant Report can be found in the [Subgranting Toolkit](#).

The N.C. Arts Council requires Grassroots partners to compile information about their subgrantees in a subgrant database as part of their final report. Required information



includes brief descriptions of subgrantee's projects, amount of funding, and project participation statistics and demographics.

### *Legislative Letters*

If you require subgrantee organizations to write their state representatives to thank them for appropriating Grassroots funds, you should also require them to include copies of these letters in their final reports. Such letters should provide information about how Grassroots funds were used to support a program or project and the community impact that had. It will be helpful if you give subgrantees contact information for their state legislators and an example of a well-crafted letter. A sample letter to a legislator is included in the [Subgranting Toolkit](#).

### *Reporting Violations*

You may impose penalties for poor subgrantee reporting practices. No subgrantee should be awarded Grassroots funds for a new fiscal year if it has failed to submit a complete final report for the previous year. A late report or an incomplete or inaccurate report for one fiscal year is grounds for delayed payment of a subgrant in the following year. Typically, Grassroots partners have a policy denying Grassroots funding to organizations with a history of reporting violations.