

Proposed Changes with Category B for 2019-2020

Current Element	Proposed Change	Rationale
Name: <b>Cultural Tourism Fund for Major Institutions</b>	Name: <b>Tourist Development Fund for Cultural Tourism</b>	Move away from calling the programs 'Major' and 'Mid-Sized'
Description: supports major cultural institutions that provide programs of excellence which attract visitors and satisfy guests and residents	Description: program support to cultural institutions that attract <b>out of county</b> visitors by offering arts and cultural programming that appeals to and satisfies tourists.	Adding deeper focus on out of county marketing for organizations amassing large numbers of tourists.
Minimum Score: <b>75</b>	Minimum Score: <b>80</b>	<ol style="list-style-type: none"> <li>1. Expect excellence at this funding level</li> <li>2. Follows State of Florida, Division of Cultural Affairs' minimum score</li> </ol>
Scoring Criteria: <b>Cultural Excellence – 40 pts</b> <b>Out-of-County Marketing – 25 pts</b> <b>In-County Marketing – 10 pts</b> <b>Organizational Stability – 20 pts</b> <b>Potential for Growth – 5 pts</b>	Scoring Criteria: <b>Cultural Excellence – 40 pts</b> <b>Out-of-County Marketing – 40 pts</b> <b>Organizational Administrative Excellence – 20 points.</b>	<ol style="list-style-type: none"> <li>1. Remove in-county advertising as a criteria since emphasis is on out-of-county marketing.</li> <li>2. Focus on organizational administrative excellence as seen in governance, management, operations, budgeting, earned &amp; contributed revenue, equity, inclusion and diversity</li> </ol>
Allowable Expenses: This grant program reimburses for the following allowable expenses:  A. Marketing personnel expenses directly related to the program (up to 50% of adjusted salary) B. Outside professional artist services directly related to the program C. Outside professional marketing and PR services D. Other outside	Allowable Expenses: This grant program reimburses for the following allowable expenses:  A. Marketing personnel expenses directly related to the program (up to 50% of adjusted salary) B. Outside professional artist services directly related to the program C. Outside professional marketing and PR services D. Other outside	Restricting Allowable Expense Item #F to emphasis focus on out of county marketing as a reimbursable expense. Organizations can still do in county advertising as part of their match requirement, but it won't be reimbursable.

<p>professional services directly related to the program</p> <p>E. Space rental directly related to the program</p> <p>F. Marketing and advertising expenses directly related to the program</p> <p>G. Outside artist travel, supplies, and other expenses directly related to the program</p>	<p>professional services directly related to the program</p> <p>E. Space rental directly related to the program</p> <p>F. Marketing and advertising expenses <b><u>used on out of county marketing</u></b></p> <p>G. Outside artist travel, supplies, and other expenses directly related to the program</p>	
<p>Panel Process Make Up:</p> <p><b>2 Council Board members</b></p> <p><b>1 TDC Board member</b></p> <p><b>TDC Executive Director</b></p> <p><b>2 Out of County Cultural Sector Experts</b></p> <p><b>1 Local Marketing Expert</b></p>	<p>Panel Process Make Up:</p> <p><b>2 Council Board members</b></p> <p><b>2 TDC Representatives (Board member/Executive Director /County Administrator)</b></p> <p><b>2 Out of County Cultural Sector Experts</b></p> <p><b>1 Local Marketing Expert</b></p>	<p>Add flexibility around TDC's selection of its two representatives.</p>



**Tourist Development Fund for Cultural Tourism**  
2019-2020 Application Guidelines

***INTRODUCTION***

In 1982, Palm Beach County levied a tourist development tax on “every person who rents or lets for consideration any living quarters or accommodations in any apartment, hotel, motel, resort, condominium for a term of six months or less.” A percentage (22.51%) of the first four cents levied on every dollar of such rent is to be expended on cultural tourism development grants in support of fine arts entertainment, events, programs, festivals, and activities that directly promote Palm Beach County tourism and is designated as The Tourist Development Fund for Cultural Tourism. The Cultural Council of Palm Beach County advises and administers this grant under a contract with the Tourist Development Council and the Board of County Commissioners.

***MISSION***

The Cultural Council and the Tourist Development Council seek to strengthen Palm Beach County as a cultural tourism destination by providing program support to cultural institutions that attract out of county visitors by offering arts and cultural programming that appeals to, and satisfies, tourists.

This program is described in these guidelines as the Cultural Tourism Fund. The program supports Palm Beach County nonprofit arts and cultural organizations with annual operating revenues of at least \$1,175,000 (exclusive of tangible collections, capital and/or endowment corpus) by reimbursing programming and out of county marketing expenses associated with the presentation and/or production of a regular season of programs open to the general public in Palm Beach County.

***PROCESS AND EXPECTATIONS:*** The grant process requires the applicants to complete an online application by closely following these guidelines and to participate in an interview with the review panel. The applicant is expected to attend an Application Workshop prior to completing the application. Applicants who attend training will receive feedback from the staff regarding their applications. If the applicant successfully scores an 80 or higher, a contract will be awarded to reimburse out of county marketing expenses and/or artist fees, production or exhibition costs to cultural institutions with recognized ability to produce, present, and promote excellent programs that attracts a significant number of tourists and contribute to Palm Beach County’s reputation as a national cultural destination.

**AVAILABLE FUNDS:** Applicants are able to request funds based on operating revenues reported in the last completed financial audit. The funding levels are as follows:

1. Organizations with operating revenues of \$2 million or less, request 10% of operating revenues;
2. Organizations with operating revenues between \$2,000,001 and 3 million, request \$200,000;
3. Organizations with operating revenues between \$3,000,001 and 5 million, request \$250,000;
4. Organizations with operating revenues above \$5 million request \$300,000.

**DEADLINE**

Deadline for application is Friday, April 5, 2019 by 11:59 p.m. for the grant period October 1, 2019 through September 30, 2020. There will **not** be an application cycle for 2020-2021.

**ELIGIBILITY**

**Applicant must fulfill all of the following at time of application:**

1. Be a nonprofit organization, part of an organization, or unit of government which produces and/or presents a cultural program or festival.
2. The organization must maintain a working office in Palm Beach County with one or more full-time, non-seasonal paid executive staff member(s).
3. Have documented IRS nonprofit, tax-exempt status.
4. Have completed, at minimum, two years of fiscal operation as a nonprofit organization in Palm Beach County and provide independent audited financial statements with an accountant's unqualified opinion. Financial statements provided with an opinion that is other than unqualified may be accepted, subject to review by the grants panel.
5. Provide the organization's last completed independent certified financial audit which includes the auditor's opinion and which reflects at least \$1,175,000 threshold in operating revenues. Organizations with fiscal year ends between September 30 and December 31 that are unable to provide a timely FY 2018 audit must instead provide financial statements being reviewed for the FY 2018 audit along with an auditor's letter stating the target completion date of audit. All applicants must have the FY 2018 audit submitted to the Cultural Council within six months of the applicant organization's fiscal year end in order to remain eligible for funding.

**Please Note:** If applicant's fiscal year-end is less than six months before the panel meets and an audit is not yet available, the applicant must submit year-end financial statements accompanied by a representation letter from management and by an independent auditor's letter stating that the FY 2018 audit will be delivered to the Cultural Council by or before June 30, 2019. If audited financials show a material adverse change from the previous year's audit, the grantee's recommended award and contract will be subject to review.

6. Show \$100,000 or more in budgeted marketing expenses for proposed program and have documented records of at least 25,000 visitors to prior programs and/or festivals.
7. Match amount requested on a dollar-for-dollar basis by contributing or raising the same amount.
8. Have a board of directors composed at least one-third of Palm Beach County residents which meets on a regular basis, at least once per quarter.
9. Obtain by July 1, 2019 a Certificate of Insurance which verifies (1) general liability coverage with limits of not less than \$500,000 each occurrence and (2) Palm Beach County Board of County Commissioners as additional insured for the period October 1, 2019–September 30, 2020. Said Certificate of Insurance shall provide for thirty (30) days written notice to the County prior to any material change or cancellation of coverage thereunder.
10. Organizations will be subject to a grant reduction of 15% if reports or survey data were submitted after the due date.
11. Commit to participate in the Cultural Council's standardized biennial Audience Survey program once the grant period begins. The organization will commit resources to distribute and collect surveys (preferably by trained volunteers or staff) and input the data into a collection tool that will enable the organization to share its results with the other organizations in the field. The Audience Survey program must be conducted for the entire period October 1, 2020-September 30, 2021.

### ***LIMITATIONS***

Applicant organizations may submit only one application. Organizations approved for funding will receive grant disbursements through a quarterly reimbursement process beginning October 1, 2019.

### ***SCORING CRITERIA AND RUBRIC***

Grant panelists will receive a copy of the Scoring Rubric as a part of the panelist training materials. The Scoring Rubric is designed to ensure an objective and fair evaluation of the propose program.

The scoring mechanism defines each of the three criteria scored by panelists:

- Cultural Excellence – 40 pts
- Out-of-County Marketing – 40 pts
- Organizational Administrative Excellence – 20 pts

Within each criterion, standard descriptions and corresponding point values are listed to serve as a guide in the scoring process. Grant applicants should use this Scoring Rubric when completing the application.

**RUBRIC VALUATION - Overall consideration for the applications**

VALUE	DESCRIPTION	SCORE
Excellent	Strongly demonstrates a commitment to artistic quality and cultural tourism; places value on using public funds to deliver outstanding cultural excellence to increase audience size, number of out of county visitors and number of hotel nights Merits investment of Palm Beach County bed tax funding.	90-100
Good	Satisfactorily demonstrates a commitment to artistic quality and cultural tourism; places value on using public funds to deliver cultural programming to increase audience size or number of out of county visitors or number of hotel nights Merits investment of Palm Beach County bed tax funding.	80-89
Fair	Does not sufficiently demonstrate public value of arts and culture. Does not merit investment of Palm Beach County bed tax funding.	70-79
Weak	Makes an incomplete or inadequate case for the public value of arts and culture. Does not merit investment of Palm Beach County bed tax funding. Information is confusing, unclear and lacks specific details.	0-69

**1. Maximum 40 points for Cultural Excellence**

Panelists will consider the following standards when evaluating each application for Cultural Excellence in areas such as, but not limited to, mission statement and program description.

Excellent 37-40 points	Good 32-36 Points	Fair 25-31 Points	Weak 0-24 points
Mission statement clearly describes the organization and the programs and activities fully support the mission.	Mission statement describes organization and programs/activities fully support the mission.	Mission statement describes organization and programs/activities do not fully support the mission.	Mission statement does not clearly describe organization and programs/ activities do not fully support the mission.
The current proposed cultural programming of exhibits and performances clearly reflects excellence and has a proven ability to draw a diverse audience	The current proposed cultural programming reflects a very good cultural form and has the potential to draw a diverse audience.	The current proposed cultural programming reflects a cultural form but doesn't indicate the potential to draw a diverse audience.	The current proposed cultural programming is off mission, does not reflect a cultural form and there is no evidence of audience attraction.

3-5 measureable goals are outlined in the application to expand the field or discipline reflecting the organization's mission.	1-2 measureable goals are outlined in the application to expand the field or discipline reflecting the organization's mission.	No measureable goals are outlined in the application to expand the field or discipline reflecting the organization's mission.	No efforts are demonstrated to expand the field or discipline in which it specializes.
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**2. Maximum 40 points for Out of County Marketing**

Panelists will consider the following information when evaluating Out-of-County Marketing and Tourism Impact:

Excellent 37-40 points	Good 32-36 Points	Fair 25-31 Points	Weak 0-24 points
Well-defined marketing and promotion plan with 3-5 measureable indicators to attract out-of-county visitors and tourists.	Marketing and promotion plan with 1-2 measurable indicators to attract out-of-county visitors and tourists.	Confusing marketing and promotion plan to attract out-of-county visitors and tourists.	The marketing and promotion plan is focused on in county marketing or attracting local residents while overlooking out of county visitors.
The proposed marketing plan includes strategies to increase audience size, number of out of county visitors and number of hotel nights to goals greater than the minimum required numbers.	The proposed marketing plan includes strategies to increase audience size, number of out of county visitors and number of hotel nights to reach the minimum required numbers.	The proposed marketing plan does not include strategies to increase audience size, number of out of county visitors and number of hotel nights.	The marketing and promotion plan is confusing, unclear and unrealistic about counting visitors and tracking hotels nights.
Past and projected attendance exceeds goal of 25,000 visitors annually.	Past and projected attendance meets goal of 25,000 visitors annually.	Past and/or projected attendance falls short of the goal of 25,000 visitors.	Past and/or projected attendance does not come close to meeting the goal of 25,000 visitors.

**3. Maximum 20 points for Organizational Administrative Excellence.**

Panelists will consider the following information when evaluating Organizational Administrative Excellence Stability:

Excellent 19-20 points	Good 16-18 Points	Fair 13-15 Points	Weak 0-12 points
There is clear evidence that the organization is following best practices in governance, operations and program implementation.	There is some evidence that the organization is following some best practices in governance, operations and program implementation.	There is little evidence that the organization is following best practices in governance, operations and program implementation.	There is no evidence that the organization is following best practices in governance, operations and program implementation.
Long term strategic plan is in place for growing investments, building endowment or program development.	A short term strategic plan is in place with plans to conduct a long term strategic plan.	A strategic plan is not in place or is not being followed.	There is no evidence of a strategic plan for long-term or short-term organizational goals.
There is a strong financial plan, a diversified revenue stream, an endowment in place and effective fundraising systems.	There is a financial plan, and a revenue stream. Some fundraising has been effective for the organization.	There is no financial plan. There may be a deficit. There is a lack of effective fundraising and lack of a diversified revenue stream.	The budget is not balanced, hard to understand. There is no financial plan nor a diversified revenue stream.
Strong evidence of consistent, multi-year fiscal responsibility.	Some evidence of consistent, multi-year fiscal responsibility with some challenges.	Evidence of inconsistent multi-year fiscal responsibility.	No long term strategic plan in place for endowment building or deficit reduction.

***Applicants must receive a minimum average score of 80 points to be considered for funding.***

## **REIMBURSEMENT GUIDELINES**

Please note allowable and disallowable expenses when completing the budget spreadsheet and budget narrative.

### **This grant program reimburses for the following allowable expenses:**

- A. Marketing personnel expenses directly related to the program (up to 50% of adjusted salary)
- B. Outside professional artist services directly related to the program
- C. Outside professional marketing and PR services
- D. Other outside professional services directly related to the program
- E. Space rental directly related to the program
- F. Marketing and advertising expenses used on out of county marketing ONLY
- G. Outside artist travel, supplies, and other expenses directly related to the program

### **This grant will not reimburse for the following disallowable expenses:**

- A. General operating or administrative expenses, including travel, salaries and benefits not related to program
- B. Rent or mortgage of office building, renovation or remodeling of facilities
- C. Purchase of permanent equipment, including musical instruments
- D. Program publications which include solicited advertising
- E. Advertising or public relations items which do not mention the specific program
- F. Advertising within Palm Beach County
- G. Advertising/printing expenses which omit the Cultural Council, County and TDC logos and/or recognition
- G. Food expenses
- H. Any payments to students for services rendered
- I. Any awards, prizes, or contributions
- J. Other non-program related expenses.

## **THE GRANT APPLICATION**

The link to the online Application can be found on the Cultural Council's website in the Application Toolkit for Category B. Council website link: <http://bit.ly/catBpage>.

The first time you go to the online application portal, you will be asked to create an account for your organization. Once you have registered and established your login credentials, you can sign into your account and look for available applications. **BE SURE TO COMPLETE THE CORRECT APPLICATION FOR YOUR CATEGORY.** Application instructions will be made available in the Application Toolkit but you should plan to attend Application Training at the Council. See details below.

### **Application Exhibits**

- Exhibit B1 – Projected Program Budget Form is downloadable from website from the Application Toolkit. Note that in-kind revenue must be described on sheet 2 of the Exhibit B1 budget workbook.
- Exhibit B2 – Projected Program Budget Narrative
- Exhibit B3 – Three-Year Program Budget Comparison

### **Contractual Documentation**

- Independent Certified Financial Audit for the last two (2) most recent fiscal years
  - If applicant's fiscal year-end is less than six months before the panel meets and an audit is not yet available, the applicant must submit year-end financial statements accompanied by a representation letter from management and an independent auditor's letter stating that the FY 2018 audit will be delivered to the Cultural Council before or by June 30, 2019.
  - All applicants are required to submit the certified financial audit to the Cultural Council within six months of fiscal year end in order to remain eligible for funding.
  - If the applicant is a division of a larger institution, the applicant must include an audit which identifies direct expenses and revenues for the program. If this is unavailable, the applicant must provide internally prepared financial statements of revenues and expenses for the last two fiscal years and must be signed by the chief financial officer and an authorized official of the larger organization.
- Certified Financial Audit Findings – Applicants are required to address any of the following issues identified in the financial statements:
  - Variances greater than 25% in year over year financial statement line items
  - Qualified Audit
  - A Material Adverse Change from the previous year's audit
  - A Single-Year Deficit
- Deficit Reduction Plan – If an organization has had significant multi-year, operating deficits and declining fund balances for two years or more, a deficit reduction plan must be attached. The plan must be formally approved by the applicant's Board of Directors and must include the deficit reduction strategies and a timeline.
- Certificate of Insurance identifying Palm Beach County Board of County Commissioners as an additional insured party.
- Authorized Signatory – Provide proof of person(s) authorized to sign contracts by submitting information from the Florida Department of State, Division of Corporations found at [www.sunbiz.org](http://www.sunbiz.org). Include registration copy or board resolution as documentation.
- Current State of Florida Solicitation License from the Department of Agriculture.
- Board of Directors – Provide a list of board members, names, affiliations and home cities.

**Supplemental Materials – Optional**

- Letter of Support – From partners, constituents and professionals in the field. (Limit 3)
- Annual Report
- Marketing Advertising (Limit 1)
- Performance or Event Review (Limit 1)
- Additional Supporting Documents –brochures, programs, reviews, etc. (Limit 7)

***APPLICATION TRAINING OPTIONS***

Attendance at training is not mandatory, but STRONGLY recommended. For organizations that participate in training, staff will provide feedback and an opportunity to make corrections to the application after it has been received. Organizations that opt out of the training will NOT have the opportunity to make any changes to their application once it has been received. All of staff's findings that go uncorrected will be forwarded to the panel.

**Live Training:** Monday, March 4, 2019 10am at the Cultural Council.

**Webinar:** Will be available by Friday, March 8, 2019 on the Council's website

***FOR MORE INFORMATION, CONTACT***

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