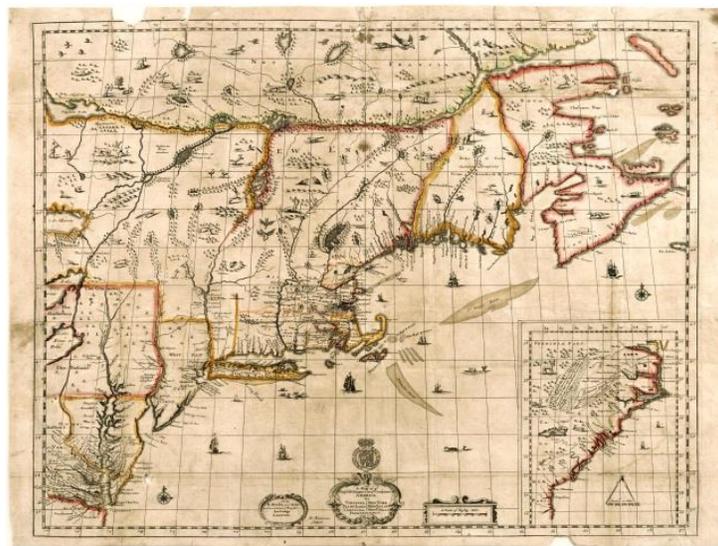


The New Jersey Cultural Trust
INSTITUTIONAL AND FINANCIAL STABILIZATION
GRANTS FOR
HISTORY & HUMANITIES ORGANIZATIONS
FY 2022 Grant Guidelines and Application



Courtesy of New Jersey State Archives; Department of State

Applications due by 3 pm, April 30, 2021

Applications to be reviewed by:
New Jersey Historical Commission

New Jersey Cultural Trust
NJ Department of State
P.O. Box 305
Trenton, New Jersey 08625
Phone (609) 984-6767
Fax (609) 633-8168
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FY 2022 New Jersey Cultural Trust Guidelines and Application Institutional and Financial Stabilization Grants for History and Humanities Organizations

The New Jersey Cultural Trust Institutional and Financial Stabilization Grant Program for History and Humanities Organizations is a funding program designed to assist groups in addressing financial and operational challenges that threaten their stability and to help build greater operational capacity to manage and advance their work and achieve their missions. The program is administered by the New Jersey Historical Commission and funded by the New Jersey Cultural Trust. All history and humanities organizations qualified by the New Jersey Cultural Trust are welcome to apply for this funding.

The New Jersey Cultural Trust was established by law in July 2000 to develop a permanent source of additional funding for arts, history, and humanities organizations to help them improve their service to the public by achieving greater financial and operational stability. The *Cultural Trust Act* created a Trust Fund, the interest earnings of which are awarded as grants to support capital projects, endowments, and institutional and financial stabilization of qualified organizations. The Act directs the New Jersey Historical Commission, New Jersey Historic Trust, and the New Jersey State Council on the Arts to design and administer grant programs that recommend projects to the Cultural Trust for such grants.

The New Jersey Historical Commission was established by law in 1967 (NJSA 18A:73-21). It is the state's statutory entity for the advancement of public knowledge and preservation of New Jersey history. Its mission is to enrich the lives of the public by preserving the historical record and advancing interest in and awareness of New Jersey's past.

In order to submit an application for funding to this program, an organization must first apply for qualification by the New Jersey Cultural Trust. Applications for qualification are available from the Cultural Trust website (CulturalTrust.NJ.gov) or from its office by calling 609-984-6767, and must be submitted by **March 31, 2021** in order to be eligible to apply for funding in this round. Those currently qualified by the Cultural Trust do not have to repeat this process. To be qualified, an institution must be a New Jersey-based, nonprofit organization (no schools, units of government or religious organizations). An organization must also demonstrate that it fulfills a history or humanities mission through active programs and services, has been in operation for a minimum of 4 years, has a functioning board that provides financial oversight to the standards set by the Cultural Trust, and is tax-exempt. The term "humanities" includes, but is not limited to, the study and interpretation of the following: languages; linguistics; literature; history; jurisprudence; philosophy; archaeology; comparative religion; ethics; the history, criticism, and theory of the arts; those aspects of the social sciences which have humanistic content and employ humanistic methods; and the study and application of the humanities to the human environment.

Call the NJ Historical Commission at (609) 292-6062 with questions regarding eligibility, the application form, and upcoming applicant workshops. Information is also posted on the Historical Commission website, History.NJ.gov.

What's New for FY 2022

The New Jersey Historical Commission (NJHC) launched its first Coronavirus Impact Survey in March 2020, and the second in June. The data collected overwhelmingly confirms that New Jersey's history community has been severely threatened by the crisis. Prior to the pandemic 45% of organizations had budgets under \$100,000, 80% do not have paid staff. The data collected demonstrates that New Jersey's history organizations entered the pandemic in a fragile financial condition that was worsened by the pandemic. In this time of crisis, the New Jersey Cultural Trust board prioritized the Institutional and Financial Stabilization grant program ahead of the capital round administered by the New Jersey Historic Trust. The Institutional and Financial Stabilization grant is offered to help organizations manage through the pandemic and secure a long and stable future.

- Grants will range from **\$10,000 to \$35,000**. Requests greater than \$35,000 will be considered for collaborative proposals and those on behalf of multiple organizations. Applicants considering submitting this type of proposal should consult with the Historical Commission's grant staff before proceeding with a proposal.
- All qualified organizations are eligible to apply regardless of whether they have previously received funding from the Cultural Trust. Please note that partner organizations must also be qualified.
- The New Jersey Historic Trust and New Jersey Historical Commission each review applications for Cultural Trust funding on a rotating basis. For FY 2022, the New Jersey Historical Commission will review applications for Institutional and Financial Stabilization projects.
- All applicants to this program must submit a Declaration of Intent to Apply (DOI) to the Cultural Trust by **3:00 p.m. on March 31, 2021** through the [System for Administering Grants Electronically \(SAGE\)](#).
- All applications to this program must be submitted by **3 p.m. on April 30, 2021** on through the [System for Administering Grants Electronically \(SAGE\)](#).

Important Dates for the grant program are as follows:

March 31, 2021	Applications for Qualification due
March 31, 2021	Declarations of Intent to Apply due
April 30, 2021	Applications due
May- June 2021	NJHC will convene panels and prepare recommendations
October 2021	New Jersey Cultural Trust will take action and announce grants
November 1, 2021 to November 30, 2022	Grant period for successful grants

Eligibility, Grant Size, Match and Financial Requirements, and Number of Applications

Eligibility: To be eligible for funds, an organization must be a New Jersey-based, nonprofit organization (no schools, units of government, or religious organizations) that has been qualified by the New Jersey Cultural Trust. Applications for qualification are available from the Cultural Trust website CulturalTrust.NJ.gov or from its office by calling 609-984-6767. In order to become qualified, an organization must also demonstrate that it:

- fulfills an arts, history, or humanities mission through active programs and services;
- has been in operation for a minimum of 4 years;
- is tax-exempt; and
- has a functioning board that provides financial oversight to the standards set by the Cultural Trust.

Qualification to the New Jersey Cultural Trust is valid for three years.

Grant Size: Grants will range from **\$10,000 to \$35,000**.

Match and Financial Requirements: There is **no** matching requirement. However, if an organization's proposed project costs more than is being requested, the proposal must clearly demonstrate the organization's ability to provide the remaining necessary funds. Grant funds may not be used to match any other State of New Jersey grant. Indirect and other administrative costs not directly related to the project may not be charged against the grant.

Number of Applications: A qualified organization may submit only **one application** for Cultural Trust funding in this FY 2022 grant round.

Guidelines and Application Instructions

Institutional and Financial Stabilization: The Cultural Trust Act intentionally defines the term "Institutional and Financial Stabilization" very broadly. The goal is both to assist groups in addressing financial and operational challenges that threaten their stability **and** to help build greater operational capacity to manage and advance their work and achieve their missions. The strategies and projects that can accomplish this are as diverse as the organizations themselves. Applicants must show that they have identified the challenge or goal, and that the strategies and projects proposed to address the challenge will produce significant and sustainable results.

What follows are examples of some of the more common challenges to stability and capacity building and ways of addressing them. They do not define the range and nature of possible fundable projects and are offered only as general guidance for how the terms Institutional and Financial Stabilization are commonly understood in the nonprofit field and how some organizations approach them. What is right for your organization will be determined by its circumstances and your plans.

- **Deficits:** Deficits can destabilize an organization. Ways to address a deficit could include 1) paying it down 2) diagnosing the cause and/or 3) once diagnosed, addressing the root cause in a variety of ways such as marketing, program underwriting, expanded membership, fundraising, board development, business plans, and new staff configurations. If funding to reduce or eliminate a deficit is requested, demonstration of a plan to avoid a recurring deficit problem is required.

- **Advancement and Capacity Building:** The same strategies used to erase deficits can be applied to advancing an organization's overall program and operating capacity by broadening and increasing income, attracting new audiences, and forging new partnerships.
- **Regulating Cash Flow by Establishing a Working Capital Fund or a Cash Reserve:** Sometimes the cycle of activity requires significant and destabilizing outlays prior to receipts, sending groups to financial institutions for bridge loans and lines of credit that carry interest payments. Having one's own revolving fund can address this issue and may pay you interest. Few emerging groups are able to appropriately budget for maintenance or have funds they can turn to in an emergency such as property damage or casualty loss.
 - Create a **Working Capital Fund:** A working capital fund can be replenished annually (as opposed to an endowment) reduces operating risk and better secures an organization's other income and assets. Applicants must show that the board has instituted a policy and plan to replenish the fund to the level described and outlined in the organization's policies for managing the fund.
 - Create a **Cash Reserve:** The Corporate Finance Institute defines cash reserves are funds that are set aside for emergencies. The cash that is saved is used to cover costs or expenses that are unplanned or unexpected. In most cases, the reserves are specifically for short-term needs. A cash reserve may assist an organization with avoiding credit card debt and/or eliminate the need to take on additional loan debt. The money may also be placed in a separate account, designated as the cash reserve account. Applicants must show that the board has instituted a policy and plan to replenish the reserve to the level described and outlined in the organization's policies for managing the fund.
- **Strategic Planning:** Possessing a sound strategic plan is the first step toward success, whether the key to your stabilization and advancement is in marketing, fundraising, board development, facilities, operational and program expansion, or greater membership and outreach.
- **Professional Development:** A new skill set may be required in order to perform essential or new business functions for which board and staff can be trained. This idea may extend to business systems and services as well as things that help organizations reduce costs, improve accountability, or increase productivity.
- **Staffing:** New staffing positions are eligible, but the application must address how you the position will be sustained after the first year of funding. Requests for expanding existing positions are eligible, but the application must make clear how the position will be broadened to include new, additional responsibilities.

Evaluation Criteria: The following criteria will be used in the assessment of the proposal:

- The ability of the project to significantly improve long-term financial stability, expand operational capacity, and ensure resilience in the wake of COVID-19.
- How the project fits into the organization's strategic planning and current financial context as a logical next step towards stabilization and/or advancement.
- The ability and organizational commitment to execute the project successfully including adequate project planning and the extent to which the proposed project can be accomplished with the grant and other resources (staff, consultants, etc.) available to the applicant (present a specific, realistic project budget).
- The ability of the applicant to sustain or build upon the gains made through the project after project funds have been expended.

Ineligible Projects: Institutional and Financial Stabilization grants are intended to make projects and activities possible that otherwise would not be feasible at this time. They may not replace other funds and must be in addition to funds originally and normally budgeted for or associated with the basic operations of an organization. The following types of projects are ineligible:

<ul style="list-style-type: none"> • Capital construction projects • Fundraising events, e.g. galas, receptions, etc. • Contributions to endowments • International travel • Replenishing pre-existing working capital funds or cash reserves 	<ul style="list-style-type: none"> • Education in a matriculating course of study • Public arts programs, projects, and services • Ongoing history or humanities programs, projects, and services • Applying for more than one specific project
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Process: Applications by eligible organizations will be reviewed, evaluated, and ranked by an independent panel of qualified persons employing uniform evaluation criteria. The process is as follows:

- Applications will be reviewed and evaluated by the New Jersey Historical Commission.
- The Historical Commission will forward to the Cultural Trust Board a list of projects it recommends for funding.
- The Cultural Trust Board may approve or deny funding to projects on the list. The Board will explain reasons for any denial and allow for an appeal.
- The Cultural Trust reserves the right to place other conditions upon any grant as they may relate to monitoring and reporting.
- Announcement of grant awards will be made by the Cultural Trust Board.
- Contracts will be issued to successful grantees by the Cultural Trust.

Application Instructions: The guidelines and related information are available on the websites of the Historical Commission at History.NJ.gov and The New Jersey Cultural Trust at CulturalTrust.NJ.gov.

A complete Application submission in SAGE consists of, in the order below:

1. Summary history of the applicant organization, not to exceed one page
2. Up to 5 page narrative (see guidelines below)
3. Financial Charts A & B
4. Required support materials – clearly label each item:
 - (a) Copies of the organizations’ most recently completed audit (or IRS 990 if applicant’s annual budget is less than \$500,000).
 - (b) List of all staff members with titles **or** an organizational chart (indicate which staff are paid).
 - (c) Resumes **or** brief bios of the key participants in the project (staff, board). No more than 1 page each.
 - (d) Credentials and copy of the actual proposal of any consultant including detailed costs, timelines, action steps, deliverables and an indication of willingness to participate in the proposed project; it is also helpful to include the Request for Proposal and/or the process used to select or to be used to select any consultants.
 - (e) Brief background on **all** outside organizations, agencies, or institutions that are projected to provide services in support of this project.
 - (f) Vendor quotes for projects requesting funds for equipment.
 - (g) Resume of candidate, if available, and detailed job description for proposed position for projects requesting funds for a staff position.
 - (h) For projects requesting funds for a cash reserve, organizational policies for managing and replenishing the reserve.

- (i) For projects requesting funds to address a deficit, a plan to avoid a recurring deficit.
- (j) Any support material relevant to the proposed project (e.g. planning documents that support the project, guides to programs and services, program brochures, or any other documents that will aid an independent evaluator in better understanding who you are, what you do, and how you do it.

Narrative Guidelines: A narrative of no more than 5 pages in length that responds to the following:

1. **Briefly** describe your organization, its mission, its major programs and services, and its audience **as context** for the project, and the organization's major challenge(s) to institutional or financial stability or future operational capacity.
2. **Fully** describe the proposed stabilization project. Discuss why you think this project addresses the major challenge as stated in your answer to question #1. Discuss why the project is a high priority and how it fits into your organization's strategic planning and overall financial health. How is this project a logical next strategic step for the organization? What was the self-diagnosis behind determining the need for the project?
3. How will the project be accomplished? What resources, including human and financial, will be used? Describe all human resources required for the project, both from within and outside the organization. Applicants may include in the application the cost of current staff resources dedicated to the project and pro-rated as such, however Trust funds requested cannot be used to cover these costs. Trust funds can be requested for new staff resources as part of the project. If the project will cost more than the grant funds requested, how will the funds or additional resources be obtained and when will these resources be in place? Take care to be specific and provide documentation.
4. How will the gains made through the project be sustained, independent of future NJ Cultural Trust funds? How will the project lead to permanent improvement in the financial, operational, or institutional stability or advancement of the organization? Note: If the project includes the acquisition of new staff resources, how will the position(s) be sustained after the year of Trust funding through other means (provide a specific detailed plan)?
5. Organizations that received Cultural Trust grants in past rounds (FY 2009 - present) must provide a brief description of the accomplishment of or progress on the funded project and, if applicable, how the activities for which funding is now requested builds upon, but is different from, the previous grant-funded activity.

Final Advice

1. Before proceeding with the grant application, read the guidelines in their entirety.
2. Always keep in mind the Cultural Trust's Guidelines and Application Instructions (Page 4-5) while completing the application.
3. Complete all required information accurately and consistently. Double-check all numbers.
4. Review the information on what the application package should contain. Double-check that all required attachments and support materials have been successfully uploaded in SAGE. Please refer to the SAGE guides on the Cultural Trust's CulturalTrust.NJ.gov homepage if you have any questions whatsoever about compatible document types.
5. Give yourself plenty of time to complete the application by the due date. This will avoid last minute omissions and oversights. You will not be able to add or change anything in your application once the due date and time has passed.
6. It is the applicant's responsibility to make sure their mailing address, telephone number, and email address are correct in SAGE. The NJHC uses that information to contact applicants throughout the grant process.

7. Please note that the Historical Commission and Cultural Trust are not responsible for any inaccuracies or omissions regarding any aspect of your application in SAGE.
8. If you have any questions or concerns regarding the Cultural Trust guidelines, call the NJHC staff at (609) 292-6062.

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