

# CALIFORNIA ARTS COUNCIL GRANT AGREEMENT

## EXHIBIT E – SPECIAL TERMS AND CONDITIONS

For grants supported with funds received by the California Arts Council (CAC) from The National Endowment for the Arts (NEA), a federal agency.

### A. CALIFORNIA ARTS COUNCIL PROVISIONS

#### 1. STATEMENT OF THE GRANT

This grant is awarded with the understanding that the full grant amount will be expended to support the project/activity, as proposed in your application, and to be restated in the Grant Description and Budget (Exhibit A – Scope of Work & Exhibit B – Budget Detail and Payment Provisions). While minor changes in the project/activity are expected, if the Grantee wishes to modify the fundamental intentions of the project/activity, prior written approval of the California Arts Council is required.

Matching requirements, if applicable to this grant, are outlined in *Appendix A – Program and Reporting Requirements*, which can be accessed through the CAC website at <http://www.cac.ca.gov/programs/forms.php>. (See Section 6, below).

If travel expenses are included in the approved budget, the State rules governing such expenses shall apply to the Grantee. All travel must be within the State of California.

In order to comply with the provisions of Government Code Section 19130, Grantee must seek prior approval from the CAC when a **single** printing project exceeds \$5,000. Contact the CAC Contract Analyst at (916) 322-6337 prior to entering into any contract for printing services if it exceeds \$5,000 to ensure compliance with this grant provision.

#### 2. CAC GRANT RETURN DATE

*Standard Agreement (three copies)* shall be signed by the Grantee and returned to the California Arts Council within 40 days of the date postmarked.

#### 3. PROJECT MANAGERS

The designated CAC Project Manager shall be the primary contact person during the performance of this grant with responsibility for facilitating communications and efficient interaction between the CAC and the Grantee. The Grantee shall also be responsible for designating a Project Manager.

Should a change of the CAC's Project Manager or the Grantee's Project Manager become necessary, the other party shall be notified, in writing, 15 days prior to the change. The CAC Project Manager and contact information are identified in *Appendix A – Program and Reporting Requirements* (see Section 6, below).

#### **4. COSTS AND PAYMENT**

Grantee is required to sign and return the three copies of the *Standard Agreement (having reviewed the Grant Agreement Terms and Conditions on the CAC website)*, prepare and return an *Invoice form (for the advance payment as outlined in the standard agreement)*, *complete and return the State of California Payee Data Record form*, and submit copies of *Governor and legislative thank you letters*.

Requirements for an Interim Report or Progress Payment, if applicable to this grant, are outlined in *Appendix A – Program and Reporting Requirements*.

**The final payment of the award will be held pending receipt of the *California Arts Council/NEA Grants Activity Survey, accompanying Final Payment Invoice, and Final Report (if required)*, which are to be submitted at the completion of the activities supported by this grant and no later than 30 days after the end of the grant period.**

**Failure to comply with the Terms and Conditions of the grant agreement, may disallow the grant recipient from future funding consideration.**

**(See Section 6, below for Program and Reporting Requirements.)**

#### **5. COST RECORDS**

Grantee shall maintain complete, accurate and current records of all income, including obligations incurred with respect thereto. Such records, or copies of such records, shall be kept separate from other cost records. During the duration of the activity and for not less than three years after completion or termination of the activity, grantee shall make available for examination or audit any books, documents, papers or records pertaining to the activity. Upon request by the CAC, the grantee shall furnish at its own expense legible copies of materials deemed pertinent, within 10 working days from receipt of the request.

#### **6. PROGRAM AND REPORTING REQUIREMENTS**

*Appendix A – Program and Reporting Requirements* are hereby incorporated by reference and made a part of Exhibit E –Special Terms and Conditions and can be accessed through the CAC website at <http://www.cac.ca.gov/programs/forms.php>.

#### **7. MATERIALS DEVELOPED UNDER TERMS OF THE GRANT AGREEMENT**

The CAC does not claim ownership, copyrights, royalties, or other claims to artwork produced as a result of a CAC grant. However, the CAC reserves the right to reproduce and use such materials for official, noncommercial purposes.

We require that you document your work and encourage you to do so using professional photography or in the alternative a high-resolution photo of 300 dpi in .jpd, .psd, or tif (tif saved for windows) format. For questions regarding photo documentation formats please contact the CAC Project Manager.

## 8. CAC ACKNOWLEDGEMENT

- a. In order to further the California Arts Council (CAC) effort to create brand recognition for the arts in California, the CAC requires that the Grantee display the **CAC and NEA logos** on all printed and electronic matter (websites, programs, catalogs, postcards, posters, newsletters, leaflets, publications, etc.). The Grantee shall display the logos at a size and dimension that assures their visibility and the viewers' comprehension of them.



- b. The CAC also encourages Grantee's to use the California Arts License Plate graphics logo on all relevant printed and electronic materials. The purpose of which is to assist the CAC with increasing public awareness of the California Arts License Plate and its support for arts in education and local arts programming.



All of these logos can be downloaded from the CAC website: [www.cac.ca.gov/programs/logos.php](http://www.cac.ca.gov/programs/logos.php). For assistance call the CAC Webmaster at (916) 322-6582.

- c. Grantee is to acknowledge the receipt of funding by using the following phrase in all materials produced as a result of receiving this award, and in any interviews with the media or during events when appropriate: "This activity is funded in part by the California Arts Council, a state agency, as well as the National Endowment for the Arts, a federal agency."
- d. If published, recorded, or visual material (such as in a magazine, film, video, book or brochure) espouses an editorial viewpoint, Grantee must specify in the material that "ANY FINDINGS, OPINIONS, OR CONCLUSIONS CONTAINED HEREIN ARE NOT NECESSARILY THOSE OF THE CALIFORNIA ARTS COUNCIL OR THE NATIONAL ENDOWMENT FOR THE ARTS." (Note: It is not required that the notice appear in uppercase letters or bold.)

## **9. SUBSCRIPTIONS**

All Grantees are required to subscribe to the online *California Art Beat* (including all members of the staff and board of directors, where applicable). In addition, it will be the Grantee's responsibility to advertise to its arts organization constituents how to subscribe to the *California Art Beat*.

Instructions: To sign up on the Web, go to: [www.cac.ca.gov/newsroom/artbeat.php](http://www.cac.ca.gov/newsroom/artbeat.php)  
Then follow the subscription instructions as shown on that web page.

## **10. RESOLUTION OF DISPUTES**

If Grantee disputes any action by the CAC arising under or out of the performance of this Grant, Grantee shall notify the CAC of the dispute in writing and request a claims decision. The CAC shall issue a decision within 30 days of the Grantee's notice. If the Grantee disagrees with the CAC's decision, the Grantee shall submit a formal claim to the Director of the CAC or to the Director's designee.

The decision of the Director or the Director's designee shall be final and conclusive. The decision may encompass facts, interpretations of the agreement, and determinations or applications of law. The decision shall be in writing following an opportunity for the Grantee to present oral or documentary evidence and arguments in support of the claim.

## **11. FUNDING CONTINGENCY**

This Grant is valid and enforceable only if sufficient funds are made available to the CAC by the State's Budget Act of the appropriate fiscal year for the purposes of this program. In addition, this grant is subject to any additional restrictions, limitations, conditions and/or cancellation enacted by the Legislature, which may affect the provisions, terms, or funding of this grant. The state has the authority to terminate any or all grants.

## **12. GRANTEE NAME CHANGE**

An amendment is required to change the Grantee's name as listed on this Grant Agreement. Upon receipt of legal documentation of the name change the CAC will process the amendment. Payment of invoices presented with a new name cannot be paid prior to approval of said amendment.

## **13. TERMINATION**

It is mutually agreed that either party may cancel this Grant by giving 30 calendar days advance written notice.

The CAC has the right to require Grantee to stop or suspend work by giving 30 calendar days prior written notice. Within 30 days of such termination, Grantee agrees to furnish the CAC with an itemized accounting of funds expended, obligated and remaining under this Grant.

Failure to comply with the terms of this grant may lead to the cancellation of this grant.

## **B. OTHER STATE OF CALIFORNIA PROVISIONS**

The Grantee is responsible for complying with all applicable local, State, and/or Federal laws associated with this grant.

## **C. FEDERAL FUND PROVISIONS**

As a sub-recipient of federal funds, you must comply with the following mandates:

1. There can be NO overlapping project costs among Federal grants; either directly or indirectly, e.g., Federal funds that flow through another grantor such as a State arts agency;
2. Provide a final report and any other information or reports necessary to fulfill all applicable Federal reporting requirements;
3. Adhere to the prohibition against lobbying within a Federally-supported grant or cooperative agreement;
4. Uses U.S. air carriers for foreign travel; and
5. Maintain records pertinent to the award for three years following submission of the final report.
6. Documentation of Funds - Grantee must maintain adequate time-and-effort reports (i.e., personnel activity reports) when charging a person's salary in whole or in part to the grant. This term is required for all grant-approved salaried positions, regardless of the size of the award. Written and signed contracts must also be maintained if the grant supports contracts with artists or other people.
7. Unallowable cost—Fundraising - No grant funds can be used for fundraising activity. This includes donor relations, grant writing, development, or other similar terms. This requirement applies across the Federal government. See Cost Principles A-122 (2 CFR230); A-21 (2 CFR 220); and A-87 (2 CFR 225).
8. A-133 Audit Requirements - OMB Circular A-133, "Audits of States, Local Governments and Nonprofit Organizations", includes specific guidance for conducting financial and compliance audits. The threshold for requiring an A-133 audit is \$500,000 in yearly expenditures of Federal funds for fiscal years ending after December 31, 2003. This is the aggregate of funds from all Federal sources.

OMB Circular A-133 is available online at [www.whitehouse.gov/omb/circulars](http://www.whitehouse.gov/omb/circulars). If you have questions, contact the Office of Inspector General at (202) 682-5402 or [oig@arts.gov](mailto:oig@arts.gov).

9. Cost Principles - The allowability of costs for work supported with federal funds shall be determined in accordance with the applicable Federal cost principles and the terms and conditions of the award. The following OMB Circulars set forth the Federal cost principles that, in general, apply to recipients of federal funds. They are available through the following link: <http://www.whitehouse.gov/omb/circulars/>. These cost principles, as applicable, are hereby incorporated into this award:

OMB Circular A-122, "Cost Principles for Nonprofit Organizations", as amended: nonprofit organizations, exclusive of institutions of higher education;

OMB Circular A-21, "Cost Principles for Educational Institutions", as amended: public and private institutions of higher education;

OMB Circular A-87, "Cost Principles for State and Local Governments", as amended: state, local and federally recognized Indian tribal governments; and

Federal Acquisition Regulation (FAR) at 48 CFR Part 31 for commercial organizations, individuals, and those nonprofit organizations listed in Attachment C to OMB Circular A-122. The FAR is available online at [www.arnet.gov/far](http://www.arnet.gov/far).