

Canada 

Department of Canadian Heritage
Cultural Spaces Canada
2007 – 2008

Program Guidelines



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Cultural Spaces Canada Program

Application Guidelines

2007-2008

1. PROGRAM OBJECTIVE

The Cultural Spaces Canada Program (CSC) contributes to improved physical conditions for artistic creativity, presentation and exhibition. It is designed to increase and improve access for Canadians to performing arts, visual arts, media arts, and to museum collections, heritage displays and exhibitions. CSC supports the renovation and expansion/construction of arts and heritage facilities, and the acquisition of specialized equipment as well as preparation of feasibility studies for cultural infrastructure projects.

2007-2008 PRIORITIES (April 1, 2007 – March 31, 2008)

During fiscal year 2007-2008, priority will be given to renovation, expansion (at an existing or new location) and specialized equipment projects. Construction of facilities for new organizations and feasibility studies will not be a priority.

2. EXPECTED RESULTS

The Cultural Spaces Canada Program will allow Canadians to participate in, and benefit from access to, activities provided through increased and improved arts and heritage facilities for creation, presentation, and exhibition. The program will result in the:

- increased number of cultural facilities and improved infrastructures;
- improved quality and standards of cultural facilities and infrastructures;
- enhanced effectiveness of the operations of funded organizations.

3. ELIGIBILITY CRITERIA

3.1 Applicants

Eligible applicants to the Cultural Spaces Canada Program include:

- Non-profit arts and heritage organizations operating in a professional manner, governed by an active Board of Directors, incorporated and in good standing under Part II of the Canada Corporations Act or under corresponding provincial or territorial legislation;
- Projects presented by provincial/territorial, municipal or regional governments and their agencies, or equivalent Aboriginal peoples institutions or organizations (Aboriginal peoples include Inuit, Métis, Status and Non-Status people) will also be considered, provided they have historically demonstrated their support to the artistic and cultural interests and activities of their communities.

Applicants must have a clear artistic or heritage focus in their vision or mandate that is reflected in their by-laws and/or other governance documents.

Federal organizations and federal Crown corporations are not eligible for funding.

For renovation, expansion/construction, or specialized equipment projects only:

Applicants must demonstrate that their organization has been active for at least two years before being eligible to apply to the Cultural Spaces Canada Program and must provide audited financial statements or review engagement documents.

3.2 Eligible Projects

Eligible costs include those associated with renovation, expansion/construction, specialized equipment purchases or feasibility studies related to buildings for arts and heritage activities that are delivered in a professional manner.

3.3 Ineligible Projects

The program will not support:

- Regular or routine building maintenance;
- Historical building renovations that are not directly linked to professional arts or heritage programming.

4. FUNDING

Generally, the program offers support of up to 33% of eligible project costs for expansion/construction or renovation, and up to 40% of eligible project costs for specialized equipment purchases or feasibility studies.

Under *exceptional circumstances*, the program may consider increased levels of support towards eligible project costs. Exceptional circumstances are determined by the Department of Canadian Heritage and may include projects occurring in rural or remote areas, or in underserved populations (such as Aboriginal, youth, official language minority and culturally diverse communities) *where the need is clearly demonstrated and justified*.

5. COSTS

Eligible costs must be directly related to the project presented and to one of the following items:

- Fees and professional honoraria related to the project and to CSC program reporting requirements, including audit fees. Examples of eligible professional costs include those related to architectural or engineering designs, risk assessments, and environmental assessments. (If a project is approved, copies of contractual documents or agreements, as well as C.V. or credentials will be required);
- Costs related to the acquisition of a property;
- Various fees related to property transfers;
- Costs related to expanding, constructing or renovating a building (including materials, demolition, excavation, labour), and related fixed capital costs. These may include costs associated with increased accessibility and safety;

- Costs related to “green” construction and environmentally sound building practices (Please refer to the Environmental Guidelines for CSC clients available from the nearest Department of Canadian Heritage office or on the Departmental website at www.pch.gc.ca);
- Feasibility studies related to CSC program objectives.
- Only those administrative costs directly related to the project (as well as interest on short term financing for the project) are eligible. Note that deficit or long term debt financing are not eligible.

5.1 Eligible specialized equipment

Eligible costs include:

- Specialized equipment purchases as well as their installation costs and initial training related to their operation. For arts facilities, eligible types of specialized equipment include any piece of specialized technical equipment that is not permanently installed in the space and is specifically related to the artistic purpose of the facility. Examples for creation, production and/or presentation purposes include:
 - Sound systems;
 - Lighting equipment;
 - Stage curtains;
 - Staging or rigging equipment;
 - Multi-media equipment;
 - Portable dance floors.
- For heritage institutions, eligible types of specialized equipment include any piece of equipment specifically related to recognized museological or heritage practices including:
 - Lighting systems;
 - Environmental control systems;
 - Storage systems;
 - Security upgrading;
 - Fire safety upgrading.

5.2 Ineligible specialized equipment

- The following items are not eligible specialized equipment:
 - Musical instruments (eg. piano);
 - Office equipment such as computers or furniture;
 - Ticketing and marketing systems;
 - Equipment for restaurants or gift shops.

6. APPLYING FOR SUPPORT

Please read the following guidelines carefully.

6.1 Deadline:

Applications can be submitted to the nearest Department of Canadian Heritage office at anytime throughout the year. Please refer to the Departmental website at www.pch.gc.ca for office listings.

6.2 Application forms:

All applicants are advised to contact the nearest Department of Canadian Heritage office before completing an application. Departmental contact information and application forms are available on the Departmental website at www.pch.gc.ca.

6.3 Support material:

In addition to submitting the completed application form and responding to all relevant assessment questions, applicants must provide all the necessary support material as required by the application checklist.

Applicants are cautioned that entering into contractual agreements before receiving written confirmation of approval is at the applicant's own risk. Even if a project is approved, the Cultural Spaces Canada program cannot fund expenses incurred before the date that the application was received.

Your submission is subject to information requests under the *Access to Information Act* and the *Privacy Act*.

7. ASSESSMENT PROCESS

An application will not be assessed until all required documents are submitted and deemed complete. Processing a complete application may then take up to six months. While an application may be assessed as meeting the CSC program objectives, funding is highly competitive and there is no guarantee of support.

Projects which best meet program objectives are selected through a two-stage process:

- i) A regional analysis will prioritize projects on the basis of the assessment criteria (see below) linked to the expected results of the CSC program. These include how the project contributes to: the availability and quality of cultural spaces; access to and participation in arts and heritage experiences; and the financial viability of the organization.
- ii) Following regional analysis, projects are submitted to a National Review Committee that will evaluate them in the context of regional strategies and a national program strategy that incorporates the distribution of program investments across the country and the national needs of underserved disciplines, communities and groups.

8. ASSESSMENT CRITERIA

Applications are prioritized and assessed according to the following criteria:

8.1 Availability of Spaces (15%)

- Impact of the project on the number and/or capacity of available spaces for artistic creation, production or presentation, or for the exhibition and preservation of heritage collections at the local, regional and/or national level

8.2 Quality of Spaces (30%)

- Impact of the project on the modernization, security and safety of spaces for artistic creation, production or presentation, or for the exhibition and preservation of heritage collections
- Impact of the project on audience accessibility to artistic creation or presentation, or for the exhibition and preservation of heritage collections (includes disabled access)
- Benefits to other arts and heritage organizations at the local, regional and/or national level

8.3 Access to and Participation in Arts and Heritage Experiences (15%)

- Impact of the project on the capacity to reach audiences or to enhance programming
- Impact of the project on underserved disciplines, communities and groups
- Ability to measure the expected results of the project

8.4 Financial Feasibility of Project and Future Impact on the Organization (40%)

- Expected impact of the project for artists, staff and other users (rental organizations, volunteers, etc.) toward working spaces for artistic creation or presentation, or for the exhibition and preservation of heritage collections
- Confirmation of other sources of revenues and the financial health and history of your organization
- Sound organizational management and capacity to meet reporting requirements
- Expected level of self-generated revenues after the completion of your project
- Impact of the project on the future financial operations of the organization ie) the organization has planned for deficit-free operations upon completion of the project, has taken steps to secure additional revenues, etc.

Your answers to the assessment questions listed in the Application Form will be used to assess your request as well as to monitor the results of the project, should it be approved. **Please ensure that all relevant questions are fully and completely answered.**

9. IF YOUR APPLICATION IS APPROVED

The Department of Canadian Heritage disburses funds under the CSC program in two ways, as a contribution, or as a grant. Assistance will take the form of a contribution for projects with financial support above \$25,000. For financial support at or under \$25,000 for specialized equipment purchases or feasibility studies, assistance can take the form of a grant. The Department of Canadian Heritage will determine the type of funding agreement. Each type of funding agreement will outline specific requirements.

Acknowledgment of funding from the Cultural Spaces Canada Program

For expansion/construction or renovation projects receiving more than \$50,000 in program support, acknowledgement will be required in the form of a temporary sign posted on the

work site. This sign, prepared at the expense of the Department of Canadian Heritage, should be requested by the recipient 4 weeks before the expansion/construction or renovation work begins.

Upon completion of expansion/construction or renovation projects receiving more than \$50,000 in program support, prominent space will be allocated for the acknowledgement of support provided by the Government of Canada. This acknowledgement will be provided to the recipient by the Department of Canadian Heritage in the form of a permanent plaque. This plaque is to be installed and displayed in a prominent and publicly visible location at the expense of the recipient.

Reporting on Results

All recipients of funding under the CSC program are required to submit final reports. These reports include elements such as:

- An assessment of the project results and the extent to which the project has met program objectives (a template will be provided);
- Final project revenues and expenses (completed in the second last column of Question 17 on the Application Form);
- Audited financial statements for projects receiving funding over \$50,000. These can be presented in one of two formats; as a separate project audit, or a project schedule within the organization's annual audited financial statements. (If part of the annual audited financial statements, only the portion of audit costs relating to the project schedule would be eligible to the program).

Recipients may also be subject to an independent project audit.

10. GLOSSARY

A not-for-profit **arts organization**, operating in a professional manner, is defined as an organization that creates, produces or presents works in dance, theatre, music, visual arts or media arts such as performing arts companies, artist run centres, arts festivals and other presenters, arts service organizations and national arts training institutions that are eligible for support through the Department of Canadian Heritage funding programs. Such organizations should be incorporated and in good standing under Part II of the Canada Corporations Act or under corresponding provincial or territorial legislation, governed by an active Board of Directors, may or may not include paid staff, and in most cases, engage professional artists and remunerate them for their work.

A **business plan** is a written document that describes an organization's current status and plans for several years into the future. It generally projects future opportunities for the organization and maps the financial, operational and marketing strategies that will enable the organization to achieve its goals. A business plan usually includes financial projections and targets, the size of markets (actual and potential) as well as information on market trends. A business plan describes how the organization is accountable to the community and its methods for monitoring, evaluating progress, and demonstrates how the project will improve the financial performance of the organization (where applicable).

A **cash flow forecast** is a detailed summary of projected monthly revenues and expenditures presented in a spreadsheet format. A monthly cash flow forecast provides the opportunity to show the dollar amounts that an organization expects to collect and spend during the course of a project.

A **contribution** is a conditional payment to an individual or an organization for a specified purpose as outlined in a contribution agreement. A contribution agreement defines the objectives and expected results of the project and identifies conditions for payment. A contribution may be subject to an independent project audit by the Department. For a contribution of \$50,000 and above, an audited financial report must also be provided.

A **feasibility study** is an independently written report conducted in advance of a project to determine the likelihood of the project's success. The study is a systematic evaluation designed to assess the desirability or practicality of developing a proposed project and should articulate what is required regarding space, functions, staffing and finances, as well as, include a needs assessment and market analysis. The written report includes the study's findings, recommendations, timetable and budget, fund raising strategy and capital campaign plan.

A **grant** is a payment made to an organization, which is not subject to an audit.

A not-for-profit **heritage organization**, operating in a professional manner, is defined as an organization with a mandate to collect, preserve, interpret, study and/or exhibit heritage collections for the public (including museums, archives, libraries, heritage centres, historic and natural heritage sites). Such organisations should be incorporated and in good standing under Part II of the Canada Corporations Act or under corresponding provincial or territorial legislation and must be governed by an active Board of Directors.

A **historic place** is a structure, building, group of buildings, district, landscape, archaeological site or other place in Canada that has been formally recognized by a province/territory or municipality for its heritage value.

In-kind contributions are materials or services that are donated to a project by either a third party or by the applicant. An in-kind contribution is considered a real contribution to the total cost of the proposed activities of the project but it is not reimbursable, as no money has changed hands. By definition, in-kind contributions are donations, therefore, there cannot be funding related to in-kind expenses. Donated materials or services may be eligible as an in-kind contribution if they:

- are essential to a project's success, eligible under the program guidelines and would otherwise be purchased and paid for by the recipient;
- can be measured at fair value at the date of contribution (fair value would be estimated using market or appraisal values at the date of contribution, i.e. fair value could be determined in relation to the purchase of similar materials and services);
- are recorded in the recipient's accounting books.

A **professional artist** is an individual who has specialized training in the field (not necessarily in academic institutions), who is recognized by his or her peers (artists working in the same artistic tradition), who is committed to devoting more time to the artistic activity if financially feasible, and who has a history of public presentation.