LCB File No. R175-03

PROPOSED REGULATION OF THE NEVADA ARTS COUNCIL OF THE DEPARTMENT OF CULTURAL AFFAIRS

(This version replaces the initial agency draft posted on October 22, 2003)

NAC 233C.010 Definitions.

The Nevada Arts Council consists of nine members appointed by the Governor. NRS 233C describes the powers and duties of the Board. The Administrator serves as Secretary to the Board.

- [1. "Board" means the state arts board.
- 2. "Administrator" means the Administrator of the board.
- 3. "Grantee" means an organization or a natural person receiving money from the board.] As used in this chapter, unless the context otherwise requires:
 - 1. "Board" means the Nevada Arts Board Board.
 - 2. "Administrator" means the administrator of the Division.
 - 3. "Division" means Nevada Arts Board.
- 4. "Grantee" means an organization, public institution, or individual receiving a grant from the Nevada Arts Board.

BOARD MEETINGS; AGENDA

- 1. The Administrator shall mail to each member of the Board, at least 10 days before a scheduled meeting of the Board, a copy of the agenda for that meeting, and supporting documents.
- 2. Consideration of any material submitted to the Administrator after the agenda is mailed may be continued to the Board to the next meeting.

NAC 233C.020 [Eligibility for grants.] *Grant Guidelines and Application Eligibility* [1. Only those programs and projects directly related to Nevada are eligible for grants from the board.

- 2. An organization applying for a grant from the board must be a nonprofit organization and have a tax-exempt status. This requirement does not preclude another tax-exempt organization from acting as the fiscal agent for the applicant.
- 3. A program or project which is already in progress or completed on the date of a funding session of the board is not eligible for a grant from the board.
- 4. In determining the eligibility of a program or project for a grant, the board will consider the following factors as important:
 - (a) The quality of the proposed program or project;
 - (b) The number of participants and the estimated audience;
- (c) Whether the approaches and ideas of the program or project are new or especially creative;
- (d) Whether a duplicative or similar program exists in the same community;

- (e) The anticipated effect on or value to children, disadvantaged groups, senior citizens and the general public of the program or project;
- (f) Other sources of financing for the program or project. The board will give special consideration to programs and projects which do not have general access to tax support, established patrons or businesses;
- (g) The location of the program or project, with special consideration for programs in rural areas and projects where artistic and cultural presentations are infrequent or in a developing stage;
- (h) The competence, experience and qualifications of persons who will conduct the program or project; and
- (i) The past experience of the board and its staff with the applicant, his organization and his staff.
- 5. An applicant is not eligible for a grant from the board if the applicant seeks to use the board's money for:
 - (a) New construction;
 - (b) Renovation or reconstruction of permanent facilities;
 - (c) Purchase of permanent supplies or equipment; or
- (d) Payment of bad debts, contingencies, contributions, donations, fines, penalties, scholarships, governor's expenses, interest, financial cost, legislative expenses or underrecovery of costs under grant agreements.
- 6. An application for a grant of more than \$10,000 requires a two-thirds vote of the board for approval.
- 1. Grants are awarded in accordance with grant guidelines as they exist on the date of enactment of the new codes.
- 2. The Division will make any proposed substantive changes to grant guidelines available for public review and comment, in hard copy or online, at least two weeks prior to adoption by the Board.
- 3. Applications for grants must be in accordance with the guidelines posted for that particular grant category. The Division will make guidelines available, in hard copy or online, no later than three months prior to application deadlines.
- 4. If a grant application arrives at the Division after the announced deadline, the application will not be considered and will be returned to the applicant.

GRANT APPLICANT ELIGIBILITY

- 1. Arts and cultural programs and projects that serve Nevada and its citizens are eligible for grants from the Division.
- 2. An organization applying for a grant must be currently incorporated in Nevada with tax-exempt status under Section 501(c) 3 of the Internal Revenue code; a school, college, or university; or a unit of government. This requirement does not preclude another tax-exempt organization from acting as the fiscal agent for the applicant in certain grant categories.

3. Individuals applying for a grant must be at least 21 years old, a Nevada resident and, in general, not a degree-seeking student.

NAC 233C.030 [Applications.] Grant Application Review

- [1. An application must be submitted on the board's Form No. 1, and must be typed. The requested information must be set out briefly and clearly. If all requested information is not supplied, action upon the application will be delayed.
 - 2. An application must also conform with the guidelines listed on the board's Form No. 2.
- 3. If an application is received at the board's office after the announced cutoff date for filing, the application will not be considered and will be returned to the applicant.
- 4. If the application is so returned, it may be resubmitted for consideration at the next session of the board at which the board awards grants.
- 5. The budget shown on an application must be accurate, detailed and appropriate to the purpose of the program or project.
- 6. The application must be signed personally by the administrative officer and the project coordinator.
- 7. A project or program and the application must be approved by the governing board or administrator of the applying organization before the application is submitted to the board.
- 8. Ten copies of each application must be submitted to the board before the cutoff date unless the Administrator of the board has agreed to accept fewer copies.
- 9. Any information or clarification concerning an application must be made readily available by the applicant to the Administrator or other member of the board's staff upon request.
- 10. Services in kind, money or other items allocated to another grant, program or project must not be used or referred to in an application for a grant from the board.]
- 1. Applications are reviewed by the Division for eligibility, completeness and compliance with the guidelines posted for that particular grant category.
- 2. Applications are reviewed for funding recommendations in accordance to the guidelines and grants panel review process posted for that particular grant category.
- 3. The Division will make any proposed substantive changes to the panel review process available for public review and comment, in hard copy or online, at least four weeks prior to adoption by the Board.
- 4. Application review, scoring and funding recommendation is based solely on the submitted application package, which includes the completed application form, narrative, and budget, and all required supplemental materials that conform to the guidelines.
- 5. The Board reviews grant panel review, scoring and funding recommendations, and votes on final grant allocations.
- 6. Applicants are not required to attend grant panel meetings, and absence at said meetings do not prejudice the application review.

[NAC 233C.040 Screening of application. The Administrator of the board board shall examine each application for completeness, accuracy and compliance with the provisions of this chapter. The Administrator may communicate with the applicant to obtain any required clarification or additional information and may assist the applicant in preparing and submitting an amended application when necessary.]

[NAC 233C.050 Grant awards sessions.

- 1. An applicant, or a person designated by him in writing, may be present during a session held to award grants and, after being recognized by the presiding officer, may address the board board concerning his application or the merits of his proposed program or project. Remarks will be limited to 5 minutes, excluding any time consumed by questions from the members of the board.
- 2. Any other person who desires to address the board board on any subject on the meeting agenda other than an application for a specific grant must first secure the permission of the presiding officer, state his name and affiliation and thereafter limit his remarks to 5 minutes, excluding any time used in questioning by members of the board board.
- 3. Any person who desires to discuss a subject not included on the agenda for a particular meeting must first request permission from the presiding officer, who shall give his permission upon an affirmative vote of two-thirds of the board's board's members present.]

[NAC 233C.060 Notification of board before change of project, program, organization occurs.

- 1. The board must be notified of any proposed change to a project or program which has been outlined in an application for a grant. The board's approval for any such change must be secured before the change is made effective.
- 2. A grantee shall notify the board's Administrator of any change in the address or telephone number of any of its essential personnel.]

[NAC 233C.070 Accessibility of personnel of grantee. Personnel of a grantee must be reasonably accessible, upon request, to the chairman or other officially designated member of the board or to its Administrator.]

[NAC 233C.080 Public statement of source of funding required. Whenever financial support for a program or project is received from the National Endowment for the Arts through the board, a statement noting this fact must be included in all written or graphic publicity, concerning the program or project. If such media are not used, an oral statement noting the source of financing must be made at each public performance of the program or project.]

[NAC 233C.090 Performances: Attendance without charge to board members; others.

- 1. To enable the board to review performances under a project or program financed by it, the grantee shall make available, without charge, tickets, passes or invitations to members of the board who reside in the area where the performances are to be conducted.
- 2. Effort must be made by a grantee to provide an opportunity for disadvantaged persons and senior citizens to attend, either without charge or at reduced rates, any performance, event or exhibit sponsored in whole or in part by the board.]

NAC 233C.100 Grants: Funding conditions [; information to be reported.

- 1. Any grant of money received by a grantee from the board must be expended within 3 months after the money is received, and the money must not be kept in an interest bearing account.
- 2. If any such money remains uncommitted at the end of the prescribed period of the grant, the grantee shall immediately forward a check for the amount, payable to the board, to the Administrator of the board, along with a final report evaluating the program or project.
- 3. A final report evaluating a program or project financed by the board must be filed at the office of the board within 30 days after completion of the program or project.
- 4. The board will withhold 10 percent of the authorized money from a grant until the grantee meets all reporting requirements.
- 5. The board will not disburse money for a project in a new fiscal year until the grantee has met all requirements of any preceding grant. The grantee must keep accurate and current records of cash, services in kind, materials, attendance, and other items essential to the project or program as required by the board. A grantee receiving money from the board shall submit a progress report when requested to do so by the Administrator.
- 6. A grant may be terminated or reduced by the board, 30 days after consultation with the grantee. The termination or reduction does not affect any commitment which, in the judgment of the board, has become firm before the effective date of the termination.
- 7. Complete accuracy and verification of statistics and the budget are required on all projects financed by the board.
- 8. The records of a project or program must be retained by a grantee for at least 3 years and must be made available during that period for audit upon request of the Administrator of the board.
- 9. Proof of services as donations in kind must be made on the form prescribed by the board.]
- 1. Grantees must comply with the requirements of local, state, and federal laws and regulations governing fair labor standards, charitable contributions, civil and human rights, and ADA as stated in the guidelines.
 - 2. Grantees must comply with the requirements of the Grants Management Packets.
- 3. The Division will make any substantive proposed changes to the Grants Management Packet available for public review and comment, in hard copy or online, at least two weeks prior to adoption by the Board.
- 4. Grantees must keep a copy of their original application, financial records, supporting documents, and all other records pertinent to the grant award for a minimum of three years after the end of the project year.
- 5. Grantees are required to file a Final Report Form with the Division in accordance with the guidelines and the Grants Management Packet.
- 6. Applicants who fail to file a Final Report Form will be notified in writing by the Division that they are out of compliance. The Division will not accept any new grant applications until the Grantee is in compliance.

- 7. Grantees must notify the Division of any proposed change to a program or project that has been outlined in an application. The Division's approval for any such change must be secured before the change is made effective.
 - 8. Grantees shall notify the Division of any change in essential personnel.
- 9. A grant may be terminated or reduced by the Division, 15 days after notification to the grantee due to noncompliance, changes in Division budget, or as directed by the Office of the Governor. The termination or reduction does not affect any commitment, which, in the judgement of the Division, has become firm before the effective date of the termination.
- **NAC 233C.110 Grounds for refusal, withdrawal of funding.** Upon a violation or willful avoidance of any provision contained in this chapter, the board may refuse to approve a grant or may withdraw financial support, in whole or in part, after consultation with the applicant or grantee.
- **NAC 233C.120 Severability.** If any provision of the regulations contained in this chapter, or its application to any person or circumstance is held invalid, the invalidity does not affect any other provision contained in this chapter or its application which can be given effect without the invalid provision or application, and to this end the provisions contained in this chapter are hereby declared to be severable.