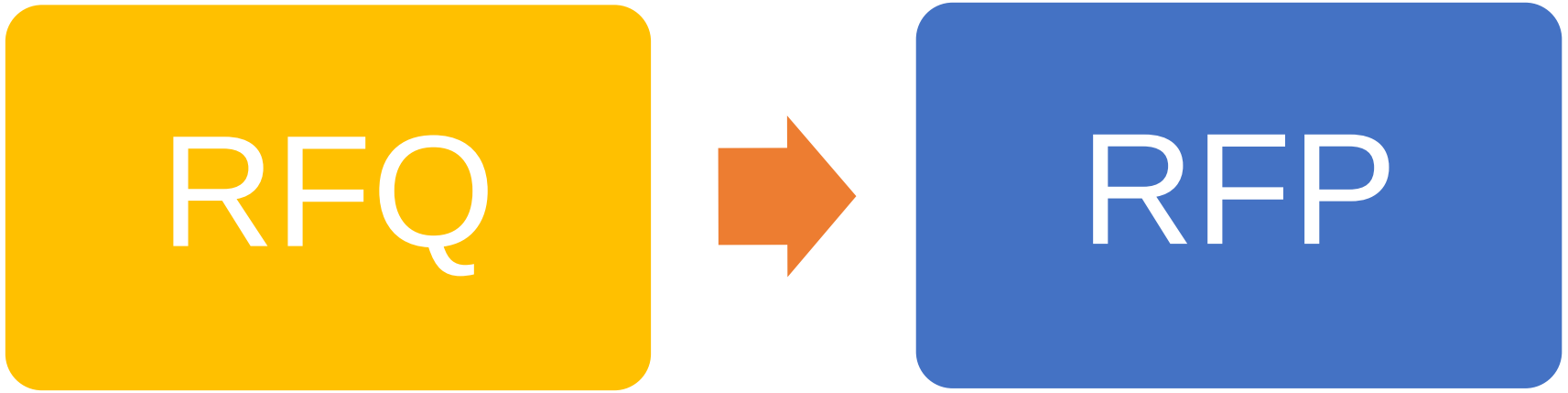
The City of San Diego
Commission for Arts and Culture

# FY20 Arts and Culture Funding Request for Qualifications (RFQ)

The City of SAN DIEGO

# RFQ and RFP




Is the organization ready to contract with the City of San Diego?

What programs and services are they proposing during the contract period?

# RFQ and RFP

## Step 1: Request for Qualifications (RFQ)

Assess if an applicant is “Qualified” or ready to contract with the City:

- Applicant is eligible,
- Accountable through governance and financial practice,
- Has the bandwidth to manage the details of a City contract.

Reviewed by one trained team, including Commissioners and City Staff, who have nonprofit management expertise.

Applicants are scored as “ Qualified” or “Not Qualified”

# RFQ and RFP

## Step 2: Request for Proposals (RFP)

Assess programs and services provided to citizens and visitors and how well they align with the City's goals.

Looks at programs and services, community engagement, organizational capacity and emphasis areas (OSP) or project budget (CCSD).

Reviewed by Commission Advisory Panels, including Commissioners and community leaders.

# Request for Qualifications (RFQ)

1. Organizational Information
2. Eligibility Requirements
3. Administrative Capacity
4. Governance Practices
5. Financial Management
6. Past Performance on City Contracts
7. Conditions for Submission
8. Option to Renew for Returning Applicants

# Section 1: Organizational Information

Legal Name, and DBA if applicable

Contact Information

Mission Statement

Fiscal Year End Date

Annual Operating Income (AOI) (OSP applicants)

Project Budget (CCSD applicants)

# Organizational Information: Calculate Your AOI

1. Enter Total Operating Revenue Less In-kind

Subtract the following figures:

2. Unrestricted income used for the purchase of fixed assets or for capital improvements

3. Temporarily or Permanently Restricted Income

4. Unrestricted income used to for the purchase of appreciable works of art

5. Unrealized Unrestricted Investment Gains

6. Any portion of a multi-year grant or donation recorded as unrestricted income but not received

7. Other amounts to subtract

Add the following figures:

8. Unrealized Unrestricted Investment Losses

9. Other Additions

Find a more detailed version of this formula and a glossary of terms www.sandiego.gov/arts-culture/funding

# Section 2: Eligibility Requirements

- Tax exempt status
- Three year history of operations as a nonprofit
- Services in City of San Diego or serving majority of San Diego residents
- Arts and culture as a focus
- Align with the purpose of TOT funding
- Other sources of funding from the City of San Diego
- Exclusions: lobbying, religious or political activities, educational institutions, and re-granting organizations

# Section 3: Administrative Capacity

**Does your organization have the administrative bandwidth to manage a City Contract?**

Organizational chart

Qualifications of contract administrator

Insurance requirements

# Section 4: Governance Practices

**Does your organization's board have sufficient oversight?**

Board meeting frequency

Oversight of budgets and compensation agreements

Evaluation of organization's top executive or key volunteer

Conflict of Interest policies and enforcement

# Section 5: Financial Management

**Is your organization prepared to steward and manage tax payer dollars?**

Liquidity (LUNA), Current Operating Ratio, Financial Leverage calculation

Financial plan for addressing liquidity issues

Annual operating budget

Qualifications of primary financial management staff/volunteer

# LUNA= Liquid Unrestricted Net Assets

What does liquidity mean?
The availability of liquid assets that can be converted to cash to meet short-term obligations.

Why does it matter?
Financial plan for addressing liquidity issues are important in this process because these contracts are on a reimbursement basis and it can sometimes take between 6-9 months before expenses are reimbursed.

If your organization has less than 2 months liquidity, you will need to demonstrate a feasible plan for managing budget shortfalls.

# LUNA= Liquid Unrestricted Net Assets

## Net Assets Unrestricted
## - Fixed Assets (net)
## + Non-Current Liabilities

You can locate these figures on:

- Balance sheet from your organization's financial statements
- See HELP text in online portal for more detail or download a glossary of terms at www.sandiego.gov/arts-culture/funding

# Section 6: Past Performance on City Contracts

## Has the organization been in compliance during past contracts?

- Organization submitted late contract kit in FY17 and/or FY18 and/or FY19.
- Organization did not perform the agreed upon scope of services in FY17 and/or FY18.
- Organization withdrew from contracting after award allocation in FY17 and/or FY18 and/or FY19.
- Organization did not claim full award amount in FY17 and/or FY18.
- Organization submitted late final performance report in FY17 and/or FY18.
- Organization did not submit the final performance report in FY17 and/or FY18.
- City terminated contract with organization for cause in FY17 and/or FY18 and/or FY19.

*Responses in this section will be provided by Commission staff using data collected from past performance on City contracts from FY17 forward.*

# Section 7: Conditions for Submission

## Does the organization understands the conditions of submitting an RFQ?

For a list of all conditions see the FY20 Funding Applicant Guidelines.

# Section 8: Option to Renew vs. RFP

An applicant that has been awarded a Fiscal Year 2019 contract or contract renewal, is seeking a FY20 contract is considered a “returning applicant.” All applicants, returning and new, must submit a response to the FY20 RFQ. A returning applicant whose RFQ is deemed qualified may indicate one of the following preferences:

**Requesting the Option to Renew:** Returning applicants may request the City execute the option to renew their current contract. If the request is accepted by the City the returning applicant will not have to submit a response to the FY20 RFP for panel evaluation, and their prior rank will carry over to calculate the FY20 award amount.
Is there any conflict between this section and the option to renew section in current contracts?

**Submitting a Response to the RFP:** Returning applicants that indicate a preference for submitting a response to the FY20 RFP for panel evaluation. The rank given to the returning applicant’s FY20 RFP will be used to calculate the FY20 award amount. Returning applicants that elect to submit a response to the FY20 RFP are not guaranteed to receive a higher rank than their prior-year rank.

For more detailed information, see the FY20 Funding Guidelines.

# Evaluation Criteria and Scoring

All Request for Qualifications will be evaluated by a trained team, including Commissioners and City Staff, and scored:

- “Qualified” or
- “Not Qualified”

The trained team is led by The University of San Diego, School of Leadership and Education Sciences.

All criteria is available on the RFQ Scoring Tool, with the FY20 Funding Guidelines.

# Evaluation Criteria and Scoring

| Section | Evaluation Criteria |
|---|---|
| 1. Applicant Profile | Must be complete. |
| 2. Eligibility Survey | Meets all requirements per Council Policy 100-03 |
| 3. Administrative Capacity | Meet requirements of City procurement authorities and provides evidence of organizational structure and management systems |
| 4. Governance Practices | Ensures good stewardship of public confidence to fulfill City contracts, board supports proper stewardship of funds and organizational accountability. Policies are designed to prevent self-dealing and corruption. |
| 5. Financial Management | Completed and correct LUNA calculations and board-approved current annual operating budget. Organizations with less than two months of liquidity provide feasible plans for covering unexpected shortfalls. Appropriate financial management experience of staff/volunteer/contractor |
| 6. Past Performance on City Contracts | History of deficiencies (e.g. late contract kits, late final reports, etc.) |
| 7. Conditions for Submission | Must be complete. |

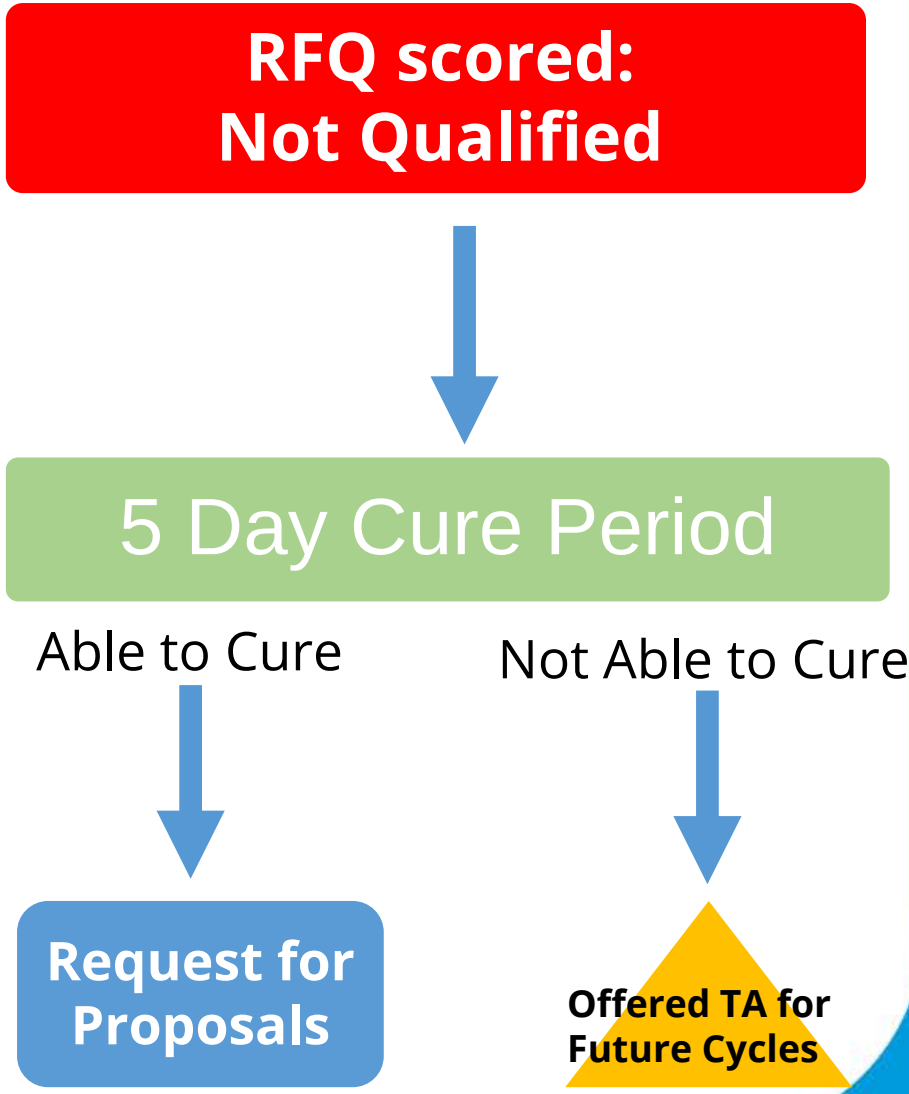
# Evaluation Scoring and Criteria

Applicants scored “Not Qualified” will enter a 5-day Cure Phase.

City staff will share issues identified in the RFQ and the organization will have 5 working days to address the issues in question.

If an applicant is able to correct or provide clarifying information to an extent which moves their score to “Qualified” they will be moved to the Request for Proposals.

If they are not able to correct or clarify it, then the applicant will be directed to resources to help improve their competitiveness for future funding cycles.



# Evaluation Scoring and Criteria

Applicants scored “Qualified” will be given access to the Request for Proposals.

RFQ Score: Ready to Contract → Request for Proposal

# Contact Us!

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