

# Operating Grants: Use existing guidelines



Dec. 2024

## **Proposal:**

1. Determine the allocation of funds by percentage for operating grants and Thrive.
2. Adopt existing grant guidelines and criteria with no changes.
3. For the funding formula, award funds in alignment with the base percentage for funding categories, scaled to the amount allocated to operating grants.

# Proposal:

## Decide the allocation of funds by percentage for operating grants and Thrive.

### Justification:

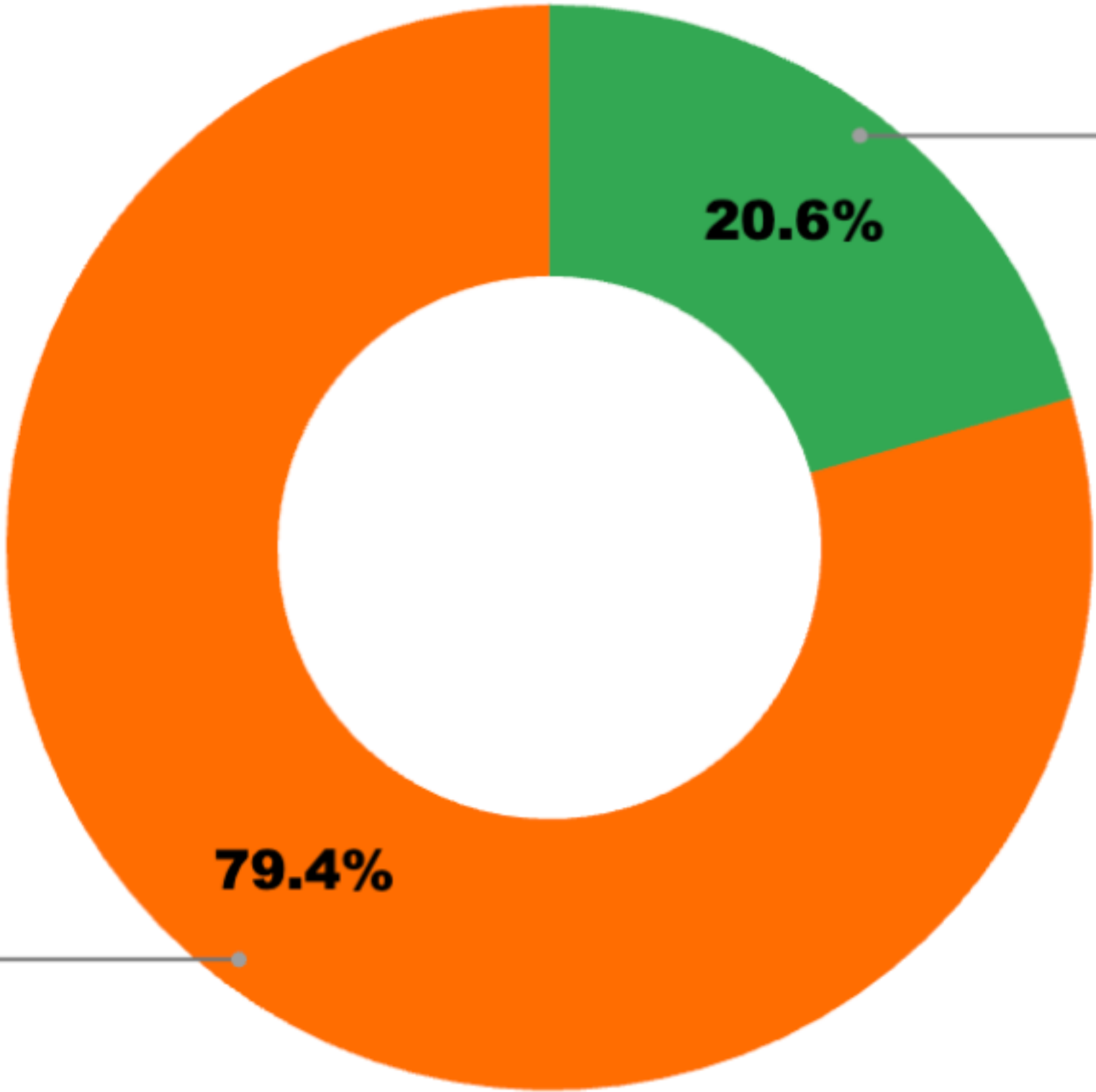
- **Scalability:** Percentages automatically adjust as the total amount changes. The proposed funding formula model utilizes a scaled approach.
- **Future planning:** When using percentages, allocations can be planned before knowing the final budget
- **Communication and transparency:** Percentages often communicate proportional relationships more intuitively than raw numbers.

Source: August 2023 Scenario 4 as voted on by commission

# FY24 Funding Allocation

Authorized by commission Aug. 2023

The commission allocated 79.4% of funds to operating grants in FY24.

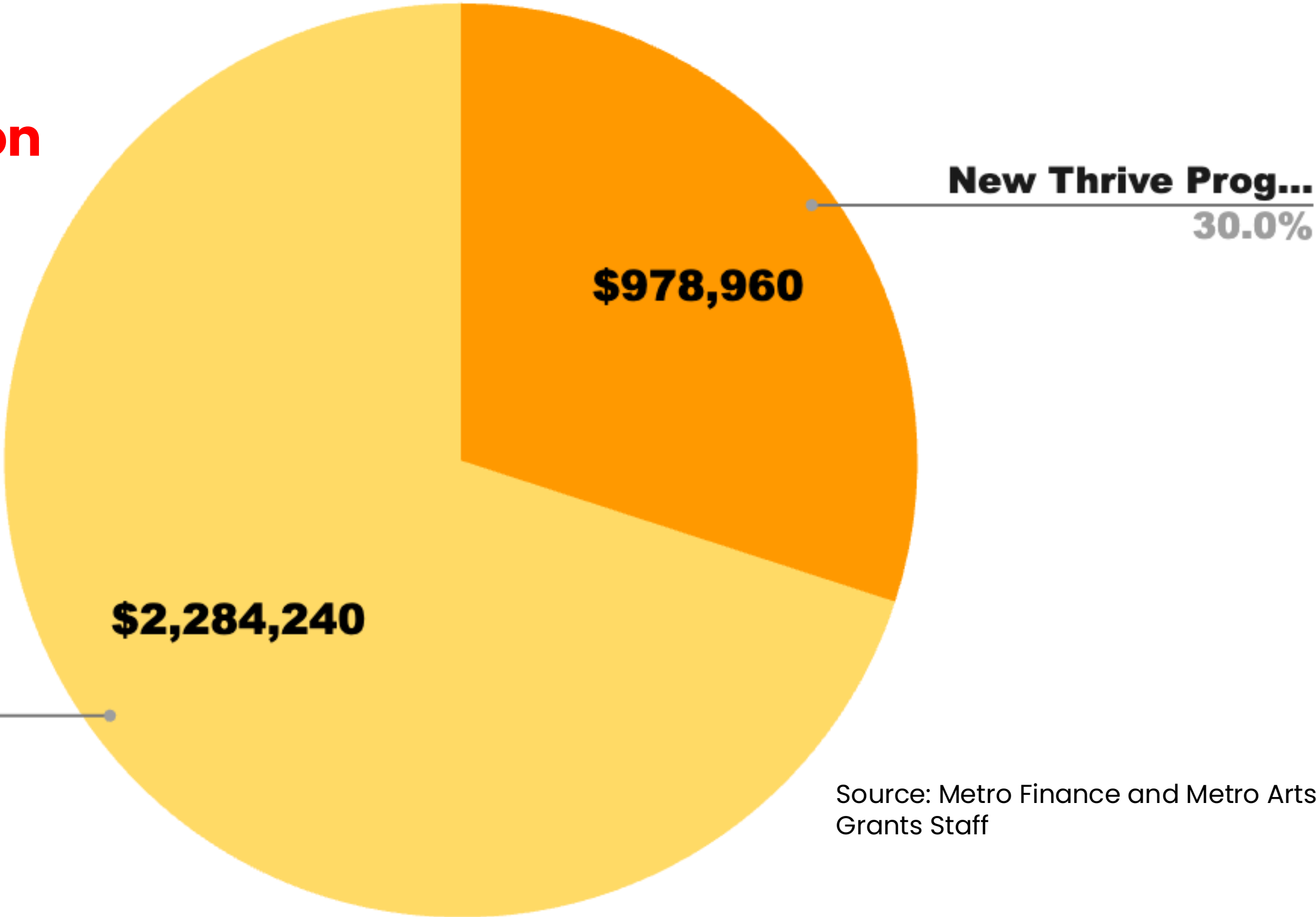


**Operating Grants**  
79.4%

**Thrive**  
20.6%

# 70-30 Allocation Model

**Scenario 1:  
The commission  
could adopt a  
70/30 split for  
FY25 funding.**



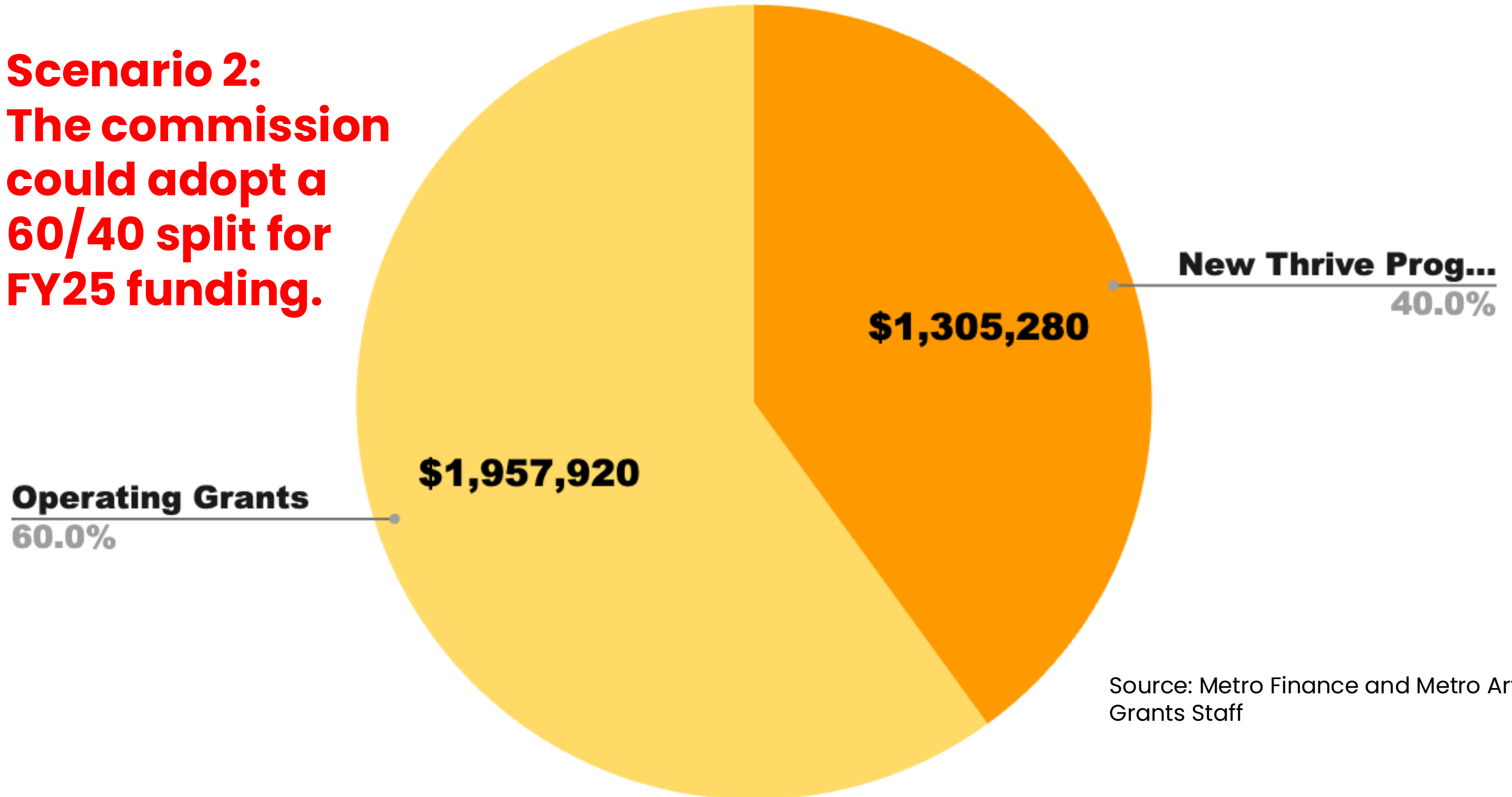
**Operating Grants**  
70.0%

**New Thrive Prog...**  
30.0%

Source: Metro Finance and Metro Arts Grants Staff

# 60-40 Allocation Model

**Scenario 2:  
The commission  
could adopt a  
60/40 split for  
FY25 funding.**



Source: Metro Finance and Metro Arts Grants Staff

# 50-50 Allocation Model

**Scenario 3:  
The commission  
could adopt a  
50/50 split for  
FY25 funding.**

**Operating Grants**  
50.0%

**\$1,631,600**

**\$1,631,600**

**New Thrive Prog...**  
50.0%

Source: Metro Finance and Metro Arts  
Grants Staff

# Proposal:

**Adopt existing grant guidelines and criteria with limited changes.**

## Justification:

- **Community engagement:** Guidelines have already gone through [extensive community engagement](#) processes.
- **Current applicants:** These were the posted guidelines when applicants applied in January 2023.
- **Equity:** Advances equitable funding models.



# Proposal:

Adopt existing grant guidelines and criteria with limited changes.

## Changes to guidelines with reasoning:

- Change dates and deadlines
  - To reflect abbreviated timeline
- No mid-point review necessary
  - Because of abbreviated timeline
- Applicants can revise current application
  - Because of time lapse between application and award (>1 year)
- No additional funds for higher scores (93-100)
  - Because of limited budget

# Proposal:

**For the funding formula, award funds in alignment with the base percentage for funding categories, scaled to the amount allocated to operating grants.**

## Justification:

Scaling the award based on available funds honors the values and integrity of the original funding formula, ensures that all applicants who score at a high level receive funding, and is resonant with the application (which has always stated that actual funding is predicated on available budget).

# Key data points:

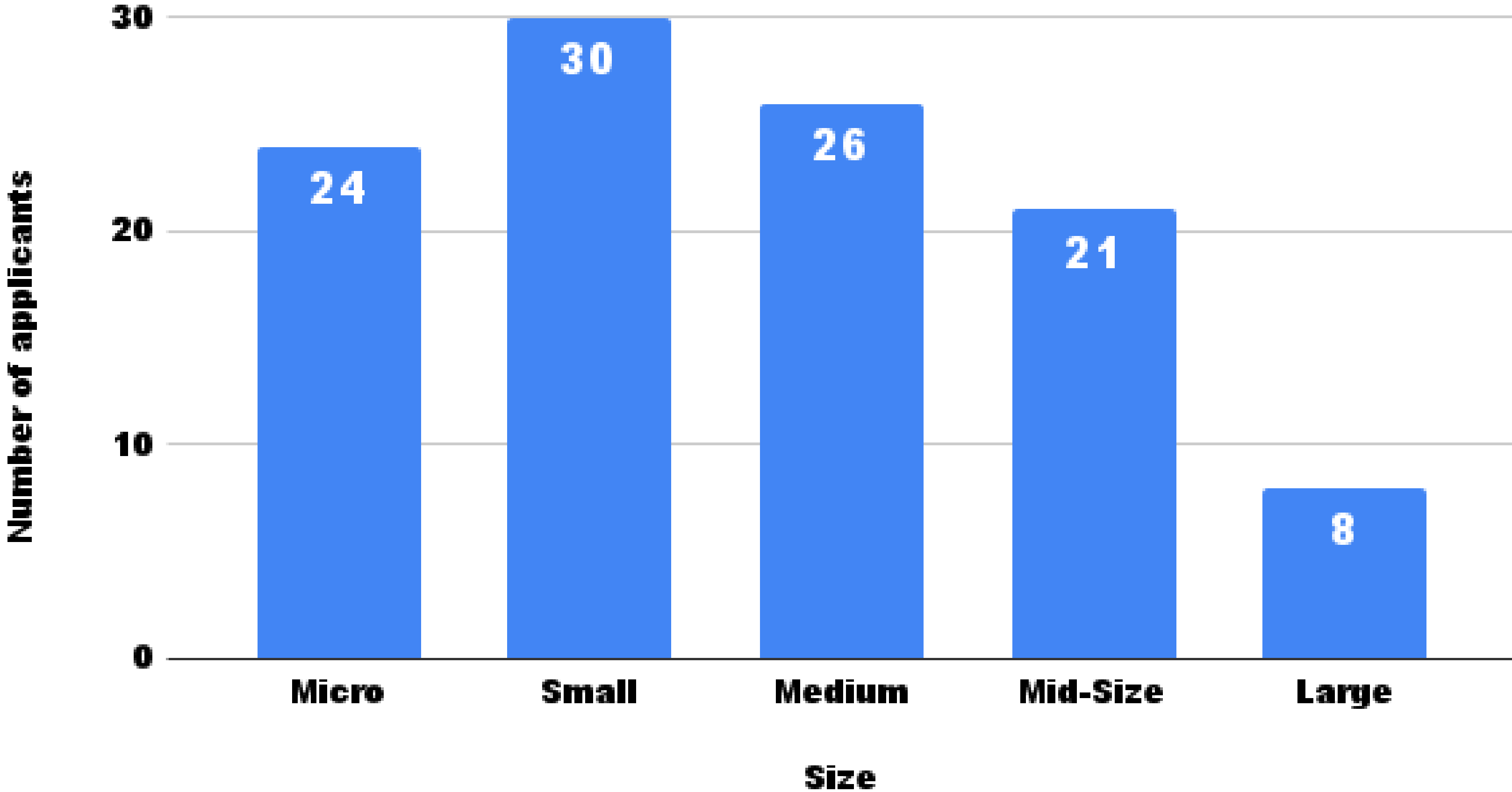
- **109** Operating grant applicants
- If all Operating grant applications were fully funded, the total would be **\$6,136,531.00**
- The total amount budgeted for Operating & Thrive in FY25 is **\$3,263,200.00**

Source: Metro Finance and Metro Arts Grants Staff



# Applications by category

Source: Metro Arts Grants Staff



# Proposal:

**Award funds in alignment with the base percentage for funding categories, scaled to the amount allocated to operating grants**

Lowest potential award at 70-100% panel score (full funding) ▼	Lowest potential award scaled to allocation: 50% operating ▼	Lowest potential award scaled to allocation: 60% operating ▼	Lowest potential award scaled to allocation: 70% operating ▼
\$6,136,531	\$1,631,600	\$1,957,920	\$2,284,240
100%	26.59%	31.91%	37.22%

Source: Metro Arts Grants Staff and Dec 2022 adopted guidelines

**Lowest potential award scaled to allocation: 50% operating** ▼

\$1,631,600

26.59%

If the allocation is 50% for Operating, each applicant who scores 70–100% would receive a minimum of 26.59% of their request

If the allocation is 60% for Operating, each applicant who scores 70–100% would receive a minimum of 31.91% of their request

**Lowest potential award scaled to allocation: 60% operating** ▼

\$1,957,920

31.91%

**Lowest potential award scaled to allocation: 70% operating** ▼

\$2,284,240

37.22%

If the allocation is 70% for Operating, each applicant who scores 70–100% would receive a minimum of 37.22% of their request

## How could orgs receive more than the minimum?

Source: Metro Arts Grants Staff and Dec 2022 adopted guidelines

This proposal reflects the award amount if 100% of the orgs who apply score in the 70-100 range and are therefore funded at the maximum amount.

If fewer orgs score in the 70-100 range and therefore fewer are funded, the amount awarded per org will increase incrementally.

<b>Lowest potential award scaled to allocation: 70% operating</b>	
	<b>\$2,284,240</b>
	<b>37.22%</b>

# Example: Large category

Lowest potential award at 70-100% panel score (full funding) ▼	Lowest potential award scaled to allocation: 50% operating ▼	Lowest potential award scaled to allocation: 60% operating ▼	Lowest potential award scaled to allocation: 70% operating ▼
\$150,361	\$39,979	\$47,974	\$55,970



# Example: Mid-sized category

Lowest potential award at 70-100% panel score (full funding) ▼	Lowest potential award scaled to allocation: 50% operating ▼	Lowest potential award scaled to allocation: 60% operating ▼	Lowest potential award scaled to allocation: 70% operating ▼
\$88,870	\$23,629	\$28,355	\$33,081

## Example: Medium category

<b>Lowest potential award at 70-100% panel score (full funding)</b> ▼	<b>Lowest potential award scaled to allocation: 50% operating</b> ▼	<b>Lowest potential award scaled to allocation: 60% operating</b> ▼	<b>Lowest potential award scaled to allocation: 70% operating</b> ▼
\$44,769	\$11,903	\$14,284	\$16,665

# Example: Small category

Lowest potential award at 70-100% panel score (full funding) ▼	Lowest potential award scaled to allocation: 50% operating ▼	Lowest potential award scaled to allocation: 60% operating ▼	Lowest potential award scaled to allocation: 70% operating ▼
\$32,438	\$8,625	\$10,350	\$12,074

# Example: Micro category

Lowest potential award at 70-100% panel score (full funding) ▼	Lowest potential award scaled to allocation: 50% operating ▼	Lowest potential award scaled to allocation: 60% operating ▼	Lowest potential award scaled to allocation: 70% operating ▼
\$5,435	\$1,445	\$1,734	\$2,023