

**City of Naperville
Special Events & Cultural Amenities (SECA)
Grant Program
Policy Manual for Applicants**

**Stub Year 2017 (SY17)
May 1, 2017 – December 31, 2017**

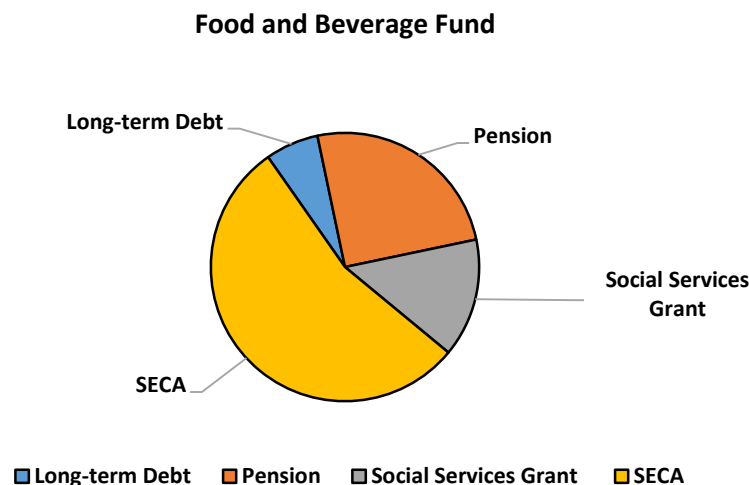


The mission of the Special Events Cultural Amenities Grant Program is to create opportunities to provide social events and artistic experiences for Naperville and its visitors.

Section One – What is the Special Events Cultural Amenities (SECA) Grant Program?

In March 2004 the City Council discussed the creation of a fund to supplement and cover the expenses associated with hosting social and artistic events. Council approved a 1% food and beverage tax to fund the SECA Grant Program and financial support of these events were removed from the City's General Fund.

Since 2004, the Food and Beverage Fund and the SECA Grant Program have been reviewed and refined almost annually. Currently the revenue generated by the 1% food and beverage tax is placed in the Food and Beverage Fund with .75% allocated to the SECA Grant Program (capped at \$1.9M), dividing the remaining .25% equally between the two public safety pension funds, applying revenue (up to \$500,000) to the Social Services Grant Program, and using any remaining revenue for debt service.



Section Two – Who is Involved?

The City Clerk's Office is responsible for the administration of the SECA Grant Program. Specifically, the Special Events Coordinator provides a cursory review of all applications to ensure eligibility requirements have been met and then submits all applications to the SECA Commission.

Members of the SECA Commission (the Commission) are appointed by the Mayor. The Commission is comprised of nine members of the community and one non-voting Council member. The Commission performs a comprehensive review of all applications and makes funding recommendations to the City Council.

The City Council is made up of the Mayor and eight Council members. The City Council will review the applications, the recommendations made by the Commission, and make the final funding decisions.

Section Three – What is New for SY17?

In 2016 the SECA Commission performed a comprehensive review of the entire SECA Grant Program. The following recommendations are among those approved by the City Council in August. A complete list of proposed and approved recommendations is included as Attachment One.

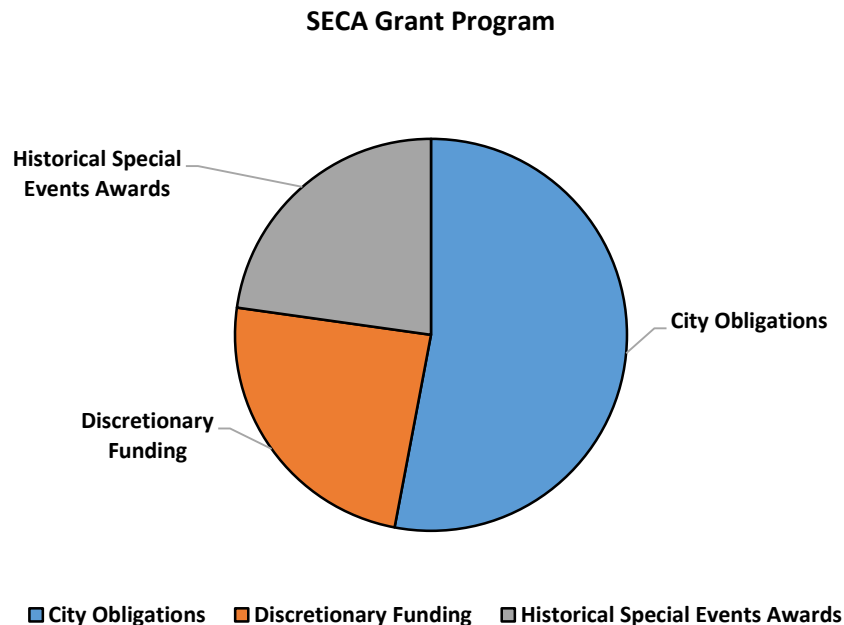
Transition to a Calendar Year

At this time, the SECA Grant Program is in Fiscal Year 2017 (May 2016-April 2017). The Council directed staff to transition SECA to a Calendar Year (CY) funding cycle beginning next year. To provide for a smooth transition, the first Calendar Year will be a Stub Year (SY17) and run from May 2017-December 2017. Only programs, events, initiatives occurring during those months are required to apply for SY17 funding. The first full Calendar Year will be CY18 (January 2018-December 2018). If your program, event, initiative has a 2018 date, do not apply until the CY18 application cycle.

Responsibilities and Increased Transparency

While SECA is promoted as a \$1.9M grant program, a significant portion of funding is dedicated to City Obligations. These items must be funded in accordance with an Ordinance, Resolution, Intergovernmental Agreement, or in support of program administration. In an effort to truly represent discretionary monies available to applicants, the City Council will now review and approve allocations for City Obligations at one of its regularly scheduled October meetings. Once these items have been funded, staff will release the SY17 SECA Grant Program applications in addition to the final discretionary dollar amount that is available to the Commission for allocation.

A large allocation of discretionary funding is for City services (Police, Fire, Public Works, Traffic/Transportation) necessary to support special events. While events are not guaranteed approval, and certain conditions may warrant changes to the scope of the event which will affect funding levels, it is important to note that staff anticipates a certain funding level based on approval of the annual Special Events Calendar and historical awards. A more transparent depiction of how funds are allocated is shown below.



Fundraising Events

A third change affecting applicants in SY17 will be a new focus on fundraising. The Commission was tasked with evaluating the appropriateness of awarding grant money to fundraising events. Before recommending a policy on this issue, the Commission developed fundraising definitions which will be applied to applications beginning in SY17. Applications will be evaluated against these definitions (shown below) and data collected for two years (SY17 and CY18) to determine appropriate actions. Any modifications to application eligibility, funding levels, percent allocations, or other changes will be established for the CY19 requests.

A fundraiser is defined as an event with the primary purpose of generating revenue to support the organization's own mission.

An event will not be characterized as a fundraiser if the primary purpose is to present cultural or entertainment experience.

Ribfest and Last Fling

SECA was created to remove the burden of financing event support from the General Fund. Two of the largest events benefitting from the SECA Grant Program are Ribfest and Last Fling. Efforts to reduce these costs in recent years include partnering with organizers to decrease the footprint of the event, encourage greater use of volunteers, purchase their own fencing, and outsource garbage services. However, staff and the Commission believe that even more savings can be realized by more closely monitoring these large events. To that end, a "Legacy Event" category has been created.

Event Metrics

The Commission developed metrics that measure the success and sustainability of events and programs. The proposed metrics below will be reported by the applicants via the SECA Grant Program Application and Final Financial Report documents. The metrics will ultimately be used to evaluate the following year's application and assist with determining an appropriate funding allocation.

Approved Metrics

- Actual v. target attendance to determine cost per guest/participant
- Other sources of revenue to determine percent of SECA award
- Number of years the project has been funded to determine efforts to become self-sustaining

Approved Implementation Timeline

- Collect data – Stub Year 2017 (May-December) and CY 2018 (January-December)
- Use data to evaluate applications and funding allocations – CY19

Redefine Discretionary Funding Categories

In an effort to collect better data to support future program changes, staff will separate applications into the following redefined categories.

- Special Events – requests that require City Services
- Cultural Amenity – requests that do not require City Services
- First Year Initiatives – first request for program/event/project
- Capital Project – request to improve/replace assets and meets the City dollar/life criteria
- Legacy Event – reserved for Ribfest and Last Fling
- Fundraiser – event with the primary purpose of generating revenue to support the organization's own mission

Change-in-Scope Requests

Occasionally an organizer must make a change in the scope of the event after funding has been approved. The following will be process by which requests will be evaluated.

- A request for a change-in-scope will be recommended by the Commission and determined by the City Council

Section Four – Applicant Eligibility Requirement

In order to apply to the SECA Grant Program the organization cannot be a taxing body and must be recognized as a tax-exempt nonprofit organization in the United States according to Section 501(c) of the United States Internal Revenue Code [26 U.S.C. § 501(c)]. The organization will be asked to supply a valid tax ID number on the application. If no number is entered, the organization will not be permitted to proceed.

The Gifts Online system is linked to the IRS and will verify the tax ID number that is entered. Once verified, the organization may continue entering the application information.

The applicant, or designee, **must** attend one of three SECA Grant Program workshops held at the beginning of the application cycle. Applicants who do not attend a workshop will not be allowed to proceed in the Gifts Online system.

For the SY2017 funding cycle, the workshops are scheduled as follows:

- Monday, October 17, 2016 – 5:30 pm
- Tuesday, October 18, 2016 – 10:00 am
- Thursday, October 20, 2016 – 2:00 pm

All of the workshops will be held in the City Council Chambers and will be approximately 60 minutes in duration.

Section Five – Project Eligibility Requirements

In certain instances the applicant may be eligible to apply to the SECA Grant Program, however the proposed event, project, or initiative does not qualify. In order for the request to be reviewed by the Commission it must meet the following criteria:

- 1) The event, project, or initiative must be located within incorporated Naperville.
- 2) The event, project, or initiative must be held between May 1, 2017 and December 31, 2017. Events held outside of the funding year will not be reimbursed.
- 3) The request cannot be for a social services event, project, or initiative such as transitional housing, job placement, and crisis intervention initiatives. If your request is a social service initiative, please contact Ruth Broder, Community Grants Coordinator, at broderr@naperville.il.us to discuss possible funding options.
- 4) Appropriate funding requests include, but are not limited to, capital improvement projects, new program start-up, community events, and cultural experiences.
- 5) Salary, payroll, and other compensation-related requests are ineligible and will be denied.
- 6) Each applicant shall disclose whether any Director, Board Member, or employee of the applicant has a family interest, employment interest or ownership interest in the applicant's use of the SECA funds being requested. Family interest, employment interest and ownership interest are defined in 1-13-1 of the Naperville Municipal Code. (*See Attachment Two*)

Although the organization may be eligible to apply for funding, the City does not guarantee that the applicant will receive a SECA Grant award. Funding is awarded on a competitive basis each year and past funding does not secure a future award.

Section Six – Receiving a SECA Grant Program Award

The following requirements, criteria, and limitations are in place to facilitate an efficient and equitable reimbursement process:

- 1) Recipients must sign and return the Special Events and Cultural Amenities Grant Program Agreement.
- 2) The SECA Grant Program is a reimbursement-based program. Awardees must submit an invoice and a Reimbursement Request Form to the Special Events Coordinator in order to receive funds. Grant recipients will be reimbursed, up to the amount awarded, within 60 days of staff approval. No awards shall be advanced without approval of the SECA Commission and/or City Council.
- 3) Awards greater than \$50,000 will be reimbursed on a quarterly basis.
- 4) SECA monies shall not be used for the payment of any previous year's deficit and reimbursement requests dated from the previous year will be denied.
- 5) Requests for reimbursement may only be submitted after the event has occurred, unless special permission has been granted by the SECA Commission or City Council.
- 6) Funds shall not be used for, or to subsidize, an individual's salary, an organization's payroll, and all other compensation-related expenses, or academic study.
- 7) Funds shall not be used to pay for commercial storage space.
- 8) Recipients will not be reimbursed for any travel-related expenses.
- 9) Food and beverage purchases, with the exception of professional catering, are not eligible for reimbursement. This includes grocery store, fast food, and other restaurant purchases.
- 10) Requests for reimbursement for costumes must include a photo of the costume.
- 11) Receipts submitted for reimbursement must not include personal items. Please do not commingle purchases.

- 12) Applicants must make a good faith effort to purchase goods and services in Naperville. Reimbursement requests will be reviewed for point-of-sale information.

Section Seven – Reporting Requirements

Evaluating the success of SECA-funded initiatives is a vital part of the award process. All awardees are required to submit a Final Financial Report to the Special Events Coordinator no later than 60 days after the completion of the event. Data collected on the report will be used by the Commission to evaluate future funding requests.

In August 2016 the SECA Commission recommended, and the City Council approved, the event metrics that will be included in the Final Financial Report beginning in SY17. They are listed below:

- Actual v. target attendance to determine cost per guest/participant
- Other sources of revenue to determine percent of SECA award
- Number of years the project has been funded to determine efforts to become self-sustaining

Section Eight – Promotion of City Amenities and Services

A critical component of the SECA Grant Program is to encourage positive economic impact through the promotion of all aspects of the city. As such, recipients are encouraged to partner with the Naperville Convention and Visitors Bureau in a good faith manner to facilitate overnight accommodations and use of other community amenities. For more information, visit www.visitnaperville.com or call (630) 305-7701.

Section Nine – SECA Grant Program Logo

Use of the City of Naperville logo is strictly prohibited. The SECA Grant Program logo is shown below and will be provided to all recipients upon request (in blue or black) for the purpose of designating their event/project as SECA funded.



Section Nine – Overview of the Application Process

The City will once again be using the GIFTS Online software for the SY17 application season. Access to the software will be available from the City's website at [2017 SECA Application](#) beginning at noon on Monday October 24.

Applications and supporting documentation are due no later than noon on Wednesday, November 23.

Applications that are submitted outside of this time frame will not be accepted.

Applicants requesting funding which totals \$2,000 or less are required to only complete the Pre-application questions and Section One of the application. However they are welcome to submit the entire application if desired.

Applicants requesting funding greater than \$2,000 must complete the entire application.

Applicants must attend one of three one-hour mandatory workshops in City Council Chambers.

- Monday, October 17, 2016 – 5:30 pm
- Tuesday, October 18, 2016 – 10:00 am
- Thursday, October 20, 2016 – 2:00 pm

The Commission will begin reviewing applications in December. In January the Commission will host a workshop where applicants are invited to speak and/or make brief presentations. All applicants will have three minutes to address the Commission.

Later in January the Commission will meet to determine preliminary funding allocations. Staff will post the preliminary amounts prior to the workshop in February.

In February the Commission will host a second workshop where applicants may speak and/or make brief presentations. At this workshop, the Commission will reach a unified recommendation for all applications. A City Council Workshop will be held in March to review the Commission recommendations and make final funding decisions which will be approved in April.

Reimbursement requests may be submitted to the Special Events Coordinator beginning May 2017. The event, project, or initiative must begin on or after May 1, 2017. No project may extend beyond December 31, 2017. Events held outside of the funding year will not be reimbursed. No exceptions.

Funds awarded in excess of \$50,000 will be reimbursed on a quarterly basis.

Section Ten – Completing the Application

All applications will be submitted via the GIFTS Online software. Access to the software will be available from the City's website at [2017 SECA Application](#) beginning at noon on Monday October 24. Applications are due no later than noon on Wednesday, November 23.

If you are unable to complete the application in one session, you can save the application and return to it at a later time via the City's website at [2017 SECA Application](#).

Organizations requesting \$2,000 or less are only required to complete the Pre-application questions and Section One.

Organizations requesting funding greater than \$2,000 must complete the entire application.

The Application

Read the entire SECA Manual before you begin. Have the organization's tax identification number and supporting documentation available. You will be asked to enter the tax ID number in order to proceed and must upload documents to complete the application.

Pre-application Questions

You must answer all questions to prove eligibility and proceed to the application.

1. Tax ID Number
Enter the organization's tax ID number
2. Non-profit Status
Confirm that the organization is a non-profit 501(c) as recognized by the IRS.
3. Location
Confirm that the event, project, or initiative is located within incorporated Naperville.
4. Date
Confirm that the event, project, or initiative will be held between May 1, 2017-December 31, 2017.
5. Event
Confirm that the request is not for a social services event, project, or initiative such as transitional housing, job placement, and crisis intervention initiatives.
6. Event promotion
Confirm that the request is not for an event, project, or initiative that promotes religion or a religious organization.

7. Mandatory Workshop

Confirm that your organization has attended one of the mandatory SECA Fund workshops:

- Monday, October 17, 2016 – 5:30 pm
- Tuesday, October 18, 2016 – 10:00 am
- Thursday, October 20, 2016 – 2:00 pm

All of the workshops will be held in the City Council Chambers and will be approximately 60 minutes in duration.

Section One: General Information

This section must be completed by all applications.

Applicants must provide contact information, organization details, project information, attendance estimates, and funding specifics.

Sections Two through Four are only required for organizations requesting a grant in excess of \$2,000.

Section Two: Project Purpose

Applicants are requested to accurately and succinctly describe the event, project, or initiative within the maximum word count provided. This is an opportunity to educate the SECA Commission on the history of the organization, project details, timeline, and what specific outcomes are expected.

Section Three: Impact to Naperville Community

Describe how the event, project, or initiative will benefit the Naperville community. Applicants are encouraged to highlight the collaborative relationships that have developed, how the target audience is measured, and discuss recycling and other green initiatives associated with the project. Applicants must also include an accessibility plan if appropriate.

Section Four: Project Finances

In this section, the applicant must provide a complete and accurate account of finances for each category. Salaries and other administration costs are ineligible for SECA funding and will not be reimbursed.

The applicant must also explain how receiving partial funding will impact the event, project, or initiative.

Supplemental Revenues

This includes funding from other organizations such as private, state, federal, foundation or another entity.

In-kind Contributions

This includes any non-cash donation (printing, marketing, etc.) contribution or gift that is anticipated for the project.

Artist fees or honorarium

This is not considered salary but rather a fee for a personal appearance. Travel expenses will not be reimbursed by the SECA Grant Program.

Facility rental

This includes fees to reserve rental space for the event or performance.

Event materials

This includes promotional materials such as advertising, printing, programs, banners, and flyers.

Capital purchase

The City of Naperville defines a capital purchase as a single item which exceeds \$5,000.

City services

If your event requires City services, please enter the amount provided by the Special Events Coordinator.

Miscellaneous

This section is for eligible items that fall outside of the above categories.

Disclosure of Interest

Each applicant shall disclose whether any director, board member, or employee of the applicant/organization receiving funds has a family interest, employment interest, or ownership in the applicant/organization' use of the SECA funds being requested. Family interest, employment interest, and ownership interest are defined in Section 1-13-1 of the Naperville Municipal Code.

Additional Documentation

All applicants are required to upload the following documentation with the application:

1. Non-profit status document.
2. Most recent financials or annual financial statement. If one is not available, please submit a letter explaining the reason.
3. Most recent Federal Form 990.
4. Written endorsement by the organization's governing body authorizing the application.

5. Disclosure of Interest.

Section Eleven – Frequently Asked Questions

1) Can I use the City of Naperville logo on event materials?

No. A specific SECA logo must be used. Please contact Dawn Portner for details.

2) Where is the application located? Can I submit the application in hard copy?

All applications must be submitted via the GIFTS Online software. Access to the software will be available from the City's website beginning at noon on October 24, 2016.

3) What if I cannot submit my application by the deadline?

Applications that are submitted past the deadline will be not accepted.

4) How long after I submit the application will I hear if my event has received funding?

See above for a detailed timeline of the application process.

5) What is a capital purchase?

The City of Naperville defines a capital purchase as a single item which exceeds \$5,000 and has a useful life of more than one year.

6) Can government entities or other taxing bodies apply for SECA funds?

No. In 2016 the City Council determined other taxing bodies as ineligible.

7) Does the project need to meet a minimum dollar amount to apply for SECA funds?

No. Applicants requesting less than or equal to \$2,000 are only required to complete Section One of the application. The entire application must be completed for requests greater than \$2,000.

8) My event involves travel and overnight accommodations. Are those expenses eligible for reimbursement?

No.

9) I cannot possibly justify my request in so few words. Can I go over and/or submit supplemental documentation such as reports and pamphlets?

Due to the high number of submissions that must be reviewed, the Commission has requested that responses be kept brief and succinct. A voluminous response will not improve the organization's funding opportunity.

10) Can I use SECA funds to hire an employee or pay another employee's salary?

No. Use of SECA funds for an individual's salary, or any compensation-related expenses, is expressly prohibited.

11) Does the City require grantees to submit any reports?

Yes. A Final Financial Report must be submitted to the Special Events Coordinator no later than 60 days after the completion of the project or event.

12) How do I receive the funds?

Grantees receive funds through a reimbursement process. After the City receives and approves the event invoice, the Applicant will receive a check up to the amount that was awarded.

If your award is \$50,000 or more, you will be reimbursed on a quarterly basis.

13) How will I be notified of my award amount?

Applicants are encouraged to attend the SECA Commission and City Council workshops. Once funding levels have been decided, the Special Events Coordinator will distribute the contracts in April/May 2017.

14) What is the difference between salary and artist fee/honorarium?

An artist fee/honorarium is payment for an appearance or performance related to the specific event in the application. A salary is an ongoing commitment to an employee and is prohibited.

15) May I have the SECA Commission members' contact information?

No. All requests and inquiries must be submitted to the Special Events Coordinator who serves as staff liaison to the Commission.

16) What if I am not awarded the entire amount that was requested?

If the award is less than the amount requested, the applicant may choose to not hold the event and must then notify the Special Events Coordinator. If the event is still to be held, the grantee may decide to reduce the scope and scale of the event.

17) What type of documentation is required when submitting for reimbursement?

Invoices and receipts are the preferred proof of purchase. Please do not commingle personal and event related purchases. Cancelled checks and credit card statements will not be accepted.

18) Do I have to attend a training session? If so, how long will it last?

Yes, the training sessions are mandatory and will last approximately one hour.

19) My event was moved outside of the funding year. What should I do?

For budgeting purposes, it is important that events be held and reimbursed in the appropriate funding year. If the event has been moved into the next budget year, the grantee must submit a Request for Extension in writing to the Special Events Coordinator and include the reason for the extension. Requests for Extensions will be accepted up to 60 days into the next funding year and must be approved by the City Manager.

20) Should I expect SECA to fund my entire event?

No. SECA is meant to supplement funding that the organization already has/or will have. The organization's ability to reduce its reliance on SECA funding will be evaluated by the Commission and City Council.

Section Eleven – Contact Information**Dawn Portner**

Special Events Coordinator

E-mail: portnerd@naperville.il.us

Phone: (630) 305-5340