

**AGREEMENT BETWEEN
THE STATE OF FLORIDA, DEPARTMENT OF STATE
AND
[NAME OF ORGANIZATION AS IT APPEARS ON THEIR SUBSTITUTE W-9 FORM]**

This Agreement is by and between the State of Florida, Department of State, Division of Arts and Culture hereinafter referred to as the "Division," and [Name of Organization as it appears on their Substitute W-9 Form] hereinafter referred to as the "Organization."

The Organization has been awarded a Cultural Endowment Program (CSFA 45.007), State Matching Share by the Division, in the amount of \$[insert grant amount]. Funds for this grant have been appropriated in the FY [insert year] General Appropriations Act on [insert line]. The Division is authorized pursuant to section 265.606(4), Florida Statutes, to enter into an agreement for management of the entire Endowment.

In consideration of the mutual covenants and promises contained herein, the parties agree as follows:

1. Grant Purpose. The purpose of this program is to create an endowment matching funds program that will provide programming resources to participating cultural organizations.

a) The Organization shall perform the following **Scope of Work**:

Each participating organization shall establish a cultural endowment program fund that the organization shall administer and invest. The interest generated on the invested corpus shall be used for the programming expenses incurred by the participating organization.

b) The Organization agrees to provide the following **Deliverables** and **Performance Measures** related to the Scope of Work for payments to be awarded.

Payment 1:

- The payment will be a fixed price lump sum in the amount of \$240,000. The items in Section 4 of the Agreement ("Required Information Needed with Return of Signed Agreement") must be submitted prior to release of this payment.

2. Length of Agreement. This Agreement shall begin on **July 1, [insert year]** and continue as long as the endowment remains intact and conditions of the endowment agreement are not violated by the Organization.

3. Contract Administration. The parties are legally bound by the requirements of this agreement. Each party's contract manager, named below, will be responsible for monitoring its performance under this Agreement, and will be the official contact for each party. Any notice(s) or other communications in regard to this agreement shall be directed to, or delivered, to the other party's contract manager by utilizing the information below. Any change in the contact information below should be submitted in writing to the contract manager within 10 days of the change.

For the Division of Arts and Culture:

Contact Name: [Insert Name]
Florida Department of State
Division of Arts and Culture
R.A. Gray Building,
500 South Bronough Street
Tallahassee, Florida 32399
Phone: [Insert Phone]
Email: [Insert Email]

For the Grantee:

Contact Name:
Org Name:
Mailing Address:
City, State, Zip:
Phone:
Email:

- 4. Required Information Needed with Return of Signed Agreement.** Prior to disbursement of funds, the Organization must confirm and provide the following with the return of the signed Agreement.
- a) Have established an endowment account that shall include the words “**State of Florida Cultural Endowment Fund**” in the title.
 - b) Have deposited new contributions having a market value of at least \$360,000 for each individual endowment into the organization’s endowment account that it shall administer and invest.
 - c) **Investment Plan.** The Organization shall establish an Investment Plan for the entire endowment and will provide additional material as requested by the Department to assure that prudent arrangements have been implemented and are maintained for the management of the entire endowment. The Endowment Investment Plan, incorporated as Attachment A, approved by the Board of Directors and signed by the President of the Board, shall include but not be limited to the following provisions:
 - 1. Preservation of the \$600,000 capital value of each program fund shall be the primary responsibility of the Organization and shall be the primary investment constraint under which it shall manage the program fund;
 - 2. The Organization shall at all times preserve the principal amount of each Cultural Endowment Program Fund and maximize current income through the use of investment quality financial instruments as defined in paragraph 5 and detailed in the attached Investment Plan, Attachment A, submitted by the Organization;
 - 3. The Organization agrees that the market value for each of the Organization's Cultural Endowment Program Funds shall be maintained at no less than \$600,000.

d) **Notice of Investment Requirements.** A Notice of Investment Requirements, as Attachment B, containing the investment requirements of the Cultural Endowment Program (CEP) shall be signed by the investment agent for the financial institution that manages the Cultural Sponsoring Organization's (CSO) endowment. A copy of this Notice and the endowment agreement between the Division and the CSO shall be kept by the investment agent in the CSO's endowment file. **A copy of this Notice shall also be submitted with the Agreement to the Division.**

5. Financial Instruments are defined as:

- a) Bonds, notes, or other obligations of the United States or those guaranteed by the United States or for which the credit of the United States is pledged for the payment of the principal and interest or dividends thereof;
- b) State bonds pledging the full faith and credit of the State of Florida and revenue bonds additionally secured by the full faith and credit of the state. Under no circumstances can any of the monies be invested in bonds issued by another state or its municipalities;
- c) Bonds of the several counties or districts in the State of Florida containing a pledge of the full faith and credit of the county or district involved. Under no circumstances can any of the monies be invested in bonds issued by another state or its municipalities;
- d) Corporate bonds that meet the four highest classifications as established by a nationally recognized rating service;
- e) Savings accounts in, or certificates of deposit of, any bank, savings bank, or savings and loan association incorporated under the laws of this state or organized under the laws of the United States doing business and situated in this state, the accounts of which are insured by the Federal Government or an agency thereof;
- f) Commercial paper of prime quality of the highest letter and numerical rating as provided for by at least one nationally recognized rating service;
- g) Common stock, preferred stock, and interest-bearing obligations of a corporation having an option to convert into common stock provided:
 - 1. The corporation is organized under the laws of the United States, any state or organized territory of the United States, or the District of Columbia; or
 - 2. The corporation is listed on any one or more of the recognized national stock exchanges in the United States and conforms with the periodic reporting requirements under the Investment Company Act of 1940;
- h) ETF's that are listed on any one or more of the recognized national stock exchanges in the United States and conform to the periodic reporting requirements under the Securities Exchange Act of 1934;
- i) Mutual funds that are listed on any one or more of the recognized national stock exchanges in the United States and conform to the periodic reporting requirements under the Securities Exchange Act of 1934.

6. Deposit. The Organization shall deposit in its "State of Florida Cultural Endowment Program Fund," the \$240,000 State Matching Share upon receipt and **provide the Division with evidence of the deposit within forty-eight hours.**

- a) **Investment of Endowment.** The organization must invest the entire \$600,000 (\$360,000 local match plus \$240,000 State Matching Share). **Bank statement** showing the \$360,000 local

match plus \$240,000 State Matching Share deposited in an endowment account within a single financial institution which includes the “**State of Florida Cultural Endowment Fund**” in the title.

- 7. Electronic Payments.** The Grantee may choose to use electronic funds transfer (EFT) to receive grant payments. All grantees wishing to receive their award through electronic funds transfer must submit a Direct Deposit Authorization form to the Florida Department of Financial Services. If EFT has already been set up for your organization, you do not need to submit another authorization form unless you have changed bank accounts. To download this form visit <http://www.myfloridacfo.com/Division/AA/Forms/DFS-A1-26E.pdf>. This page also includes tools and information that allow you to check on payments.
- 8. Florida Substitute Form W-9.** A completed Substitute Form W-9 is required from any entity that receives a payment from the State of Florida that may be subject to 1099 reporting. The Department of Financial Services (DFS) must have the correct Taxpayer Identification Number (TIN) and other related information in order to report accurate tax information to the Internal Revenue Service (IRS). To register or access a Florida Substitute Form W-9 visit <https://flvendor.myfloridacfo.com/>. **A copy of the Grantee’s Florida Substitute Form W-9 must be submitted with the executed Agreement.**
- 9. Financial Consequences.** The State Matching Share for each individual cultural endowment shall be returned to the State if any of the following events occur:

 - a) Failure to provide the Division with evidence the \$240,000 State Matching Share has been deposited within forty-eight hours upon receipt;
 - b) The Organization ceases cultural programming operations;
 - c) The Organization is no longer qualified by definition as a sponsoring organization pursuant to Section 265.603(5), Florida Statutes;
 - d) The Organization files for protection under federal bankruptcy provisions;
 - e) The Organization willfully expends a portion of the \$600,000 endowment principal of any individual cultural endowment;
 - f) The Department determines that the Organization has willfully violated the provisions of the Endowment agreement or Sections 265.601-265.606, Florida Statutes of the Cultural Endowment Program.
- 10. Collateral.** Endowment funds may not be used as collateral or otherwise subjected to lien.
- 11. Use of Interest.** The Organization may expend funds generated from the endowment program fund only for programming costs incurred while engaged in programs directly related to cultural activities, or reinvestment of any residual to expand the principal fund.

12. Annual Report. The Organization shall submit an annual report <https://dos.myflorida.com/cultural/grants/grant-programs/cultural-endowment/> to the Department no later than July 30 each year that details the following:

- a) An account that lists the specific investment instruments, as provided in paragraph 5, and includes the words “**State of Florida Cultural Endowment Fund**” in the title, providing verification of the interest earned on the entire endowment fund;
- b) Use of program funds during previous fiscal year;
- c) Benefits of the endowment funds to the Organization;
- d) Documentation demonstrating maintenance of program eligibility and credit to the Department per Section 14.
- e) (*Optional and/or as requested*) An annual audit of the organization’s financial accounts may be conducted by an independent, certified, public accountant and, if conducted, shall be submitted to the Division for review within nine months after the expiration of the organization’s fiscal year. The audit, if submitted, must specifically recognize the \$600,000 corpus (State Matching Share: \$240,000 and local match: \$360,000) as an asset of the CSO.

13. Reversion of Matching Share. The \$240,000 State Matching Share and all revenues earned from the use of the State Matching Share shall revert to the State if the Department determines that fraudulent information or documentation has in any way been used in its application or for the purposes of obtaining or continuing the endowment program.

14. Notices. All publications, media productions, and exhibit graphics endowment funds shall include the following statement in the same size, type, style, and location as credit to other major donors:

"This project is sponsored in part by the State of Florida through the Florida Department of State, Division of Arts and Culture, and the Florida Council on Arts and Culture." (Section 286.25, Florida Statutes)

15. Notice of Investment Requirements. For the purposes of this program, the Cultural Endowment State Matching Share held as principal by the Cultural Sponsoring Organization shall not be considered “expended” in accordance with section 215.97(2)(a), Florida Statutes, in any fiscal year and shall not be considered toward the Florida Single Audit Act (FSAA) threshold. However, the interest that is generated on the endowment corpus shall be considered “expended” and therefore, counted toward the Florida Single Audit Act (FSAA) threshold.

16. Single Audit Act. The grantee is required to complete a Single Audit Act certification form through the Department of State grants management system at <https://dosgrants.com/>. Each grantee, other than a grantee that is a State agency, shall submit to an audit pursuant to 2 CFR 200, Subpart F - Audit Requirements, and Section 215.97, *Florida Statutes*. See Attachment B for additional information regarding this requirement.

17. Accounting Requirements. The Organization agrees to maintain an accounting system that provides for a complete record of the use of all state funds. This accounting system shall provide for:

- a) Accurate, current, and complete records that identify the sources and application of funds for all activities related to the Grant, including the specific receipt and expenditure of all Endowment related funds.
- b) Effective control over and accountability for all funds, property, and other assets.
- c) Accounting records that are supported by source documentation and are in sufficient detail to allow for proper pre-audit and post-audit (i.e., invoices, bills, and canceled checks).
- d) The title of the account shall include the words “**State of Florida Cultural Endowment Fund**” in the title.

18. Non-allowable Grant Expenditures. The Grantee agrees to expend all grant funds received under this agreement solely for the purposes for which they were authorized and appropriated. Expenditures shall be in compliance with the state guidelines for allowable project costs as outlined in the Department of Financial Services’ Reference Guide for State Expenditures, which are incorporated by reference and are available online at <https://www.myfloridacfo.com/Division/AA/Manuals/documents/ReferenceGuideforStateExpenditures.pdf> In addition, the following are not allowed as grant or matching expenditures:

- a) Costs for lobbying or attempting to influence federal, state, or local legislation; the judicial branch; or any state agency;
- b) Building, renovation, maintenance, or remodeling of facilities;
- c) Bad debts, contingencies, fines and penalties, interest, or other financial costs;
- d) Private entertainment, food, beverages, plaques, awards, or scholarships;
- e) Re-granting, contributions or donations;
- f) Projects which are restricted to private or exclusive participation, which shall include restricting access to programs on the basis of race, color, religion, sex, national origin, age, handicap, or marital status;
- g) Neither the corpus nor the income of the endowment may be pledged as security for any debt or purchase (collateral).

19. Unobligated and Unearned Funds and Allowable Costs. In accordance with Section 215.971, *Florida Statutes*, the Grantee shall refund to the State of Florida any balance of unobligated funds which has been advanced or paid to the Grantee. In addition, funds paid in excess of the amount to which the recipient is entitled under the terms and conditions of the agreement must be refunded to the state agency. Further, the recipient may expend funds only for allowable costs resulting from obligations incurred during the specified agreement period. Expenditures of state financial assistance must be in compliance with the laws, rules, and regulations applicable to expenditures of State funds, including, but not limited to, the *Reference Guide for State Expenditures* (see above).

20. Repayment. All refunds or repayments to be made to the Department under this agreement are to be made payable to the order of the “Department of State” and mailed directly to the following address:

Florida Department of State, ATTN: [Insert Name], Division of Arts and Culture, 500 South Bronough Street Tallahassee, FL 32399. In accordance with Section 215.34(2), *Florida Statutes*, if a check or other draft is returned to the Department for collection, Recipient shall pay to the Department a service fee of \$15.00 or five percent (5%) of the face amount of the returned check or draft, whichever is greater.

- 21. International Travel.** In accordance with Section 15.182, Florida Statutes (International travel by state-funded musical, cultural, or artistic organizations; notification to the Department of State), the grantee shall notify the Department of State of any international travel at least 30 days before the date the international travel is to commence or, when an intention to travel internationally is not formed at least 30 days in advance of the date the travel is to commence, as soon as feasible after forming such travel intention. Notification shall include date, time, and location of each appearance.
- 22. Retention of Accounting Records.** Financial records, supporting documents, statistical records, and all other records including electronic storage media pertinent to the Project shall be retained for a period of five (5) years after the close out of the grant. If any litigation or audit is initiated, or claim made, before the expiration of the five-year period, the records shall be retained until the litigation, audit, or claim has been resolved.
- 23. Obligation to Provide State Access to Grant Records.** The Grantee must make all grant records of expenditures, copies of reports, books, and related documentation available to the Division or a duly authorized representative of the State of Florida for inspection at reasonable times for the purpose of making audits, examinations, excerpts, and transcripts.
- 24. Obligation to Provide Public Access to Grant Records.** The Division reserves the right to unilaterally cancel this Agreement in the event that the Grantee refuses public access to all documents or other materials made or received by the Grantee that are subject to the provisions of Chapter 119, *Florida Statutes*, known as the *Florida Public Records Act*. The Grantee must immediately contact the Division's Contract Manager for assistance if it receives a public records request related to this Agreement.
- 25. Noncompliance with Grant Requirements.** Any applicant that has not submitted required reports or satisfied other administrative requirements for other Division of Arts and Culture grants or grants from any other Office of Cultural, Historical, and Information Programs (OCHIP) Division will be in noncompliance status and subject to the OCHIP Grants Compliance Procedure. (OCHIP) Divisions include the Division of Arts and Culture, the Division of Historical Resources, and the Division of Library and Information Services.) Grant compliance issues must be resolved before a grant award agreement may be executed, and before grant payments for any OCHIP grant may be released.
- 26. Availability of State Funds.** The State of Florida's performance and obligation to pay under this Agreement are contingent upon an annual appropriation by the Florida Legislature. In the event that the state funds upon which this Agreement is dependent are withdrawn, this Agreement will be automatically terminated and the Division shall have no further liability to the Grantee, beyond those amounts already expended prior to the termination date. Such termination will not affect the

responsibility of the Grantee under this Agreement as to those funds previously distributed. In the event of a state revenue shortfall, the total grant may be reduced accordingly.

27. Independent Contractor Status of Grantee. The Grantee, if not a state agency, agrees that its officers, agents and employees, in performance of this Agreement, shall act in the capacity of independent contractors and not as officers, agents, or employees of the state. The Grantee is not entitled to accrue any benefits of state employment, including retirement benefits and any other rights or privileges connected with employment by the State of Florida.

28. Copyright. If publications, films, or similar materials are developed, directly or indirectly, from a program, project, or activity supported by the grant funds herein, any resulting copyright shall be held by the Grantee. As a condition of grant assistance, the Grantee agrees to and hereby awards to the Department and to its officers, agents, and employees acting within the scope of their official duties, a royalty-free, nonexclusive, and irrevocable license throughout the world for official purposes, to publish, translate, reproduce, and use all subject data or copyrightable material based on such data covered by the copyright.

29. Liability. The Division will not assume any liability for the acts, omissions to act, or negligence of, the Grantee, its agents, servants, or employees; nor may the Grantee exclude liability for its own acts, omissions to act, or negligence, to the Division.

a) The Grantee shall be responsible for claims of any nature, including but not limited to injury, death, and property damage arising out of activities related to this Agreement by the Grantee, its agents, servants, employees, and subcontractors. The Grantee shall indemnify and hold the Division harmless from any and all claims of any nature and shall investigate all such claims at its own expense. If the Grantee is governed by Section 768.28, *Florida Statutes*, it shall only be obligated in accordance with this Section.

b) Neither the state nor any agency or subdivision of the state waives any defense of sovereign immunity, or increases the limits of its liability, by entering into this Agreement.

c) The Division shall not be liable for attorney fees, interest, late charges or service fees, or cost of collection related to this Agreement.

30. Strict Compliance with Laws. The Grantee shall perform all acts required by this Agreement in strict conformity with all applicable laws and regulations of the local, state and federal law.

31. No Discrimination. The Grantee may not discriminate against any employee employed under this Agreement, or against any applicant for employment because of race, color, religion, gender, national origin, age, handicap or marital status. The Grantee shall insert a similar provision in all of its subcontracts for services under this Agreement.

32. Breach of Agreement. The Division will demand the return of grant funds already received, will withhold subsequent payments, and/or will terminate this agreement if the Grantee improperly expends and manages grant funds, fails to prepare, preserve or surrender records required by this Agreement, or otherwise violates this Agreement.

- 33. Termination of Agreement.** If any of the terms of this agreement are violated, the Division may terminate or end this agreement. In such event, the Division shall provide the Grantee a notice of its violation by letter, and shall give the Grantee 30 calendar days from the date of receipt to cure the violation. If the violation is not cured within the stated period, the Division may terminate this agreement. The notice of violation letter shall be delivered to the Grantee's Contract manager, personally, or mailed to his/her specified address by a method that provides proof of receipt. If this Agreement is terminated, the State Matching Share for each individual cultural endowment shall revert to the State; however, the Organization shall be permitted to retain the interest earned prior to the notification of termination.
- 34. Preservation of Remedies.** No delay or omission to exercise any right, power, or remedy accruing to either party upon breach or violation by either party under this Agreement, shall impair any such right, power or remedy of either party; nor shall such delay or omission be construed as a waiver of any such breach or default, or any similar breach or default.
- 35. Non-Assignment of Agreement.** The Grantee may not assign, sublicense nor otherwise transfer its rights, duties or obligations under this Agreement without the prior written consent of the Division, which consent shall not unreasonably be withheld. The agreement transferee must demonstrate compliance with the requirements of the project. If the Division approves a transfer of the Grantee's obligations, the Grantee shall remain liable for all work performed and all expenses incurred in connection with this Agreement. In the event the Legislature transfers the rights, duties, and obligations of the Division to another governmental entity pursuant to Section 20.06, *Florida Statutes*, or otherwise, the rights, duties, and obligations under this Agreement shall be transferred to the successor governmental agency as if it was the original party to this Agreement.
- 36. Required Procurement Procedures for Obtaining Goods and Services.** The Grantee shall provide maximum open competition when procuring goods and services related to the grant-assisted project in accordance with Section 287.057, *Florida Statutes*.
- 37. Conflicts of Interest.** The Grantee hereby certifies that it is cognizant of the prohibition of conflicts of interest described in Sections 112.311 through 112.326, *Florida Statutes*, and affirms that it will not enter into or maintain a business or other relationship with any employee of the Department of State that would violate those provisions. The Grantee further agrees to seek authorization from the General Counsel for the Department of State prior to entering into any business or other relationship with a Department of State Employee to avoid a potential violation of those statutes.
- 38. Binding of Successors.** This Agreement shall bind the successors, assigns and legal representatives of the Grantee and of any legal entity that succeeds to the obligations of the Division of Arts and Culture.
- 39. No Employment of Unauthorized Aliens.** The employment of unauthorized aliens by the Grantee is considered a violation of Section 274A (a) of the Immigration and Nationality Act. If the Grantee knowingly employs unauthorized aliens, such violation shall be cause for unilateral cancellation of this Agreement.

- 40. Severability.** If any term or provision of the Agreement is found to be illegal and unenforceable, the remainder will remain in full force and effect, and such term or provision shall be deemed stricken.
- 41. Americans with Disabilities Act.** All programs and facilities related to this Agreement must meet the standards of Sections 553.501-553.513, *Florida Statutes*, and the Americans with Disabilities Act of 1990.
- 42. Governing Law.** This Agreement shall be construed, performed, and enforced in all respects in accordance with the laws and rules of Florida. Venue or location for any legal action arising under this Agreement will be in Leon County, Florida.
- 43. Entire Agreement.** This instrument embodies the whole Agreement of the parties. There are no provisions, terms, conditions, or obligations other than those contained herein and those attachments incorporated by reference; and this Agreement shall supersede all previous communication, representation, or Agreement, either verbal or written, between the parties. No amendment shall be effective unless reduced in writing and signed by both parties.

In acknowledgment of Endowment Number [####] provided for from funds appropriated in the [insert year] Appropriation Act, in the amount of \$240,000, certifies that each section has been read and agrees to comply with the requirements set forth in this Endowment Agreement.

Department of State:

Grantee:

By: _____
Sandy Shaughnessy, Division Director

By: _____
Authorizing Official for the Grantee*

Printed name and title

Printed name and title

Witness

Witness

Date

Date

***If the authorizing official signing above on behalf of the grantee organization is not the chief executive officer, then another authorized official must sign below.**

On behalf of the governing body of the Grantee organization, I hereby acknowledge awareness of, and agree to comply with all of the requirements of this Grant Agreement.

Signature

Printed name and title

Witness

Date

ATTACHMENT A

ENDOWMENT INVESTMENT PLAN

State of Florida Cultural Endowment for the (Name of the organization)

1. The preservation of the initial \$600,000 capital value of this \$240,000 Endowment Fund shall be the primary responsibility and fiscal objective of the Board of Directors of _____ (name of organization).

2. _____ (name of organization) as trustee shall all times preserve the principal amount of this State of Florida Endowment Program fund and will maximize current income through the use of investment quality fixed income instruments as detailed in this Investment Plan.

3. _____ (name of organization) agrees to maintain the minimum net cost value of this State of Florida Endowment Program fund at no less than \$600,000 at all times.

4. _____ (name of organization) will, within applicable State of Florida Rules, utilize investment proceeds from the principal of this fund for (a) programming expenses of the _____ (name of organization), or (b) reinvestment of any residual to expand the principal fund.

Approved on behalf of the Board of Directors on _____, by

President

Printed name and title

ATTACHMENT B

NOTICE OF INVESTMENT REQUIREMENTS State of Florida, Cultural Endowment Program

To: (Insert Name of Financial Institution Representative)
From: (Insert Name of Cultural Sponsoring Organization)
(Insert Cultural Sponsoring Organization Address)
Re: Cultural Endowment Program Investment Requirements
Date:

The purpose of this notice is to inform the financial institution that manages the cultural organization's **"State of Florida Cultural Endowment Fund"** of the following information and requirements of the Cultural Endowment Program:

- 1) The Cultural Endowment Program is administered by the Division of Arts and Culture for the Department of State to provide programming resources for qualified cultural organizations throughout Florida. This program was established by the Florida legislature in 1985, and is governed by sections 265.601-265.607, *Florida Statutes* and Rule 1T-1.001 (15), *Florida Administrative Code* (attached). The Cultural Endowment Program helps to establish cultural endowments with a minimum principal value of \$600,000, by contributing a State Matching Share in the amount of \$240,000. Only the interest or income from the \$600,000 corpus may be used by the cultural organization to pay programming expenses.
- 2) Preservation of the \$600,000 capital value of each endowment shall be the primary investment constraint. In accordance with section 265.606(5), *Florida Statutes*, the State's matching share of \$240,000 shall revert to the State of Florida if any of the following occurs:
 - a) The cultural sponsoring organization is no longer able to manage the endowment;
 - b) The cultural sponsoring organization files for protection under federal bankruptcy law; or
 - c) The cultural sponsoring organization willfully expends a portion of the minimum \$600,000 endowment principal.
- 3) The account title for the endowment shall include the words "State of Florida Cultural Endowment Fund."
- 4) Each year no later than July 30 the financial institution that manages the endowment shall provide the Division with an account statement that identifies the specific investment instruments that are used in the investment of the \$600,000 endowment corpus. This includes financial statements inclusive of the Organization's previous fiscal year and the most recent statement.

- 5) The financial institution shall keep a copy of this Notice and the executed endowment agreement between the State of Florida and the cultural organization, in its file for the State of Florida Cultural Endowment Program.
- 6) The \$600,000 corpus may be invested only in the following instruments:
 - a) Bonds, notes, or other obligations of the United States or those guaranteed by the United States or for which the credit of the United States is pledged for the payment of the principal and interest or dividends thereof.
 - b) State bonds pledging the full faith and credit of the State of Florida and revenue bonds additionally secured by the full faith and credit of the state. Under no circumstances can any of the monies be invested in bonds issued by another state or its municipalities.
 - c) Bonds of the several counties or districts in the State of Florida containing a pledge of the full faith and credit of the county or district involved. Under no circumstances can any of the monies be invested in bonds issued by another state or its municipalities.
 - d) Corporate bonds that meet the four highest classifications as established by a nationally recognized rating service.
 - e) Savings accounts in, or certificates of deposit of, any bank, savings bank, or savings and loan association incorporated under the laws of this state or organized under the laws of the United States doing business and situated in this state, the accounts of which are insured by the Federal Government or an agency thereof.
 - f) Commercial paper of prime quality of the highest letter and numerical rating as provided for by at least one nationally recognized rating service.
 - g) Common stock, preferred stock, and interest-bearing obligations of a corporation having an option to convert into common stock provided:
 1. The corporation is organized under the laws of the United States, any state or organized territory of the United States, or the District of Columbia; or
 2. The corporation is listed on any one or more of the recognized national stock exchanges in the United States and conforms with the periodic reporting requirements under the Investment Company Act of 1940.
 - h) ETF's that are listed on any one or more of the recognized national stock exchanges in the United States and conform to the periodic reporting requirements under the Securities Exchange Act of 1934.
 - i) Mutual funds that are listed on any one or more of the recognized national stock exchanges in the United States and conform to the periodic reporting requirements under the Securities Exchange Act of 1934.
- 7) Collateralization of the **“State of Florida Cultural Endowment Fund”** is prohibited.

Cultural Endowment Program Manager
Department of State
Division of Arts and Culture

Date

I have read the foregoing and understand the investment requirements of the Cultural Endowment Program.

Representative of the Financial Institution

Date

Printed Name

Printed Title

ATTACHMENT C

FLORIDA SINGLE AUDIT ACT REQUIREMENTS

[INSERT CURRENT FLORIDA SINGLE AUDIT ACT LANGUAGE FROM DFS]