



CULTURAL AFFAIRS

## Arts & Humanities Commission

### Grants Budget Tips

The Virginia Beach Arts & Humanities Commission regularly receives questions from applicants about preparing their project budgets for applications. Below are some tips to assist in preparing yours as well as some common questions and answers.

#### **Allowable Expenses include but are not limited to:**

- **Administrative Personnel:**  
Expenses directly related to the people designated as project management employees for the duration of the project. Calculate the % of the time the employee spends on the project. This line is NOT for contracted artists or event-only staff.
- **Artistic Personnel:**  
Expenses directly related to the cast and production of the project. Calculate the % of the time the employee spends on producing the project. This is not for contracted artists.
- **Technical/Production/Stagehands:**  
Expenses directly related to the on-staff production team for this project. For example: if you are applying for support for a season of 4 events and you have an in-house, on-salary costumer, this is Technical/Artistic Personnel, how much of this employee's time is being spent on the specific projects within this grant request? This MAY include contracted production staff, a/v supplier labor, venue front-of house/back-of-house labor.
- **Outside Artistic Fees:**  
Fees for contracted artists or artisans supplying services or appearing in your event/project. This includes honoraria, artist-contract fees, etc. This does not include artist travel or other expenses related to the artists' services.
- **Technical Production Expenses:**  
Fees for objects/materials/equipment contributing to the production value of the project. This does not include computers (unless demonstrated to be necessary for the execution of the production itself), administrative equipment, office supplies or catering.
  - For large scale production expenses that include equipment and significant production assets, you should provide specific written justification for the items with a unit value of \$5,000 or more and a useful life of more than one year. You must demonstrate how the item will be reused, rented, or otherwise utilized to serve as a future cost savings or revenue generator for fiscal responsibility.
- **Facility Rental Fees Only:**  
Expenses related to the rental but NOT the labor at a venue.

- **Travel expenses:**  
You may include staff travel as well as travel expenses related to outside artist contract, community outreach presentations supporting the project.
- **Marketing/Advertising:**  
These expenses should be only those expenses related to graphic design, placement of ads, promotional appearance costs, social media placements, etc. This does not include the cost of your marketing labor (see Personnel- Administrative), the cost of brochures or other printed materials.
- **Printing/Postage:**  
These expenses are specifically any and all printed materials promoting the event/project, postage related to producing the project and advertising it, and any other printed tangible materials associated with the project intended to create visibility for the project. This does not include general administrative printing expenses, organization materials not related to the project receiving the grant, or general postage.
- **Admissions Taxes:**  
Specifically the 10% that your organization pays to the City of Virginia Beach or your rented venue pays to the City of Virginia Beach on your behalf, reflected in your final invoice and pay out from the venue.
- **Royalties:**  
The expenses for the use of copyrighted materials/properties such as current Broadway musical scripts and music. Royalties for the use of a specific artist's work or writing.
- **Other expenses may include but are not limited to:**
  - Expenses related to meet and greets or receptions (if and only if those expenses are being covered by additional funding sources i.e. in-kind donations, corporate sponsorships, individual donors, board contributions and are not related to the commission funds)
  - Audition/Submission/Application fees related to artist participation in the project
  - Specialized Training that is directly related to the project (i.e sign language for cast to perform *Children of a Lesser God*, etc)
  - Cost of Comp tickets for underserved audience participation (ie Providing 30 free tickets to a Title I class)
  - Credit Card Processing Fees if handling your own ticket sales
  - Refunded Tickets
  - Etc. never hesitate to ask if something is eligible to list here.

## **Revenues Tips**

- Make sure that you enter the appropriate amount on the "Grant Amount Requested" line.
- **Admissions:**  
This should be a firm estimate based on your established ticket prices and the typical number of tickets you sell unless this is your first time mounting the project and you have no historical trends to which you can refer. If you are charging tiered pricing or offering discounts, please make clear estimates of the anticipated sales for each tier before listing your total estimated Admissions on this line. It is always recommended that you have a file demonstrating the mathematical thought process used to achieve this estimate.  
Example: ((1300 seat theater x 60% anticipated attendees)x 4 shows))x50.00 per seat=\$156,000.

- **Private Contributions:**  
ANY individual gift of money, stock, etc. Memberships, individual giving, etc. If a percentage of your long-term giving program is dedicated to supporting this project list it. Do NOT list private contributions used as operating support or which are attached to any other program you offer. Please use only the portion of contributions intended for this project.
- **Board Contributions:**  
Only list board contributions to this project. If your Board has a giving requirement for the year, and that total is split between multiple initiatives/purposes only list the portion that is dedicated to this project. You are welcome to note in your descriptions that your board has reached 100% giving as it demonstrates fiscal responsibility but the total should only be claimed here if the total is dedicated to this project alone.
- **Corporate Sponsorships:**  
Any corporate donation of money to fund this project (NOT a Corporate Philanthropy Grant) or the percentage of an annual sponsorship that is directly connected to this project. (Example: XYZ Corp. gives your organization \$1 Million in annual support as your premiere season sponsor but your application is only for your outreach school programs in Virginia Beach which receives only \$10,000 of that \$1Million in support. List the \$10,000.)
- **Government Grants:**  
Any local, state, federal funding dedicated to this project from sources outside of the Virginia Beach Arts and Humanities Commission. You may be receiving another local grant from a different segment of Virginia Beach municipality in which case it must be listed.
- **Other Grants:**  
Corporate or Foundation Grants – Some Corporations offer both sponsorships and grant programs. This segment is for grant programs only. The Grant amount must be only the amount specifically applied to this project.
- **In-Kind contributions are any contribution of goods, services, time that apply directly to this project.**
  - For example, your organization has a strong relationship with the It's Really Real News, Inc. because one of your board members is their CEO. They offer to provide you quarter page ads all season long for all of your shows/art exhibitions/etc. The gift amounts to \$8,000 in-kind. However, this project only requires 4 of the editions covered by that gift, you would list \$2,000 in the in-kind line and you **MUST** have that same \$2,000 listed in your marketing line offsetting the in-kind gift. Any in-kind gift must always have a direct correlation to an expense.
  - In-Kind gifts listed in the revenue lines not reflected as direct costs in your expense lines will be removed from your budget.
  - Eligible In-Kind donations include but are not limited to:
    - Partners' volunteer hours
    - Use of office space
    - Use of equipment
    - Materials donated
    - Marketing placement that would typically be paid advertising
  - Guest spots on television or radio programs that are typically not billed to the guest (i.e. The Hampton Roads Show and other local interviews) are not to be considered in-kind as there is no verifiable cost value for such appearances.
  - You must maintain proper documentation of in-kind gifts and services.
    - Proper documentation includes but is not limited to

- Estimate of verifiable fair-market value of goods/services from the provider
  - Copy of your Receipt/Thank you letter to the provider for goods/services noting the verifiable fair-market value, the items, and the dates/purposes for which it was used
  - List of all in-kind items/services and verifiable fair-market value with dates/projects related to the gift.
- Other Income
    - Merchandise sales applied toward the cost of producing the project.
    - “Work-for-hire” engagements that support the costs of producing this project
      - Example: Your band supplies string quartets for weddings and a portion of the proceeds is directed at this project. List the % directed at this project. Or your art gallery offers a suite of watercolor and wine classes to support the annual watercolors around the world exhibition and public programming, the proceeds all go toward supporting the costs of the exhibition, list the proceeds that are directed toward this project.
    - Amazon Smile or other % of proceeds campaigns
    - Any income or percentage of income that goes toward this project

If you have any questions about your project budget form, please contact Hillary Plate, Public Programs & Partnerships Manager, at [hplate@vbgov.com](mailto:hplate@vbgov.com) or (757) 385-2861.