



Economic Development & Transportation

ARTS & CRAFTS DEVELOPMENT PROGRAM POLICY

POLICY STATEMENT

The Department of Economic Development & Transportation is committed to the implementation of *Sanaugait: A strategy for growth in Nunavut's Arts and Crafts Sector*.

PRINCIPLES

This policy is based on the following principles:

- Cultural Integrity: Nunavummiut participate in the global arts economy while maintaining their culture and traditions, according to the values and principles of *Inuit Qaujimajatuqangit*
- Determination and realism: Funding must compliment existing funding structures and deliver effective support to the arts sector. The process and results of arts funding must be measured and reported.
- Self-reliance: The self-reliance of individuals, families and communities depends on the development of artists' talents and skills.
- Community control: The development of the arts sector will be led by the artists themselves.
- Cooperation and coordination: The growth of the arts sector depends on a shared mission and commitment among partners and partner organizations.
- Sustainability: A sustainable arts sector is one that motivates youth – the future generation of artists – to become involved with the arts and to develop and grow within their communities.

APPLICATION

The *Arts & Crafts Development Program Policy* establishes the general terms and conditions by which the Department of Economic Development & Transportation will fund the implementation of *Sanaugait* through:

- A. Investing in *Sanannguaqti* Fund (Schedule A)
- B. Investing in *Sanannguaqti Katujjiqatigiingit* Fund (Schedule B)

DEFINITIONS

Contribution Agreement

A contractual agreement between two parties, which outlines the obligations and reporting responsibilities of the parties involved. Funding levels and performance relative to Contribution Agreement indicators must be tabled annually in the Legislative Assembly and therefore cannot be treated as confidential information.

Department

The Department of Economic Development & Transportation.

Sanannguaqti

Sanaugaq means “things made by hand” and *sanannguaqti* is someone whose livelihood is to make *sanaugaq*. This is intended to include all types of arts and crafts workers.

To be eligible for this policy applicants must be Nunavut residents and must provide proof that artwork is a significant part of their livelihood or be members of the Nunavut Arts and Crafts Association (NACA).

Sanannguaqti Katujjiqatigiingit

Sanannguaqti Katujjiqatigiingit includes 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* including:

- Registered corporations
- Co-operative associations in good standing under the *Co-operative Associations Act*
- Partnerships or sole proprietorships with a valid Nunavut business license
- corporations without share capital and in good standing incorporated under Part 2 of the *Canada Business Corporations Act*.

Nunavut Resident

Individual who has lived in Nunavut as their primary residence for at least one year.

AUTHORITY AND ACCOUNTABILITY

Executive Council

The Executive Council shall approve program provisions and any exceptions to this policy.

Financial Management Board

The Financial Management Board approves an annual budget for contributions contained within this policy, as well as expenditures additional to those appropriated in the Main Estimates in the event of unplanned contribution needs.

ROLES AND RESPONSIBILITIES

Minister

The Minister will table annually in the Legislative Assembly a summary of contributions detailing the name of each successful applicant, amount of each contribution, the type of investment being supported, and community.

The Minister will also table the outcomes of completed projects including performance relative to indicators identified in the Contribution Agreement.

The Minister may delegate authority to implement provisions of this policy to the department head.

Department

The department head, or their designated lead senior official, shall establish and communicate clear and transparent procedures and criteria for allocation of funds under this policy. This will include guidelines that address:

- Application Process
- Evaluation Criteria
- Terms and Conditions

At any time, the department may request applicants submit additional information appropriate to the nature and amount of the requested assistance.

The department may:

- i) Conditionally approve multi-year projects, subject to the availability of funds in subsequent years.
- ii) Establish limits for maximum and minimum funds available to any one applicant under this policy for single-year and multi-year projects.
- iii) Engage third-party expertise and/or establish review teams to assist in selection and due-diligence review of submitted applications.
- iv) Set minimum equity contribution levels for applicants under any or all schedules to this policy. These equity contribution levels may vary according to the community in which the applicant business operates.

PROVISIONS

General Conditions

- All provisions contained in the *Financial Administration Act, Government Contract Regulations* and the Financial Administration Manual shall apply to the financial administration of all contributions issued by the Department.
- Eligibility for funding under this policy does not guarantee subsequent approval for financial assistance of any kind. Financial assistance will be provided only to the limit and availability of funding allocated to this policy within the main estimates of the budget.
- Proposals selected to receive contributions under this program may be funded at a level below the amount requested.
- All recipients of contribution assistance must permit the department access to the project site or premises, to inspect all books and other financial statements related to the project, and to obtain any other information necessary for evaluating the success of the project.
- Contributions may not be provided if a financial analysis indicates that there is no need for assistance from the Government and the proposed project has a reasonable expectation of increased future net profit without assistance.
- Whenever possible the project or activity shall use Nunavut goods and services.
- Recipients who access funding may be required to provide acknowledgment to the Government of Nunavut. Specific terms will vary depending on the project and will be contained in the Contribution Agreement.

Appeals

In the event that an applicant is not satisfied with the application decision, the applicant may appeal to the department head in writing no later than 30 days following the date that the applicant has received notification of the decision. Grounds for appeal will only be considered if:

- New information which affects the applicant's demonstrated need, viability or proposed benefits becomes available after an application has been submitted, and a decision made; or
- Cause to believe that the provisions of this policy were not fairly and adequately applied.

PREROGATIVE OF THE EXECUTIVE COUNCIL

Nothing in this Directive shall in any way be construed to limit the prerogative of the Executive Council to make decisions or to take actions, respecting business contributions, or any other form of business assistance, either direct or indirect, outside the provisions of this Directive.

SUNSET CLAUSE

This policy will be effective from the date of signature until March 31, 2013.

Original Signed by: _____ Premier, and Chairman
of the Executive Council

SCHEDULE A: INVESTING IN SANANNGUAQTI FUND

1. Purpose

The Investing in *Sanannguaqti* Fund supports the implementation of *Sanaugait* goals that relate directly to individual artists including:

- Providing specific funding for the purchase of arts materials, supplies and equipment.
- Providing artists with basic business training and follow-up support (aftercare).
- Providing assistance for artists to invest in the wholesale and retail aspects of the value-added chain in the arts sector.
- Creating an arts curriculum for K-12 or community college.
- Developing alternative national and international markets.

2. Eligible Applicants

Eligibility is limited to Nunavut *sanannguaqti*, as defined in this policy.

3. Eligible Activities, Funding Limits, and required documentation.

- **Activity:** The purchase of arts materials, supplies and equipment. Equipment for quarrying is also eligible under this fund.
Project Requirement: The department will fund 100% of a set cost, determined in the guidelines, of purchasing basic arts materials, supplies, and equipment, plus 50% of any costs in excess of this amount.
Documentation: Artists should provide cost quotations of the equipment they intend to buy. Artists will have to complete a one page follow-up report.
- **Activity:** Participation in business training or aftercare programs.
Project Requirements: For programs offered in Nunavut funding is limited to a maximum of 80% of eligible costs. Where no relevant services are offered in Nunavut, support for services purchased from other outside of Nunavut is limited to a maximum of 70% of eligible costs.
Documentation: 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. Artists will have to complete the standard one page follow-up report.
- **Activity:** Individual artist's marketing support which may include website development, promotion, and marketing tools and training.
Project Requirements: Applicants must present a three year marketing plan which shows how the proposed contribution will help the applicant to penetrate

a new market for a product. The plan must include measurable indicators and provisions for progress reports. Level of funding will depend on the project's return on investment.

Documentation: Applicants must complete the standard one-page follow up report.

- **Activity:** Funding for assistance for investments in wholesale and retail aspects of the value added chain.
Project Requirements: Applicants must identify how funding will allow the artist to receive a greater percentage of the value of their artwork. Levels of funding will depend on the project's return on investment.
Documentation: Applicants must complete the standard one-page follow up report.
- **Activity:** Participation in the creation of an arts curriculum.
Project Requirements: Artists must have written support from the Department of Education. Projects must be well defined and must be a part of an ongoing curriculum development project.
Documentation: Artists must complete the standard one-page follow up report, and include copies of the curriculum work completed.
- **Activity:** The enrichment of youth summer programming to include an emphasis on *sanaugaq*.
Project Requirements: The program must include professional *sanannguaqti* in a teaching and leadership capacity. Programs must have significant hands-on work for youth that will directly develop the skills and creativity needed to work in the industry.
Documentation: Applicants must provide an estimate of enrolment including the minimum enrolment required for project success. Applicants must also complete the standard one-page follow-up report.
- **Activity:** Travel to galleries and exhibitions to support sales and to develop alternative national and international markets.
Project Requirements: Applicants will have to provide a flat contribution, determined in the guidelines, which will cover travel within Nunavut and to the applicant's designated gateway city. The program will also contribute 50% of travel costs beyond the applicant's designated gateway city.
Documentation: Applicants must submit the name of the gallery displaying their art, and the date of the exhibition. All receipts for the trip must be received within 30 days of the return date. Applicants will be required to complete the standard one-page follow up report.
- **Activity:** 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.

Project Requirements: 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.

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

4. Review

The department will review applications and provide a preliminary response to the applicant within 30 working days of receipt.

Review of all eligible activities except for 'artistic innovation' will take place through the department's Community Operations division in each region.

The review of applications for 'artistic innovation' support must be approved by the Director of Community Economic Development based on the recommendation of the Senior Advisor, Arts and Traditional Economy.

5. Other Supporting Data

Applicants must submit a completed and signed application form.

All applicants are expected to indicate the outside services to be used in the project, including consulting fees, printing, translation, freight, legal and other contracts.

Historical financial statements may be requested.

Applicants may be required to submit additional information, if requested, appropriate to the nature and amount of the requested assistance.

6. General Reporting Requirements

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

7. Method of Payment

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

8. 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.

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

9. Term

This is an ongoing program.

SCHEDULE B: INVESTING IN *SANANNGUAQTI KATUJJIQATIGIINGIT* FUND

1. Purpose

The Investing in *Sanannguaqti Katujjiqatigiingit* Fund supports the implementation of *Sanaugait* goals that will be accomplished by *sanannguaqti katujjiqatigiingit*, including:

- Promoting shared studios where feasible in order to create affordable workspace.
- Increasing the ability of artists to benefit from the internet-based opportunities including direct marketing of artwork, increased exposure of individual artists, and improved information related to the art industry.
- Promoting recognition of Nunavut's artists and art.
- Providing artists with basic business training and follow-up support (aftercare).
- Providing assistance for artists to invest in the wholesale and retail aspects of the value-added chain in the arts sector.

2. Eligibility

Eligibility is limited to *sanannguaqti katujjiqatigiingit*, as defined in this policy.

3. Eligible Activities and Requirements

- **Activity:** Funding for shared studios to create affordable workspace.
Project Requirements: Organizations 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.
- **Activity:** Training and Workshop Fund - To provide funding for arts training and/or workshops in Nunavut by arts organization.
Project Requirements: Organizations must show how this workshop relates to the goals of *Sanaugait*. It must be of direct benefit to the artists of Nunavut through 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.
- **Activity:** Marketing Support for Arts Businesses
Project Requirements: Business must show a concrete marketing plan that will directly increase sales or quality of life for the artists who work for the business.
- **Activity:** The establishment, improvement, or expansion of internet based art-industry resources or direct marketing of artwork on the Internet
Project Requirements: 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.

- **Activity:** Assistance for artists to invest in the wholesale and retail aspects of the value-added chain in the arts sector.

Project Requirements: Funding will be provided as an accountable advance that meets the following criteria:

- Artists must be the prime beneficiaries of any proposed project.
- At the end of the project artists must receive a higher percentage of the value of their artwork.
- Multi-year projects must include indicators that can be evaluated on an annual and ongoing basis.

4. Documentation

Required documentation and project reporting will depend on the scale of the Government of Nunavut investment.

5. Review

The department will review applications and provide a preliminary response to the applicant within 15 working days of receipt.

6. Other Supporting Data

Completed and signed application form.

Business plan for the initiative, including a discussion of economic benefits and other financing to be accessed.

Three-year historical financial statements, if available.

Details of outside services to be used in the project, including consulting fees, printing, translation, freight, legal and other contracts.

Applicants may be required to submit additional information appropriate to the nature and amount of the requested assistance.

7. Payment

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

8. Term

This is an ongoing program.