



We have provided general instructions and tips for the 2011 Small Arts Grant Program Application. It was changed to be more user-friendly. One new question was added in 2011 under Other Information. Also, feel free to [email](#) or call our Program Officer Lyn Knox at 816-531-0077.

PLEASE NOTE: The IRS has published the first [Automatic Revocation of Exemption List](#). It lists approximately 275,000 nonprofits whose tax-exempt status has been revoked because they failed to file a Form 990, 990-N, 990-EZ, or 990-PF for three consecutive years.

Why is the IRS Revoking Nonprofit Tax Exemptions?

The Pension Protection Act of 2006 requires the IRS to revoke the tax exemption of any nonprofit that is required to file an annual return (Form 990, 990-N, 990-EZ, or 990-PF) but has failed to do so for three consecutive years. Revocations are mandatory and automatic under the law. The IRS will update the Automatic Revocation of Exemption List monthly.

What happens to the revoked organizations now?

They must file a [federal tax return](#) and pay federal income taxes. Those that previously could accept tax-deductible contributions are no longer eligible to do so. (They can still accept donations, but the donations won't be deductible.) **Please see** [NONPROFIT FAQs FOR AUTOMATIC REVOCATIONS](#) below for more information.

Quick Links to Information Below:

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FISCAL SPONSOR

A tax-exempt, 501(c)(3) organization that agrees to accept and be responsible for grant funds on behalf of another organization. The fiscal sponsor is responsible for the general management of grant funds, which can include keeping financial records, disbursing funds in accordance with the purpose of the grant and fulfilling reporting requirements. Fiscal sponsors are useful if the applicant organization lacks the infrastructure to manage grant funds or is not a 501(c)(3). If your organization is not certified under Section 501(c)(3) of the IRS code, and you do not have a fiscal sponsor, you may not be eligible to apply. For more information on tax-status determination, please contact your accountant or visit the IRS Web site (www.irs.gov). We do not provide funding for individuals, fraternal organizations or political parties.

GENERAL INSTRUCTIONS

Program Support or General Operating Support, which type to request:

- Non-arts organizations – regardless of budget size or mission - may apply only for program support for arts and culture programming.

- Small arts and culture organizations (with actual revenue of less than \$300,000 last fiscal year) may either apply for program support for a specific program or type of services, or for general operating support. General operating funds are more flexible and may be applied anywhere in the organization's fiscal year budget (for the year in which Foundation funds are requested).
- Large and midsize arts and culture organizations (over \$300,000 revenue last fiscal year) are not eligible to apply for a Small Arts grant. However, they may be a fiscal sponsor.
- Program support applicants will fill out the entire application (Pages 1 – 7).
- Small arts and culture organizations requesting general operating support will skip the "Program Information" section on Page 4.

Timing and start and end dates for the year funds are requested:

- The application is due by midnight August 31, 2011. The Small Arts Grant Program Committee reviews applications in October, the Board makes grant decisions on November 18. Award and denial letters will be mailed in December 2011. If a grant is awarded, a check will be mailed in December 2011, a report is required in July 2012, and possibly a second report will be due later.
- Most non-profit's program and organization budgets are on either an academic fiscal year or calendar year. For example, you may request funds toward your July 1, 2011-June 30, 2012, current budget, or next year's budget, January 1, 2012-December 31, 2012.
- Do not request funds for a program or fiscal year that will end by or near December 2011.

Organization questions, information and importance to Committee review:

- Consistent address, phone, and especially e-mail for the organization and one or two contact people will be important during the application and review process, and grant period.
- The organization's mission is a statement previously approved by the board. It is usually one sentence or a few sentences and is consistently used by the organization over many years.
- Two questions in the organization section provide an opportunity for *all* applicants to tell the Small Arts Program Committee – two board members and five members from the community - about the organization and people served. At least two Committee members will review your application. They may not be familiar with your organization and history, the overall programs you provide and customers you serve each year, and how or where you provide services. (For the narrative questions, there is no word limit. The text boxes will expand as you enter more words).

Amount of request and impact:

- The maximum amount you may request in this application is \$10,000.
- Typically, grants average \$2,000 - \$7,500. The Foundation allocates approximately \$200,000 to the Small Arts Grant Program Fund each year. In 2010, eighty applications were submitted. The Committee recommended and Board approved 47 grants. Ideally, requests should have a mix of funding sources to support the organization budget or program (i.e., your request to the Foundation should be a reasonable *part* of your total annual organization or program budget). The need for administrative costs is recognized. Applicants are encouraged to have requests out to other funding sources at the same time or other revenue options, in case the request is not approved.
- Your organization and arts and culture programs affect the community and people you serve. The Foundation is interested in how a grant can contribute to your plans for success over the year.

Program Support applicants also fill out the program information section (Page 4):

- A program request may be for *one* arts and culture program/service/activity, or a *type* of several programs offered by your organization over the year.
- If you are a small arts organization and want to use the funds to support *overall* programs offered by the organization, we suggest you change the request type to general operating support instead, and skip this section.
- The program title is what your organization calls the program or type of services, in a few words.
- The annual program budget amount includes an estimate of *total* expenses for that program for the year you stated Francis Family Foundation funds are requested.
- The one sentence summary is to highlight the purpose or major facts about the program.

- In the next three narrative questions, tell us more details about the program services and number of people. (There is no word limit. The narrative text boxes will expand as you enter more words).
- If the program targets a different audience than the overall organization, describe the people served.

Budget Information and Budget Attachments (Pages 5 and 7):

- In the Budget Information section (Page 5), you may list five major grants committed to the organization and/or program currently and last year, if applicable.
- If the prior year's *actual* revenue and expenses varied significantly from the total amounts *budgeted*, there is an opportunity to explain.
- The Budget Attachment function on Page 7 includes instructions on attaching your budgets from a computer. The organization's current year budget (*projected* annual revenue and expenses) and last year's budget (*actual* revenue and expenses) are required. A program budget (if applicable) may also be attached.
- The Foundation will also check the GuideStar website for tax status and past IRS financial information, and if applicable, the Greater Kansas City Community Foundation's or your website.

Other Information that may be helpful to the two Committee members' review of your application can be included as narrative answers on Page 6 (no attachments).

NONPROFIT FAQs FOR AUTOMATIC REVOCATIONS

My nonprofit's tax exemption was not revoked. What do we need to do?

Technically, nothing, except keep up the good work. This a good time, however, to reach out to your donors, funders, and other constituents and assure them that you are in good standing with the IRS. You may also wish to suggest that your supporters consult GuideStar or the [Automatic Revocation of Exemption List](#) to ensure that the other nonprofits they give to are still exempt.

My organization's exemption was revoked. Is there anything we can do to get it back?

You must [re-apply for tax-exempt status](#) by filing the appropriate form with the IRS and paying the required fees. Although you can request [expedited processing](#), you will need to provide justification; automatic revocation does not of itself merit fast-tracking an application.

The IRS has instituted special procedures for some revoked organizations:

- Organizations with annual revenues of \$50,000 or less can apply for [transitional relief](#). Applications for transitional relief must be filed by December 31, 2012, and require payment of a [reduced fee](#) of \$100.
- Organizations with annual revenues greater than \$50,000 can apply for [retroactive reinstatement](#). To receive retroactive reinstatement, a nonprofit must demonstrate [reasonable cause](#) for failure to file an annual return.

Note: Only nonprofits whose exemptions were revoked automatically under the Pension Protection Act of 2006 can take advantage of these special procedures. They are not available to organizations that lost their exempt status as a result of an IRS examination.

My organization's exemption was automatically revoked, but I'm sure it was a mistake. What can we do to fix it?

- If you have [documentation confirming that your organization did file](#) an annual return:
 - contact [Tax Exempt and Government Entities Customer Account Services](#); or
 - mail a copy of the documentation to Internal Revenue Service, 1973 North Rulon White Blvd., M/S 6552, Ogden, UT 84404; or
 - fax the documentation to (801) 620-5555.
- In all other cases, contact Customer Account Services at (877) 829-5500 (toll-free number) or Internal Revenue Service, Exempt Organizations Determinations, P.O. Box 2508, Cincinnati, OH 45201.

HELPFUL COMPUTER TIPS AND LINKS

- **If you have not submitted an online application before, you will be prompted with a log-in screen. Enter as a "new online applicant" and create a password.** The Account Login, and prior or new password associated with your e-mail address, is how you or others working on the application will return to an application in progress.
- **The length of your narrative answers is not limited by the size of the text box. The text boxes will expand as you enter more text. There are no word limits for most narrative questions.** Concise and descriptive information (what, how much, how often, how many in a year, etc) is appreciated.
- Please use only plain text for information you will enter or copy into your online application. You may use quotation marks, numbered or bulleted lists, apostrophes, \$ signs, parentheses and hard returns. Do not use bold, underline, or italics — the software does not recognize this formatting.
- **On Page 7 of the online application, you will be asked to attach (or upload) organization budgets from a computer.** The content of attachments is not limited to plain text or a restricted format, however, files with certain extensions cannot be uploaded.
- Please note, Page 7 is an attachment function and does not appear when the "Review My Application", or "Printer Friendly Version" links are used at the top of the application screen anytime during the application process.

As you are completing and reviewing your online form:

- As you are entering your information, you may either choose "**Save and Finish Later**" to **save your work for a later session.** Click "**Next**" to continue completing the form.
- If you choose to "Save and Finish Later," you will need to **return to your account page** at https://www.grantrequest.com/SID_531 and **click on your open application.** An Account Login link is also located on the Application Guidelines pages on the Foundation's website (www.francisfoundation.org), or you can copy the URL above into your computer's browser.
- To save data on a page, click on "Next" or a page number.
- **Do not click on your browser's back button** — you will lose your data if you do. To go to a previous page within your application, please choose a page number from the menu at the top of the page.
- When you have finished entering all the information into the form *and* uploaded required attachments, click the "**Review and Submit**" button at the bottom.
- Verify that the information is correct or make corrections. **If you make corrections, click the "Update"** button at the bottom of the page when you are finished.
- At this point, we suggest you print a copy of your application and answers by clicking the "**Printer-Friendly Version**" button at the top right of the screen and using your browser's print button. A version will also be attached to the e-mail receipt *after* you finish submitting the application below. When you have finished printing your narrative form, close the print version window and go back to your open application window. **There is one last step to submit your application.**

TO SUBMIT your online application to the Francis Family Foundation:

- **Scroll to the bottom of the page and click "SUBMIT." YOU MUST PERFORM THIS STEP IN ORDER FOR YOUR APPLICATION TO BE SUBMITTED TO THE FOUNDATION.**
- If your application is properly submitted to the Foundation, the system will take you to your account screen with a note acknowledging your submission. You will also receive an e-mail almost immediately following submission.
- **Please contact us** at apply@francisfoundation.org or call us at 816-531-0077 *if you do not receive this e-mailed notification of receipt.*

FOR ADVANCED USERS — To copy and paste your responses into the online submission form:

- If you already have responses in a Word, WordPerfect or text document that you would like to copy and paste into this application, open and save that document.
- Keep that document open. If you have closed your application, return to it by entering the URL https://www.grantrequest.com/SID_531 into your browser. This will open a new browser window containing the online submission form.
- Make sure you keep both applications (your document and the online submission form) open; do not close or minimize either one (minimizing the online submission form can erase your information). For Windows users: Use your toolbar buttons at the bottom of the screen to move between the two applications. For Macintosh users: Use the drop-down application menu (upper right-hand corner of your screen) to move between the two applications.
- From your prepared document, copy the text for the first answer and paste the text into the appropriate area in the online submission form. Continue in this fashion until the entire form is completed. Some information requires such short answers (e.g., Contact's First Name) that it may be faster to type that information directly into the form. For longer answers, you may want to use this copy-and-paste technique.
- We suggest you save a copy of your text or the "Printer Friendly Version" in the event of a computer problem that forces you to exit the online submission form before you save your data or submit your application to us.
- The length of your narrative answers is not limited by the size of the text box. The text boxes will scroll to allow you to enter more text.