



New Jersey State Council on the Arts Frequently Asked Questions

Este documento también está disponible [en español](#).

Below are some of the most frequently asked questions directed to the Arts Council. Should your question not be addressed below, please contact the appropriate [staff member](#). Please consult the [Glossary](#) for detailed definitions.

Compliance Questions

Q. My organization is incorporated and has been providing public arts programs for two and a half years, but we just started the IRS Tax Exempt process. Are we eligible?

A. No. You must have your IRS filings completed and approved at time of application.

Q. Where do I go to update or learn more about my Charities Registration?

A. Charities Registration is required by the State and managed by the NJ Department of Consumer Affairs. Organizations should consult [New Jersey's Charities Registration Information portal](#).

Q. Where do I go for my online renewal with the Division of Revenue?

A. Division of Revenue compliance is required by NJ Treasury. Organizations should visit [New Jersey's Annual Reports and Change Services portal](#).

Q. My organization is not registered in NJSTART. Is it required?

A. NJSTART is required by the State in order to receive grant payments. You can register for NJSTART [here](#). The Vendor Support Page has information to assist you with the registration process, and you can access the page [here](#). All grantees are encouraged to select the Electronic Transfer Funds (EFT) option in order to limit delays in receiving funds.

Eligibility Questions

Q. If we are not a 501(C)(3), what are our options? Do you work with Fiscal Agents/Fiscal Sponsors?

A. Organizations using the services of fiscal agents or fiscal sponsors are not eligible to apply. These organizations may be eligible to apply to their local [County Arts Agency](#) which receives funds from the Arts Council to regrant through its Local Arts Program.

Q. How can I be sure I meet the regional/multi-county impact eligibility requirement?

A. Evidence demonstrating the counties in which your audiences/attendees reside is required throughout the grant application and reporting process. Accurate methods of measurement include systematic recording of zip codes/counties through door surveys, audience interviews, program follow-up assessments, program registration, and ticket sales. Examples of ineligible methods of measurement are: website/social media analytics, mailing lists, or email lists. These ineligible methods should not be included in the audience data reported in a grant application or any grant reporting.

Only count audiences who are directly engaging with your organization. Those who use your property but do not otherwise engage with your organization and/or its programs or services should not be reported to the Arts Council.

Q. What constitutes a half-time administrative staff person?

A. Eligible organizations are supported administratively by at least one salaried (not contracted) employee working, at minimum, 20 hours a week. This individual must be available during regular business hours, be responsible for the administrative responsibilities of the organization, and be authorized as the SAGE contact. Applicants are strongly cautioned not to hire staff in order to access Arts Council funds. Evidence of this requirement is required at time of application. Applicants may provide a current payroll statement or P&L statement which demonstrates expenses dedicated to employees if not evidenced by the audit or Form 990.

Q. What constitutes a full-time administrative staff person?

A. Eligible organizations are supported administratively by at least one salaried (not contracted) employee working, at minimum, 35 hours a week. This individual must be available during regular business hours, be responsible for the administrative responsibilities of the organization, and be authorized as the SAGE contact. Applicants are strongly cautioned not to hire staff in order to access Arts Council funds. Evidence of this requirement is required at time of application. Applicants may provide a current payroll statement or P&L statement which demonstrates expenses dedicated to employees if not evidenced by the audit or Form 990.

Local Arts Program Questions

Q: Can I apply to both my county's Local Arts Program and the State Arts Council's GOS or GPS grant program?

A: Yes, you may apply to both programs but, you cannot accept both awards. The State Arts Council partners with each of the 21 Counties to re-grant State Arts Council funds through the Local Arts Program for the specific reason of extending the reach of State Council dollars to those organizations not receiving state funds directly. Applicants should examine the requirements of both the state and county grant programs to determine which one best supports and aligns with their organization.

Q: I am a current grantee of my county's Local Arts Program, am I eligible to apply for a State Arts Council project grant?

A: Yes, you are eligible to apply unless the specific project guidelines state otherwise.

Q: Can I use a portion of my Local Arts Program funds to match a State Arts Council grant award?

A: No.

Q: Can I receive Local Arts Program funds from my county and State Arts Council GOS/GPS funds at the same time?

A: The State Arts Council partners with each of the 21 Counties to re-grant State Arts Council funds through the Local Arts Program (LAP) for the specific reason of extending the reach of Council dollars to those organizations not receiving state funds directly. In most cases, an organization will be eligible to apply for state funds directly from the Council or through their county's LAP. In the rare cases in which an organization chooses to apply for both, if both applications are awarded, the organization must choose which to accept. If an organization is already a recipient of one program and chooses to

transition to the other, grant awards will be adjusted to ensure there is no overlap of support for the same expenses.

General Application Questions

Q. We are open and welcome to all people. Why are you asking about our organization's diversity, equity, access, and inclusion efforts?

A. Arts Council grant awards are comprised of public funds. As such, the Arts Council has a priority and mandate to be representative of all people through its investment of public funds. A proven commitment to diversity, equity, access, and inclusion is an expectation of all organizations receiving grant funds from the Arts Council.

Q. Does the Arts Council offer translation services?

A. The Arts Council website, pages, and documents may be translated for your convenience using translation software powered by [Google Translate](#), a free online language translation service that can translate text and web pages into different languages. Reasonable efforts have been made to verify the reliability of the translation service; however, no automated translation is perfect nor is it intended to replace human translators. The Arts Council does not guarantee the accuracy of the translated text. Some pages may not be accurately translated due to the limitations of the translation software. Text in images, PDF files, Word documents, or other document types cannot be translated. The official text is the English version. Any discrepancies or differences created in the translation are not binding and have no legal effect for compliance or enforcement purposes. If any questions arise related to the accuracy of the information contained in the translation, please refer to the English version of the website/document which is the official version.

Q. What is the Americans with Disabilities Act Plan/Policy?

A. The Americans with Disabilities Act (ADA) is a federal civil rights law designed to prevent discrimination and enable individuals with disabilities to participate fully in all aspects of society. An ADA plan is a required plan that is administered by the Arts Council and its partner at the Cultural Access Network. A grantee will see that the requirement of completing and/or submitting an ADA plan will be included with General Operating Support and General Project Support grant contract specifications once every three years. The Cultural Access Network includes a [resource library](#) designed to assist with the ADA planning process, as well as additional tools for providing and promoting access.

Q. What is inclusive language?

A. The National Assembly of State Arts Agencies' [Inclusive Language Guide](#) is an online compilation of resources, including guidance on choosing language that includes rather than excludes, that accepts and celebrates differences, and that is welcoming to everyone. Style guides, definitions, tools, and other resources are also provided.

Q. Will you contact me if my application is missing anything?

A. For an application to be considered complete, every item that is required must be included in your application at the time of submission. Applications must be submitted prior to the specified date and time listed in the guidelines. Due to the number of applications received, staff may not contact applicants to request missing material. Use the grant guidelines as your guide to make sure that you have included every item. For General Operating Support and General Program Support grant applications, allow at least six weeks to prepare your application and other supplementary information. Do not wait until the day of the deadline to submit.

Q. What is a Yellow Book Audit?

A. A Yellow Book Audit, also known as a GAGAS audit, is an audit conducted according to the standards and guidance of the Government Auditing Standards, which are produced and maintained by the Government Accountability Office (GAO). All organizations receiving over \$100,000 and less than \$750,000 in federal and state funding are required to submit a Yellow Book Audit annually. The Yellow Book is the book of standards and guidance for auditors and audit organizations, outlining the characteristics of good audit reports, professional qualifications for auditors, and audit quality guidelines. Many auditors of federal, state, and local government programs use these standards, commonly referred to as generally accepted government auditing standards (GAGAS), to produce their reports.

Q. What is a Single Audit?

A. An independent compliance audit referred to as a Single Audit is required for organizations receiving \$750,000 or more in federal and state funding. Single Audits cover the entire organization’s financial operations and are substantially more detailed than a regular independent audit. A Single Audit requires higher levels of testing by the independent auditor to establish that: the financial statements are presented fairly and accurately, and in accordance with cost principles; the organization has an adequate internal control structure; and that the organization is in compliance with any special government regulations/laws that apply to the specific funding stream.

Q. What is the Arts Council’s policy on the use of Artificial Intelligence (AI) in the development and completion of grant application responses?

A. Each organization’s application is expected to be a true and factual presentation of its programs and services. The application also includes areas where the applicant must reaffirm that the information included in the application is true, accurate, and factual. The use of AI does not disqualify an applicant from being held accountable for anything that may be determined false or fraudulent within an application.

Q. What artistic disciplines are supported by the NJ State Council on the Arts?

A. The New Jersey State Council on the Arts prioritizes supporting the artistic disciplines identified by the National Endowment for the Arts. For additional information, visit: [GRANTS FOR ARTS PROJECTS: Artistic Disciplines | National Endowment for the Arts](#). For the categories supported by the State Arts Council and their descriptions and definitions, please see the [Glossary](#).

Application Submission Questions

Q. If my organization’s application is determined to be incomplete, may I add the missing item(s) and resubmit the application?

A. Due to the volume of applications received, an organization may not have the opportunity to add missing items and resubmit the application after the application deadline. We encourage you to double-check your application package against the grant guidelines to make sure that nothing is missing before you submit your application.

Q. How do I submit my application?

A. The ability to submit an application is included in the “status change” options in the SAGE system. Instructions on how to submit your application are included within the SAGE application as you navigate

through the application forms. It is important to remember to read all the instructions throughout the SAGE forms in order to ensure all the required steps are complete.

Finance Questions

Q. I am applying for General Operating Support and do not see a header for "direct arts program expenses" in my budget expense form 1B, but that header appears in the budget expense itemization form 1A. What do I report in this section?

A. In the General Operating Support application, only applicants applying as a "service organization" need to address the "direct arts program expenses" itemization in form 1A. All other General Operating Support applicants should disregard that portion of the budget itemization form, 1A. The budget expense form, 1B, has notes on specific line items that identify if that line must be itemized in form 1A. It is good practice to read the page instructions as well as the details within the form and tables prior to completing the fields.

Q. My budget and/or programming has fluctuated year to year. Will the panel review those inconsistencies negatively?

A. Not necessarily. The past several years have affected the way nonprofit organizations do business. Panelists are looking for transparent explanations of the strategies employed to advance economic stability and improve mission-based outcomes and their results.

Q. Can capital renovation or construction projects be included in my operating budget?

A. The budget forms contain a supplementary chart for organizations to include income and expenses related to capital projects. These financial details are important for panelists and program officers to see in relation to the organization's operating budget. They are not, however, allowable expenses in the operating budget chart. Please consult the [Glossary](#) for capital definitions.

Q. My organization has a different fiscal year than the Arts Council's. Does that affect the way I report information and financials?

A. All information presented must be for the specified grant period even if the organization's fiscal year is different. Please contact the [Arts Council staff](#) for additional support if needed.

Q. What types of expenses are considered ineligible expenditures?

A. The Arts Council lists the following as ineligible operating/programmatic expenses, unless stated otherwise in specific grant program guidelines. Organizations may not include these items in their organizational/project budget charts but should detail them in the budget notes and/or supplemental charts in order to fully understand the organization's full financial picture.

- Borrowed fund payments (including but not limited to loans, credit, etc.)
- Capital acquisitions (e.g. collections, archives, land, buildings, assets under development)
- Capital improvements (including website/software development)
- Cash reserve/surplus allocations
- Curricular and certificate programs, courses, or course of study offered by an institution
- Deficits or replacements of funds
- Endowment contributions
- Equipment/machinery valued at \$5,000 and above with an estimated useful life of more than one year

- Foreign travel (project grants may contain out-of-state travel restrictions)
- Fundraising events
- Hospitality costs (including food and beverage)
- Housing/Home office workspace rental for employees (Temporary housing for artists/project-related personnel is allowable.)
- Investments
- Prohibited telecommunications and video surveillance services and equipment ([2CRF 200.216](#) and [.471](#))
- Re-grants
- Scholarships
- Student publications
- Vehicles

In addition, grant funds may not be used to make contributions to the following: any persons who hold, or are candidates for, an elected office; to any political party, organization, or action committee; or in connection with any political campaign or referendum. Grant funds may not be used for any lobbying activities.

Q. Can funding be applied retroactively?

A. No. Grant awards cannot be used toward expenses or projects that have taken place outside the grant period.

Grant Assessment Questions

Q. Who serves on the grant review panels?

A. Panels are comprised of regional and national arts and cross-sector professionals who are specialists in a variety of content areas. Credentials of potential panelists are reviewed by staff and then by the Arts Council’s Grants Committee. The full Arts Council votes on adding individuals to the pool of approved evaluators. From this pool, panels are configured which mirror the applicant pool, and are balanced with respect to artistic discipline, skill set, and various demography including race/ethnicity, ability, age, and gender/sexual orientation, etc.

Q. Are all applications reviewed by panelists?

A. All applications are reviewed according to the grant guidelines for the specific program. When panel review is indicated as part of the process, applications are screened for completeness and eligibility. Applications that are deemed eligible will move to the panel process.

Q. How is it fair to compare my small organization to a major institution with a long history given that our applications are reviewed in the same panel?

A. Applications are not compared to one another. Each applicant states its mission-based or project-based goals, and the panel assesses how well the applicant is able, or is poised to, carry out that mission artistically with sound governance, finances, and public benefit. In a sense, applicants are “competing” not with other applicants, but against the statement of their own goals in accordance with the evaluation criteria/rubric.

Q. Why is another organization that I believe is similar to mine getting more funding than my organization?

A. Many factors could be at play in this situation. Very often, an organization is not aware that an organization they perceive to be similar is, in fact, different. Each organization presents itself uniquely, which reflects their distinctive situation. Another possible factor is that the other organization may have received a stronger evaluation through the panel process, resulting in receipt of a larger percentage of their request.

Grant Award Questions

Q. How are grant applications selected for funding?

A. Grant applications that are deemed eligible and complete move through the review and selection process as indicated in the specific grant program guidelines. The majority of Arts Council grants are awarded based on an application review process that is designed to be fair, transparent, and free from political influence. The multi-step process takes many months to ensure that each application is given full consideration. Beginning with application intake, the Arts Council staff reviews each application for completeness and eligibility in accordance with the published criteria. After assembling diverse panels of content specialists from around the country, the staff facilitates panelist review and ranking of often hundreds of applications at a time. Based on grant panel assessments and available resources, the Arts Council's Grants Committee approves a strategy for investment that goes before the full board for consideration. The full Arts Council votes in public session on all grant awards.

Q. Isn't the grants process political, and doesn't it depend on who you know?

A. The grants process is not political and does not depend on who you know; it is designed to be fair, transparent, and free from political influence (see above). Arts Council members adhere strictly to State Ethics Commission rules on recusal which requires that State Officials recuse, or remove, themselves from any official business related to an entity with which they have a personal, financial, or professional affiliation. Arts Council members recuse themselves and/or abstain from discussion and voting if there is an applicant with which they have even the perception of an affiliation.

Q. Why are applications not funded, and what recourse does one have?

A. Many factors go into the funding decisions. The evaluation by the panel is usually the most direct explanation. An evaluation that is not particularly strong indicates that all members of the panel agreed to a variety of weaknesses in the application. Also, applications may not be funded simply because the Arts Council did not have sufficient funds.

If the grant guidelines state that an appeal process is available for the grant opportunity, an applicant may appeal the Arts Council's decision. In the event the panel misread an application, applicants may appeal the decision by indicating those comments they believe are in error and cite parts of the original application submission where the misinterpretation occurred (no new information can be introduced in this process).

Q. How do grantees receive grant payments?

A. The standard distribution schedule is 75%/25%. Grantees will receive 75% of the award upon execution of the contract and the remaining 25% upon execution and approval of the final report.

Payment will arrive either by check or direct deposit, depending on which method the organization has selected in its NJSTART account. The Arts Council advises organizations to select direct deposit, since this is recommended by all NJSTART users.

Q. How long does it take to receive payment?

A. Payments typically take between 4 – 6 weeks after the grantee submits its contract, final report, etc.