



**Cultural Tourism Development Fund: Major Institutions
2017-2018 Application Guidelines
Category B**

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 three 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 *Category B*. The Cultural Council of Palm Beach County advises and administers *Category B* grants under contract with the Tourist Development Council and the Board of County Commissioners. This program is described in these guidelines as the Cultural Tourism Development Fund: Major Institutions. The program assists 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 marketing and programming expenses associated with the presentation and/or production of a regular season of programs open to the general public in Palm Beach County.

MISSION

In seeking to enhance Palm Beach County as a cultural destination, the Cultural Tourism Development Fund grant program supports major cultural institutions that provide programs of excellence which attract visitors and satisfy guests and residents.

Objective: To expand and promote cultural programs which directly develop Palm Beach County tourism and improve the quality of life in Palm Beach County for all residents.

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 a 75 or higher, a contract will be awarded to reimburse artist fees, production or exhibition costs, and/or marketing expenses to cultural institutions with recognized ability to produce, present, and promote excellent programs that contain a significant tourist related component and that contribute to Palm Beach County's reputation as a 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, January 27, 2017 by 11:59 p.m. for the grant period October 1, 2017 through September 30, 2018. There will **not** be an application cycle for 2018-2019. Organizations awarded funding for the 2017-18 grant period will continue to be funded in the 2018-19 grant period, based on dollars available, pending that the organization remains in compliance with its contractual grant agreement and providing that operating revenues do not deviate more than 15% from the established threshold.

ELIGIBILITY

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

1. Be a nonprofit organization, part of organization, or unit of government which produces and/or presents a cultural program or festival.
2. Employ one or more full-time, non-seasonal paid executive staff member(s) in a Palm Beach County office.
3. Have documented IRS nonprofit, tax-exempt status.
4. Have registered with Guidestar.org (free account).
5. 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.
6. 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 2016 audit must instead provide financial statements being reviewed for the FY 2016 audit along with an auditor's letter stating the target completion date of audit. All applicants must have the FY 2016 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 2016 audit will be delivered to the Cultural Council by or before June 30, 2017. 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.
7. Show \$100,000 or more in budgeted marketing expenses for proposed program and have records of at least 25,000 visitors to prior programs and/or festivals.
8. Match amount requested on a dollar-for-dollar basis.
9. 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. If organization is regional or

internationally-based and the board makeup does not meet this criterion, the organization shall be required to submit documentation showing that 70% of its program marketing budget is spent on marketing the Palm Beach County program(s) outside of Palm Beach County.

10. Obtain by July 1, 2017 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, 2017- September 30, 2018. 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.
11. Applications will not be accepted from organizations with overdue reports or incomplete audience survey data on prior grants. Compliance concerns must be resolved prior to application deadline in order for an application to be considered for funding.
12. If awarded funding, applicant must be prepared to participate in the Cultural Council's standardized biennial Audience Survey program once the grant period begins. This will require a commitment on the organization's part to commit resources to distributing and collecting surveys (preferably by trained volunteers or staff) and input the data into a data 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, 2017-September 30, 2018 and may be continued in the second year but it is not required the second year.

LIMITATIONS

Applicant organizations may submit only one application.
 Applicants for Category B funds cannot apply for Category C funds.
 Organizations approved for funding will receive grant disbursements through a quarterly reimbursement process beginning October 1, 2017.

SCORING CRITERIA AND RUBRIC

Grant panelists will receive a copy of the Scoring Rubric as a part of their panelist training materials. The rubric will be used to ensure a fair and unbiased process. The scoring mechanism defines each of the five criteria: Cultural Excellence, In-County Marketing Impact, Out-of-County and Tourism Impact, Organizational Stability and Potential for Growth. Within each criterion, benchmarking descriptions and corresponding point values are listed to serve as guide in the scoring process. Grant applicants should use this Scoring Rubric as a guideline when completing the application

RUBRIC VALUATION

VALUE	DESCRIPTION	SCORE
Excellent	Strongly demonstrates public value of arts and culture. Merits investment of Palm Beach County bed tax funding.	88-100
Good	Satisfactorily demonstrates public value of arts and culture. Merits investment of Palm Beach County bed tax funding.	75-87

Fair	Does not sufficiently demonstrate public value of arts and culture. Does not merit investment of Palm Beach County bed tax funding.	61-74
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.	0-60

(1) Maximum 40 points for Cultural Excellence.

Panelists will consider the following information when evaluating for Cultural Excellence.

Excellent 37-40 points	Good 32-36 Points	Fair 25-31 Points	Weak 0-24 points
Two year history of cultural exhibits, programs and/or productions clearly reflects excellence.	Two year history of cultural exhibits, programs and/or productions reflects excellence.	Two year history of cultural exhibits, programs describes excellence.	Two year history of cultural exhibits, programs is omitted from proposal.
Mission statement clearly describes organization and programs/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 programs sustain and advance the cultural form and mission while making it available to a wider, more diverse audience.	The programs sustain and advance the cultural form and mission while making it available to a wide audience.	The programs sustain the cultural form and mission while making it available to a wide audience.	The programs are not sustaining the cultural form and mission and there is no evidence of a diverse audience.
Specific efforts are clearly demonstrated to expand the field or discipline in which it specializes.	Specific efforts are demonstrated to expand the field or discipline in which it specializes.	Unclear and confusing efforts are demonstrated to expand the field or discipline in which it specializes.	No efforts are demonstrated to expand the field or discipline in which it specializes.

(2) Maximum 10 points for In-County Marketing Impact.

Panelists will consider the following information when evaluating In-County Marketing Impact:

Excellent 10 points	Good 8-9 Points	Fair 6-7 Points	Weak 0-5 points
Well defined marketing and promotion plan to attract in-county residents to visit organization.	Marketing and promotion plan to attract in-county residents to visit organization.	Confusing marketing and promotion plan to attract in-county residents to visit organization.	Undefined or lack of marketing and promotion plan to attract in-county residents to visit organization.
Clear evidence of established marketing partnerships that work to increase visitation, volume and/or diversity.	Evidence of marketing partnerships that work to increase visitation, volume and/or diversity.	Evidence of marketing partnerships that do not increase visitation, volume and/or diversity.	No evidence of any marketing partnerships.

(3) Maximum 25 points for Out-of-County Marketing and Tourism Impact.

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

Excellent 23-25 points	Good 19-22 Points	Fair 16-18 Points	Weak 0-15 points
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 does not meet goal of 25,000 visitors annually.	Past and projected attendance goals were omitted from application.
Well-defined marketing and promotion plan to attract out-of-county visitors and tourists.	Marketing and promotion plan to attract out-of-county visitors and tourists.	Confusing marketing and promotion plan to attract out-of-county visitors and tourists.	Undefined or lack of marketing and promotion plan out-of-county visitors and tourists.
Clear evidence of established marketing partnerships that include hotels, airlines, buses, etc.	Evidence of marketing partnerships that include hotels, airlines, buses, etc.	Evidence of marketing partnerships that do not include hotels, airlines, buses, etc.	No evidence of any marketing partnerships.

(4) Maximum 20 points for Organizational Stability.

Panelists will consider the following information when evaluating Organizational 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 clear 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.
Strong evidence of consistent, multi-year fiscal responsibility.	Evidence of consistent, multi-year fiscal responsibility.	Evidence of inconsistent multi-year fiscal responsibility.	Evidence of very inconsistent multi-year fiscal responsibility.
The budget is balanced, easy to understand. There is a strong financial plan and a diversified revenue stream.	The budget is balanced, easy to understand. There is a financial plan and a revenue stream.	The budget is balanced but hard to understand. There is a financial plan but no diversified revenue stream.	The budget is not balanced, hard to understand. There is no financial plan nor a diversified revenue stream.
Long term strategic plan is in place for endowment building or deficit reduction.	A short term strategic plan is in place for endowment building or deficit reduction.	A strategic plan is in place but doesn't address the need for endowment building or deficit reduction.	No long term strategic plan in place for endowment building or deficit reduction.

(5) Maximum 5 points for Potential for Growth.

Panelists will consider the following information when evaluating Potential for Growth:

Excellent 5 points	Good 4 Points	Fair 3 Points	Weak 1-2 points
Clear evidence of one of: new/expanded facility, capital campaign, education initiatives, expanded diversity efforts.	Evidence of one of: new/expanded facility, capital campaign, education initiatives, expanded diversity efforts.	Unclear evidence of one of: new/expanded facility, capital campaign, education initiatives, expanded diversity efforts.	No evidence of expanded facility, capital campaign, education initiatives, expanded diversity efforts.

Applicants must receive a minimum average of 75 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 directly related to the program
- D. Other outside professional services directly related to the program
- E. Space rental directly related to the program
- F. Marketing and advertising expenses directly related to the program
- G. Outside artist travel, supplies, and other expenses directly related to the program
- H. Certain prepayments 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/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.

- 1) Independent Certified Financial Audit - Include the last two (2) completed fiscal years. One audit with two years compared will also be accepted. 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 2016 audit will be delivered to the Cultural Council before or by June 30, 2017. 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. Additionally, independent certified financial audits for the previous two (2) years will be required for the FY 2018/2019 grant period.

PLEASE NOTE: 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. These statements must be signed by the chief financial officer and an authorized official of the larger organization.

- 2) Certified Financial Audit Findings – Applicants are required to address, in writing, any of the following issues found in the financial statements:
 - a. Variances greater than 25% in year over year financial statement line items
 - b. Qualified Audit
 - c. A Material Adverse Change from the previous year’s audit
 - d. A Single-Year Deficit

- 3) 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 debt reduction and deficit reduction strategies and timetables. Financial statements submitted with an opinion that is other than unqualified may be accepted, subject to review by the grants panel.

- 4) Authorized Signatory – Provide proof of person(s) authorized to sign contracts by submitting a Florida Department of State, Division of Corporations registration copy, board resolution or other evidentiary document.

- 5) Board of Directors – Provide a list indicating officers and all directors’ contact information including business and home address and telephone numbers.

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

- Audited Financial Statements for the last two most recent fiscal years
- Other financial documents: Unaudited statements – see above. Form 990s may be requested but are not required with initial application.
- Written explanation of any Certified Financial Audit findings – as needed – see above
- Deficit Reduction Plan signed by Board of Directors – as needed – see above

- Certificate of Insurance identifying Palm Beach County Board of County Commissioners as additional insured.
- 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. Include registration copy, board resolution or other evidentiary document.
- Current State of Florida Solicitation License from the Department of Agriculture.

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, December 12, 2016 at 2:00 PM** at the Cultural Council. Register here for this training: http://bit.ly/B_CIIapptraining.
- **Friday, December 16, 2016 at 11:00 am** at the Cultural Council. Register here for this training: http://bit.ly/B_CIIapptraining2.

Webinar:

- **Wednesday, December 21, 2016 at 2:00 pm.** Register here: http://bit.ly/B_CII_appwebinar

FOR MORE INFORMATION

Contact:

Wendy Boucher, Grants Coordinator at (561) 214-8092 or send an email to: woucher@palmbeachculture.com.

Or

[Jan Rodusky, Chief Grants Officer at \(561\) 471-1513 or send an email to: jrodusky@palmbeachculture.com.](mailto:jrodusky@palmbeachculture.com)