

## **2022 Art & Culture Grant Cycle**

### **Philadelphia Cultural Fund Allocation for 2022**

In June 2021, the City of Philadelphia adopted the FY22 budget that provides The Philadelphia Cultural Fund with an allocation of \$2.5 million. Although this is a reduction from our pre-pandemic allocation of \$3.14 million in FY20, we are relieved that the city is increasing its support to PCF and the city's arts sector from the \$1 million PCF received for FY21.

The drastic reduction for FY21 had a significant impact on PCF's operations and the grants we were able to provide to Philadelphia's arts and culture community: 205 organizations received approximately \$900,000, while in spring 2020 we awarded 349 organizations roughly \$2.8 million. Next spring, with the \$2.5 million city allocation, we anticipate awarding approximately \$2,270,000. While not fully restoring our funding, the amount is an increase from last year. However, PCF's final allocation may not be known for some time as the city is considering departmental reductions.

We recognize that the programmatic, operational and financial challenges brought on by the pandemic will continue to have a profound impact on Philadelphia's arts community for years to come; PCF is committed to advocating for at least full restoration of PCF's allocation so the City of Philadelphia, and the arts sector, can emerge from COVID-19.

### **The Process for Determining the 2022 Art & Culture Grants**

The PCF Board of Directors, its Program Committee and staff met numerous times since the city passed their FY22 budget to determine how best to approach the 2022 funding cycle and support the arts and culture community to whom we are dedicated. Guiding us was our fundamental mission to provide funds to enhance the cultural life and vitality of the City of Philadelphia and its residents. Recognizing that not all segments of our city's population have equitable access to financial resources, that many organizations are literally in peril and all are now in the 2<sup>nd</sup> year of constantly adapting to serve their audiences and communities, we aimed to put our limited FY22 dollars where they could have the most impact. And, as we did for FY21, we would do so in a streamlined manner that would put minimal pressure on organizations so they can focus on their missions and their work during these extraordinary times.

The PCF board thoughtfully considered how to move ahead with the 2022 grants and has established the following.

### **Key Decisions & Guiding Priorities**

- With funding not fully restored, PCF will again, as in 2021, provide grants to a portion of the organizations that received a grant in 2020.
- Grants will be given to organizations whose missions are focused on Arts and Culture (those that received a 2020 general operating grant). 2020 Program Grant recipients will not receive a 2022 Art & Culture Grant.
- PCF will focus the 2022 grants on small/mid-sized organizations where the impact of PCF funds could be greatest: those who most likely have less access to revenue sources such as foundation grants and are most threatened.
- PCF will establish a streamlined process that will minimize the amount of time and effort for organizations to qualify for funding. Organizations continue to be profoundly impacted by COVID-19. Staffs are reduced, programming and budgets are in flux, and funds are greatly needed. The organizations that received funding in 2020 and offered a 2022 grant will not be required to submit an application; site visits and panel meetings will not be conducted. The 2020 grant recipients will be the pool from which 2022 grants will be considered for funding, regardless of where they are in the multi-year cycle or if they are New & Emerging organizations that ordinarily apply annually.
- Grants will be determined by the average operating budget as represented in the PCF Funder Report submitted by all grantees to qualify for their 2020 grant. The time period captured in those Funder Reports reflect operations pre-pandemic, which settled in just as we awarded our grants in March, 2020. We will in essence extend the 2020 grant for a one-year period.
- With the increased city allocation, it was decided to increase the percentage of 2020 grantees being offered a grant. A grant will be offered to the 250 organizations whose average operating budget from their 2020 application falls below \$800,000 and the 75th percentile of grantees. The average grant amount is expected to increase slightly from 2020.
- By moving forward in this way, the 2022 grant amount will be based on the organization's 2020 grant that utilized a funding formula and peer panel scores that are a key element of PCF's participatory grantmaking.

- Organizations that are offered a grant will have an opportunity to Opt-In or Opt-Out of receiving the grant. We recognize that an organization could consider itself advantaged by having other sources of funding available to them, or have sufficient funds on hand for the year. If an organization decides to forgo the 2022 PCF grant, the funds not accepted will be donated back into the grant pool and the community. In this small way, the community itself has a voice in how these limited city funds are invested in the community. Opting out of a 2022 grant will not impact future funding.
- In an attempt to resume our normal operations as our capacity allows, and to more fully support the Philadelphia arts sector, this year we will accept new applications which we were unable to do last cycle. This will allow organizations that were not in the 2020 funding cycle for whatever reason to apply for a one-year general operating grant and not be blocked from city support for two consecutive years. Because of the difficulties of the pandemic we will use an abbreviated process. The average operating budget ceiling of \$800,000 and PCF eligibility criteria will remain in place. PCF staff will announce in October more details regarding eligibility & guidelines to apply. Check back here for more information.

**Please note that this approach is only for the 2022 grant cycle.** We must all continue to advocate to the City for a larger allocation for PCF if Philadelphia is going to flourish when COVID-19 has passed.