



## ECONOMIC DEVELOPMENT AND TRANSPORTATION

### ARTS & CRAFTS DEVELOPMENT PROGRAM GUIDELINES

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#### **Application Process**

Individuals or organizations that are eligible to receive assistance under the *Arts and Crafts Development Program Policy* must submit (1) a completed and signed application form, and (2) general supporting data to one of the regional Community Operations offices of the Department of Economic Development & Transportation.

#### General Supporting Data

General supporting data is information that describes the nature of the project and amount of the requested assistance. This includes outside products or services to be used in the project, including consulting fees, printing, translation, freight, legal and other contracts. Historical financial statements (if applicable) should also be submitted. Applicants may be requested to submit additional information by EDT staff to determine eligibility.

#### Eligibility Criteria

An initial screening of applications will be conducted by regional Community Operations staff to determine whether or not applicants meet the eligibility criteria.

For Schedule A eligibility is limited to Nunavut *sanannguaqti*, individuals whose livelihood is to make *sanaugaq* (things made by hand), including all types of arts and crafts workers. To be eligible for this program a *sanannguaqti* must be a Nunavut resident, have lived in Nunavut for at least one year, and must provide proof that artwork is a significant part of their livelihood, or be a member of the Nunavut Arts & Crafts Association.

For Schedule B eligibility is limited to *sanannguaqti katujjiqatigiingit*, including societies registered under the *Nunavut Societies Act*, *cooperatives* registered under the *Cooperatives Act*, not-for-profit corporations registered under the *Canada Corporations Act*, and municipal corporations with the purpose of furthering the interests of *sanannguaqti* in Nunavut. *Sanannguaqti katujjiqatigiingit* may also include for-profit organizations committed to furthering the interests of *sanannguaqti*, as set out in the policy.

## Review

Review of all eligible applications except for 'artistic innovation' (Schedule A, Activity A-8) will generally take place through the department's Community Operations division in each region. The department will provide a preliminary response to applications within 30 working days of receipt.

Alternatively, a review team established by the Director of Community Economic Development with representation from both headquarters and regional departmental staff will assess:

- applications under the 'artistic innovation' (Schedule A, Activity A-8) program activity; and
- any applications requiring an exception to these guidelines, including the amount of a contribution under a given program area provided it meets eligibility criteria.

## **Evaluation Criteria**

Applications will be evaluated based on whether or not they meet the criteria specified in one or more of the assistance categories in Schedules A or B.

## Historical Information

In determining levels of funding the department will consider past experience with the prospective recipient. Factors to be considered include: promptness of meeting reporting requirements, outstanding amounts due under prior agreements, and any other related matters.

## Return on Investment

Funding for certain activities within this policy is based on *Return on Investment*. For the purposes of this policy *Return on Investment* will have two components: the project's expected return, and the project's risk.

Since this policy is intended to benefit artists, the return will be calculated using the profits that artists are expected to receive, divided by the program contribution. The profits received by organizations or by any third party are not considered when calculating this ratio.

For example, if an artist requests \$6,000 for marketing her products using a company and the outcome is that her sales will increase by \$18,000, then the activity's return would be 200% (\$18,000 minus the \$6,000 cost of the marketing, divided by the program contribution of \$6,000).

The project risk is the probability that the project will be successful, as described in the application. Applications will be ranked as low, medium, or high risk depending on the probability of success. This ranking will be determined based

on the Arts Advisor's experience with the applicant or with similar projects and on the claims made in the application.

The decision to fund a given project will be made by the review team based on Return on Investment: a balanced assessment of the project's risk/return profile. Return and risk will be tracked for both approved and rejected project applications.

Projects with a higher return on investment should receive more funding than projects with a lower return on investment. The review team will not fund projects with a negative return on investment.

In determining levels of funding the department will consider past experience with the prospective recipient. Factors to be considered include: promptness of meeting reporting requirements, outstanding amounts due under prior agreements, and any other related matters.

### **Terms and Conditions**

The government retains the right to conduct an audit for all grants and contributions, even though an audit may not always be required.

The *Access to Information and Protection of Privacy Act* applies to all aspects of the content, financial management, and general performance of any agreement signed under this policy.

### Reporting

Reporting for contributions over \$100,000 must include audited financial statements.

Receipts for all expenses must be submitted with the written or oral follow-up report.

A one-page follow-up report is required for all projects. This report serves two purposes: it allows the department to responsibly account for the spending of government funds, and it provides feedback on the impact and delivery of the program.

In place of a one-page follow-up report, artists (but not organizations) may submit an oral report to a regional Arts Advisor. The oral report must cover the same points as a written report, and a signed transcript must be submitted by the regional Arts Advisor to headquarters.

### Minimum and Maximum Funding for Selected Program Activities

The department may establish minimum and maximum funding levels available to selected activity categories under this policy, or may set aside funds for

selected program areas for a specified period of time within a fiscal year. This information will be made available to applicants upon request.

### Method of Payment

Specific payment terms and conditions will be contained in the Contribution Agreement. In the event that eligible expenses are less than those set out in the Contribution Agreement, the pro-rated surplus will be repayable to the department.

Contributions over \$25,000 will be paid in installments, with a minimum 10% holdback pending the receipt of project reporting. The timing, number and amount of installments will be based on the demonstrated financial needs of the recipient.

### Other Requirements

Funding recipients must repay advances, overpayments, interest on overdue amounts, unexpended balances and disallowed expenses. Funding recipients must declare that such amounts constitute debts due to the Government of Nunavut.

### **Contact Information**

For further information, or to submit an application, please contact:

#### **Kivalliq Region:**

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## **SCHEDULE A: INVESTING IN *SANANNGUAQTI* FUND**

### **Activity A-1**

#### **PURPOSE**

Purchase of art materials, supplies and equipment. Equipment for quarrying is also an eligible activity.

Examples of approved equipment include:

- Tools used for carving (files, grinders, etc.),
- safety equipment for use in carving (masks, gloves),
- tools used for the creation of wall hangings (sewing machines, needles),
- tools used for the creation of prints (pencils, paints, brushes, paper),
- tools used for the quarrying of stone,
- other materials, supplies, and equipment as proposed by the artists.

#### **SUPPORTING DATA**

Artists must provide cost quotations for the equipment they intend to buy.

A cost quotation is anything that proves the price of equipment that an artist intends to buy. It could be an item in a catalogue, phone call by the Arts Advisor to the distributor, an email, a fax etc.

#### **AMOUNT**

The department will fund 100% of costs up to \$2,500, per annum, per applicant, towards the purchase of basic arts materials, supplies and equipment, plus 50% of any costs in excess of this amount up to a total annual contribution of \$5,000. The review team can make exceptions to this maximum on a case-by-case basis.

## Activity A-2

### **PURPOSE**

Participation in business training or aftercare programs.

This applies to participation in any business training or aftercare program that is offered in or out of the territory. The program must directly benefit artists as business people

### **SUPPORTING DATA**

Applicants should provide a quote of the costs involved in participating in the program, as well as brochures, advertisements, or application forms detailing the program.

A cost quotation, along with any relevant information pertaining to the program should be submitted with the application. This will help the review team determine the value of participating in the program and what benefits might be gained by referring the program to other potential applicants.

### **ACCOUNTABILITY**

Artists will have to submit the information, either orally or in writing, from the standard one page follow-up report.

### **AMOUNT**

For programs offered in Nunavut funding is limited to a maximum of 80% of eligible costs. Where no comparable services are offered in Nunavut, support for services purchased outside of Nunavut is limited to a maximum of 70% of eligible costs.

## Activity A-3

### **PURPOSE**

Individual artist's marketing support, which may include website development, promotion, and marketing tools and training. Activities may include:

- Development, creation or hosting of a website,
- Development of promotional items (business cards, etc),
- Development of alternative markets,
- Marketing training, or
- Other marketing support that is identified by the artist as beneficial.

### **SUPPORTING DATA**

Applicants must present a plan which shows the short-term and long-term benefits of the proposed contribution.

A marketing plan must cover the 'five W's': (+How)

- Who is the target of the marketing,
- What is being marketed (i.e. the product),
- Where the product is being marketed,
- When the marketing will take place,
- Why the particular approach was chosen, and
- How the product will be marketed.

The plan must show a direct relation between the funding provided by the policy for marketing support and the resulting economic benefit for the artist, including the expected growth in sales. The plan should also include measurable indicators and provisions for progress reports where applicable.

### **ACCOUNTABILITY**

Artists must submit the standard one page follow-up report, either orally or in writing.

### **AMOUNT**

The level of funding will depend on the project's Return on Investment, with a maximum contribution of \$5,000. The review team can make exceptions to this maximum on a case-by-case basis.

## Activity A-4

### **PURPOSE**

Funding for assistance to invest in the wholesale and retail aspects of the value-added chain.

Every step in this value-added chain is an opportunity for the artist to increase their share of the total revenue that is generated by their product, and the department will support artists' efforts to extend their participation in the value-added chain and add more value to their work.

### **SUPPORTING DATA**

Applicants must identify how funding will allow the artist to receive a greater percentage of the value of their artwork.

### **ACCOUNTABILITY**

Artists will have to submit the information, either orally or in writing, from the standard one page follow-up report.

### **AMOUNT**

Level of funding will depend on the project's Return on Investment, to a maximum contribution of \$10,000. The review team can make exceptions to this maximum on a case-by-case basis.

### **NOTES**

In order to fund this activity the Arts Advisors will need to map the value-added chain: they will need to follow a carving from the quarry to the end consumer, and identify every time the carving changes hands before its final retail sale.

*(See Goal 2 of Sanaugait)*

## Activity A-5

### **PURPOSE**

Participation in the arts curriculum.

Participation in the arts curriculum can involve any instance or program in which an artist is present at a school to share their craft with students, or contributes to the development of an arts curriculum. Funding is made available for expenses incurred that are deemed eligible by the review team.

Eligible expenses include:

- Supplies necessary for instruction (carving stone, sewing or print making materials, etc)
- Transportation, accommodation and artist's *per diem* expenses at the current Government of Nunavut rate.

### **SUPPORTING DATA**

Artists must have written support from the Department of Education or the school they wish to work with. Projects must be well defined and must be a part of an ongoing curriculum development project.

### **ACCOUNTABILITY**

Artists will have to submit the information, either orally or in writing, from the standard one page follow-up report. A copy of the curriculum, and/or documentation of the artist's time at the school must also be provided.

### **AMOUNT**

The maximum contribution for this activity is \$5,000. The review team can make exceptions to this maximum on a case-by-case basis.

## Activity A-6

### **PURPOSE**

The enrichment of youth programming to include an emphasis on *Sanaugaq*.

Funding is available for all expenses associated with implementing a successful program including the Government of Nunavut *per diem* for the artist, travel and materials.

Activities could include summer camps, or other extra-curricular youth programming.

### **SUPPORTING DATA**

This activity must involve artists in a teaching or leadership capacity. The youth programming must have significant hands-on work for youth that will directly develop the skills and creativity needed to work in the industry.

Applicants must provide an estimate of enrolment including the minimum enrolment required for project success.

### **ACCOUNTABILITY**

Artists will have to submit the information, either orally or in writing, from the standard one page follow-up report.

### **AMOUNT**

The maximum funding is \$10,000. The review team can make exceptions to this maximum on a case-by-case basis.

## Activity A-7

<b>PURPOSE</b>	Travel to galleries and exhibitions to support sales and to develop alternative national and international markets.
<b>SUPPORTING DATA</b>	Applicants must also submit a quote for their travel costs, the name of the gallery displaying their art, and the date of the exhibition.
<b>ACCOUNTABILITY</b>	Artists will have to submit the information, either orally or in writing, from the standard one page follow-up report.
<b>AMOUNT</b>	Applicants' or the gallery sponsoring them, must provide \$500 towards travel costs to the applicant's designated gateway city, plus 50% of the costs of travel beyond the gateway city.
<b>NOTES</b>	<p>This funding is available for artists who are looking to travel <i>outside of Nunavut</i> to establish new national and international markets.</p> <p>The gateway city for the Kivalliq is Winnipeg.</p> <p>The gateway cities for the Kitikmeot are Edmonton and Calgary.</p> <p>The gateway cities for the Qikiqtaaluk are Ottawa and Montreal.</p>

## Activity A-8

### **PURPOSE**

Artistic Innovation. Many successful projects within the world of arts have potential precisely because they are 'thinking outside the box,' and yet the novelty of the project will often make it ineligible for funding support. The Government of Nunavut's Arts and Crafts Program therefore includes artistic innovation as a special funding item in order to realize the potential of projects that may not fit into existing funding categories.

### **SUPPORTING DATA**

Projects must not fit into other eligible activities within the policy. Applicants must submit an extensive business plan that demonstrates the innovative nature of the project and its expected benefits.

### **ACCOUNTABILITY**

The required documentation will be determined appropriate to the nature of the project and the level of approved funding.

### **AMOUNT**

Amounts will be determined on a case-by-case basis.

### **NOTES**

Applications to the artistic innovation activity must be approved by the Senior Advisor for Arts and the Traditional Economy who will consult with other headquarters staff, as necessary.

The review of applications for 'artistic innovation' support must be approved by the Director of Community Economic Development based on the recommendation of the review team.

The activity requires higher level approval because the criteria for eligibility is vague by design, and there needs to be consensus within the department that the rationale and integrity of the potential project is sound.

## **SCHEDULE B: INVESTING IN *SANANNGUAQTI KATUJJIQATIGIINGIT* FUND**

### **Activity B-1**

#### **PURPOSE**

Funding for shared studios to create affordable workspace. Funding is available for renovation of current spaces to turn them into workspace, safety upgrades for existing workspaces and for the creation of new spaces. Partnerships with other organizations and with the municipal government are encouraged.

#### **SUPPORTING DATA**

Organizations must provide details of the minimum number of studio members required to achieve feasibility, the type of organization (co-operative, society, sole proprietorship or joint partnership), signed commitments from artists to use the studio, and the required criteria for membership.

Organizations must present a complete business plan for the workspace. Support of the municipal government and of the community is important in the presentation of the plan.

#### **ACCOUNTABILITY**

Organizations must submit a follow-up report substantiating the details outlined in their business plan.

#### **AMOUNT**

Funding is available up to a maximum of \$25,000 per application. The review team can make exceptions to this maximum on a case-by-case basis.

## Activity B-2

### **PURPOSE**

The Training and Workshop Fund provides funding for arts training and/or workshops in Nunavut by arts organizations.

### **SUPPORTING DATA**

Organizations must show how this workshop relates to the goals of *Sanaugait*. It must be of direct benefit to the artists of Nunavut by teaching of new skills or improving upon existing ones.

Artist travel to the workshop would not qualify under this fund, which should be used for fees directly related to the implementation of a workshop.

### **ACCOUNTABILITY**

Organizations must submit a follow-up report substantiating the details outlined in their funding proposal including the number of participants in the workshop.

### **AMOUNT**

The maximum level of funding is \$15,000. The review team can make exceptions to this maximum on a case-by-case basis.

### **Activity B-3**

**PURPOSE**

Marketing support for arts businesses.

**SUPPORTING DATA**

Business must show a concrete marketing plan that will directly increase sales or quality of life for the artists who work for or with the business.

**ACCOUNTABILITY**

Organizations must submit a follow-up report substantiating the details and outcomes of activities outlined in their marketing plan.

Multi-year projects must submit an annual update on the implementation of their marketing plan.

**AMOUNT**

Funding for this activity will be based on Return on Investment

The maximum level of funding is \$15,000. The review team can make exceptions to this maximum on a case-by-case basis.

## **Activity B-4**

### **PURPOSE**

The establishment, improvement, or expansion of internet-based art industry resources or direct marketing of artwork on the Internet.

### **SUPPORTING DATA**

Projects must complement or improve upon existing marketing strategies, or internet-based industry resources.

Proposals must include signed commitments from artists to use the website to sell their product, the proportion of revenue that the artists will receive, and the minimum number of artists needed for project success.

### **ACCOUNTABILITY**

Where the proposal involves sales, organizations must submit a follow-up report outlining their total sales, and artist's revenue.

### **AMOUNT**

Where the proposal involves sales, funding will be based on Return on Investment to artists.

The maximum level of funding is \$15,000. The review team can make exceptions to this maximum on a case-by-case basis.

## Activity B-5

<b>PURPOSE</b>	Assistance for artists to invest in the wholesale and retail aspects of the value-added chain in the arts sector.
<b>SUPPORTING DATA</b>	<p>Funding will be provided as an accountable advance that meets the following criteria:</p> <ul style="list-style-type: none"><li>○ Artists must be the prime beneficiaries of any proposed project.</li><li>○ At the end of the project artists must receive a higher percentage of the value of their artwork.</li><li>○ Multi-year projects must include indicators that can be evaluated on an annual and ongoing basis.</li></ul>
<b>ACCOUNTABILITY</b>	Where the proposal involves sales, organizations must submit a follow-up report outlining their total sales, and artist's revenue.
<b>AMOUNT</b>	<p>Funding will be provided based on the Return on Investment to the artists, rather than to the organization.</p> <p>The maximum level of funding is \$15,000. The review team can make exceptions to this maximum on a case-by-case basis.</p>
<b>NOTES</b>	<p>In order to fund this activity the Arts Advisors will need to map the value-added chain. They will need to follow a carving from the quarry to the end consumer, and identify every time that the carving changes hands before it finally reaches a home.</p> <p>The organization applying to receive funding may provide its own map of the value-added chain as long as it is substantiated by real information and approved by the program manager.</p>