



CREATIVE
TRUST

CREATING THE PROGRAM

Creative Trust Open Source Tool Kit

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Creative Trust's complete records and documents are available at the University of Guelph Library's Archival and Special Collections Department. For information on the collection contact libaspc@uoguelph.ca

Creative Trust Open Source Tool Kit

Creating the Program

Introduction

The Creative Trust was formed in 1998 as a collaborative endowment fundraising initiative, and in late 2002 launched Working Capital for the Arts, a program to help Toronto's mid-size performing arts companies achieve financial health and balance. Working Capital for the Arts - which combined matching deficit elimination grants and working capital awards with an intensive program of work including one-on-one consultations and assistance, workshops, seminars and community roundtables - was the most in-depth, multifaceted and successful arts sustainability initiative in Canada. It grew between 2003 and 2012 to include the Outreach Program, Audiences Project and Facilities Initiative. Creative Trust raised almost \$7 million from private and public donors for this work, and distributed almost \$4 million directly to 21 mid-size performing arts companies. An additional 40+ companies also participated in the Trust's many workshops and professional development activities.

It was Creative Trust's intention from the beginning to sunset after its work was completed and its goals achieved. In October 2012, having helped Toronto's performing arts companies improve their governance, planning and management skills, eliminate deficits, and acquire and maintain working capital reserves, we announced our closing. The Creative Trust legacy includes a measurable and sustained positive impact on the health and stability of many of Toronto's most important mid-size and small music, theatre and dance companies. The work has also had an impact on the arts community beyond. Participants were involved in learning activities which helped them rethink assumptions and change the ways they work; they gained new skills and insights and put them successfully into practice – raising the bar for everyone. Through Creative Trust, Toronto's performing arts community embraced the value of open sharing and collaboration.

These Open Source Tool Kits grew out of Creative Trust's desire to ensure that our results would be understood and sustained, and to share our approach and learning – providing ideas and examples for other arts and non-profit leaders to explore and borrow from. Our deeply rewarding relationship with the Toronto Arts Foundation, through the Creative Trust Research Fellowship, has allowed us to develop these Open Source tool kits - a compendium of processes, policies and program materials. These documents reflect the most important thinking and activities in the success of Working Capital for the Arts. We hope they may offer inspiration and valuable ideas to others as they work to improve the strength and sustainability of their memberships and communities.

Creating the Program

It's one thing to say you are launching a program "to help Toronto's most creative and influential music, dance and theatre companies develop strong planning and financial skills, achieve financial balance, and acquire and maintain a fund of working capital" in order to build "a stronger, more vibrant performing arts community, whose most highly acclaimed companies are equipped to meet the challenges they face and sustain themselves over the long term."

It's quite another thing to design and carry out a program that delivers on those promises.

Every process, premise, and expectation of Creative Trust's Working Capital for the Arts Program was discussed and debated during the program's creation. Our program was designed around the principles, adopted by the steering committee in one of its earliest meetings, that it be developed and carried out based on meaningful, in-depth consultation; that access to the program would be determined by clear criteria; that it would be flexible, allowing changes to be made over time; that its overall probable outcomes (such as amounts of monies to be granted) would be clearly communicated; and that it would be efficient, economical, fair and perceived to be fair.

I believe we largely succeeded in honouring these principles. The critical paths, criteria and processes, program components, decision-making policies, and other details of Creative Trust's Working Capital for the Arts program, and our subsequent Outreach Program, are to be found in this Tool Kit. We hope they will be of use to those of you creating your own programs - whether they are designed to build the capacity and sustainability of arts organizations, or for some other equally important purpose.

Critical Path for Program Phase 2002

An early list of tasks and timelines for creating the Working Capital for the Arts Program.

	15-Nov-01	15-Dec-01	15-Jan-02	15-Feb-02	15-Mar-02	15-Apr-02	15-May-02	15-Jun-02
1. Develop Organizational Infrastructure	XXXXXXXX	XXXXXXXX	XXXXXXXX	XXXXXXXX	XXXXXXXX	XXXX		
2. Identify and Cultivate Prospective Leaders	XXXXXXXX	XXXXXXXX	XXXXXXXX	XXXXXXXX				
3. Secure Lead funding and identify other funders	XXXXXXXX	XXXXXXXX	XXXXXXXX	XXXXXXXX	XXXXXXXX	XXXXXXXX	XXXXXXXX	XXXXXXXX
4. Refine Program Eligibility and Structure	XXXXXXXX	XXXXXXXX	XXXXXXXX	XXXXXXXX				
5. Begin providing Technical Assistance				XXXX	XXXXXXXX	XXXXXXXX	XXXXXXXX	XXXXXXXX
6. Launch the Program								XX

Working Capital for the Arts

Expected Program Results, Monitors and Evaluation

Background

During the development of the Working Capital for the Arts Program, a detailed analysis of the financial and operating situations of a selection of twenty mid-sized Toronto performing arts organizations was undertaken. During the development phase, these data were helpful in building the Business Plan and in developing some of the program's particular goals and mission.

During these early phases we discovered that few stabilization programs had begun with clearly articulated objectives and fewer still had undertaken comprehensive monitoring and evaluation of the overall program achievements and failings. In view of this, and in recognition that this program has a special mission with respect to learning development in the large and complex arts community of Toronto, Creative Trust has begun the process of designing a comprehensive monitoring, evaluation and learning process.

In assessing, monitoring and evaluating organizations for the Creative Trust: Working Capital for the Arts program, we will examine, measure and monitor a number of key organizational characteristics, internal operating capacities and behaviors that, taken together, provide the healthiest and most balanced working framework for an arts organization over time.

The four Key Focus Areas will be:

- Leadership, vision and relationships
- Planning and learning processes
- The working format, equation and infrastructure, and
- Resource development, relationship to audiences and contributed income.

In addition to these key focus areas, Creative Trust will monitor and assess progress in financial and other quantifiable elements, as follows.

A. Financial – Quantifiable

Each organization will proceed at its own pace, and each will achieve its objectives at different times, depending on time of entry into the program and whether it carries a deficit on entry. The program's results will be an accumulation of organizations' results tabulated at least annually.

- During the first year after entry to the program, all organizations will have developed comprehensive strategic plans and congruent work plans to which boards, management and artistic directors will be contractually bound.
- Within two years of entry into the program, all organizations with accumulated deficits at entry will have no deficits.
- By the end of the second year after entry into the program, or earlier, each organization will have become eligible for working capital awards, having undertaken and proceeded satisfactorily along the road to sustainability.
- By the end of the third year, organizations will have minimum levels of working capital equivalent to 6.25% of base year total revenues.
- By the end of the fourth year, organizations will have minimum levels of working capital equivalent to 12.5% of base year total revenues.
- By the end of the fifth year, organizations will have minimum levels of working capital equivalent to 18.75% of base year total revenues.
- By the end of the program, organizations will have minimum levels of working capital equivalent to 25% of base year total revenues.

Other targeted financial areas will be identified during the development and completion of work plans. These will also be monitored.

Annually, following each organization's annual review, data will be gathered to evidence progress toward the program's financial objectives. Such company data will include:

Levels, ratios and changes to:

- Working Capital levels
- Accumulated deficits and surpluses
- Endowment funds
- Capital (plant / fixed asset) funds
- Total Revenues
- Earned revenues
- Private sector funding (contributed income)
- Annual surpluses
- Total expenses
- Fundraising expenses (to funds raised, marginal and total), and
- Marketing expenses (to earned revenues, marginal and total).

B. Other Non-Financial, quantifiable Evaluation Measures

- Volunteer Involvement
- Audience sizes
- Appropriate planning processes in place and working

C. Key Focus Areas – Non-Quantifiable

The following four focus areas will form a base-line analysis for all organizations prior to entering the program. Progress in each during the life of participation in the program will be monitored and evaluated.

i) Leadership, Vision and Relationships:

Is professional leadership in place, leading and directing the organization? Is that leadership acknowledged and supported by staff and board? Is appropriate board leadership in place, leading and directing the board in appropriate ways?

Is there a clear articulation of vision, values and mission of the work and the organization? Is this information clearly communicated internally and externally?

Is there a commitment to developing and maintaining high quality relationships, both internally among the professionals and board and externally? Is the process of collaboration clear? Has the board been well cast and is it functioning in appropriate and effective ways?

ii) Planning and Learning Processes:

Are there clearly understood and communicated processes for working, planning and learning? Is there a process in place that addresses short, medium and long term planning needs and issues? Is this process an effective learning tool that helps the organization adapt to or effect change within its working conditions or environment?

iii) The Working Format, Equation and Infrastructure:

Does the organization's working format, whether it is project-based or institutional, reflect the defined and understood processes of collaborating, planning, needs and problem analysis, strategizing, problem solving,

decision making and taking actions? Is the format informed by and consistent with the professional leadership's artistic and programming processes?

Is there a clear understanding of the organizational equation and the critical balance between programs and activities and available human, financial, time, material and technical resources? Is there a clear and coherent understanding of the state of balance of the organization at any given time?

Are there appropriate and adequate organizational management and information structures and systems in place? Are appropriate human resources with the necessary skill sets involved to maintain a healthy organizational operation and balance?

iv) Resource Development, Relationship to Audiences/Visitors and Contributed Income

Relationship to Audiences/Visitors: Is there clarity with regard to whom the organization wants to connect and why? Is the same commitment to quality relationships internally extended to relationships with audiences? Is there a commitment and process in place to build and maintain audience/visitor relationships short and long term?

Are there clear and coherent concepts, plans and approaches for generating and augmenting contributed income that are appropriate to the work, organizational values and capabilities, and community environment?

Program Readiness Tasks

A list of tasks for Summer 2002, in readiness for the Fall launch of Working Capital for the Arts.

Core Staff Contracts:

- Technical Assistance Director
- Program Development and Evaluation Director
- Executive Director
- Administrator
- Bring to Finance Committee

Arts Action Research:

- Rider to this year's contract – adjusting number of visits and dates
- Next year's contract, 3 visits
- Visas
- Bring to Finance Committee

Program Application Process:

- Program description
- Program description printed
- Application form completed, using Metcalf form as a template and integrating AAR comments;
board approval
- Application form printed
- Confirm with OAC officers list of companies to be sent application form
- Confirm permission to request copy of most recent OAC grant application with application

- Send forms out, post on website
- Application form distributed, assessment undertaken, first 10 – 12 companies admitted to technical assistance component of program: initial letter of agreement signed, with caveat that admission to technical assistance component does not guarantee deficit elimination or working capital funding

Funding Requirements Prior to Commencement of Program:

- \$500,000 Department of Canadian Heritage received
- Commitment to full working capital aspect of program for first companies admitted – budget analysis in process

Program Admission Process:

- Program Admission Policy and Procedures complete and approved by board
- Board Conflict of Interest Policy approved by board
- Receive completed applications – by May 30

Resource Consultants:

- List of potential resource consultants
- Database of potential resource consultants
- Draft letter to potential resource consultants – introducing program, asking if they are interested in being on our list, asking them to identify their key areas of expertise, asking for resume
- Send letter to potential resource consultants, with attachments About Creative Trust and Program Description
- Set fee structure @ xxx/day?

Communications:

- Check all above against Communications Plan, ensure consistency
- Continue individual outreach
- Implement ongoing communications

Other:

- Secure permanent office space

Criteria for Program Participation

2003

Amended and Expanded in 2003 following community consultation and feedback.

1. Eligibility

The Working Capital program is open to organizations which:

- a) Are incorporated as not-for-profit, charitable corporations
- b) Have a mandate based on the professional creation, and presentation of arts programs
- c) Have full-time administrative staff and an active board of directors who will be engaged in the Working Capital program and will enter into a formal agreement with the Working Capital program
- d) Have been in continuous operation for a minimum of four years prior to admission to the program, have a history of regularly-scheduled programming, of private sector (individual and corporate) financial support and of community outreach programming
- e) Recognize that long-term organizational health and sustainability may require fundamental change and be willing to undertake a program of change, if required
- f) Recognize that an organization-wide commitment to a planning process will be a necessary element of successful completion of the Working Capital program.

Eligible Organizations with an accumulated operating deficit will provide audited statements that verify that:

- The deficit is not more than 20% of the organization's most recent annual operating revenues; and
- They have broken even or have generated a surplus on operations in the year prior to entry into the program.

2. Admission to the Working Capital Program

Eligible organizations will be admitted to the Working Capital program when:

- a) They have no accumulated operating deficit (half of any deficit having been raised by the organization within a reasonable time period, and matched by the Working Capital program); and
- b) Board, management and artistic director have joined forces to produce a sound and achievable strategic operating plan for a minimum of three years, which will include a goal of achieving a break-even on operations over the planning period, and will detail areas of assistance required to aid in achieving the planning goals.

2. Operation of the Working Capital Program

Deficit Elimination: Eligible organizations will qualify for deficit elimination grants equal to 50% of any outstanding accumulated operating deficit, payable when the organization has raised the balance required. Sums disbursed by the Working Capital program for deficit elimination, may be deducted from the total working capital funds for which the organization subsequently qualifies.

Term of the Program: Each admitted organization will participate in the Working Capital program for a period of four years.

Working Capital Funds: The Working Capital program will contribute to each organization admitted to the program an annual amount equal to 6.25% of its base year revenues, on production and approval of each of four annual audited statements which show, as a minimum requirement, that the organization has achieved at least a break-even on its operations for each year. (“Breakeven” will be defined as a surplus on operations or a deficit which is smaller than 2% of base year revenues.)

At the discretion of the program, Working Capital funds will cease to be paid for any year in which the organization generates an operating deficit which exceeds 2% of base year revenues; payments will resume when the deficit situation is corrected (subject to a maximum overall term of six years.)

Technical Assistance: The Working Capital program will entertain proposals from eligible and organizations admitted to the Program for project funding to assist the organization, or a group of organizations, in achieving their plans through application of specialized knowledge and skills, training, strategic planning, fundraising, marketing, the acquisition of technological equipment or software, etc. Each organization will be eligible to receive a maximum of \$30,000 from the Working Capital program for these purposes. The Working Capital program will work in partnership with other sources offering funding for similar purposes (Ontario Arts Council, Trillium, Canada Council Flying Squads, Metcalf Charitable Foundation, Income Managers Program etc.) whenever possible.

Working Capital for the Arts Program

Vision, Principles and Supporting Objectives

Vision and Mission Statement

Creative Trust: Working Capital for the Arts is a program to support and strengthen Toronto's mid-size creation-based performing arts companies, by assisting them in developing their planning and financial skills, achieving organizational and financial balance, and acquiring and maintaining a fund of working capital.

By helping participating companies build artistically vital, financially balanced organizations, Creative Trust's ultimate objective is a stronger, more vibrant performing arts community whose most innovative music, dance and theatre companies create, produce and present their work in a healthy and sustainable environment.

Core Principles

- Working Capital for the Arts will be grounded in the core belief that positive change for the arts can be achieved only if artists and arts professionals reclaim control, energy and self-esteem.
- The program will be developed within this context of shared vision and values.
- The program's content, criteria and goals will reflect the understanding that the artistic vision is at the heart of each organization.
- The program will try to build a flexible, holistic model of organizational health.
- The program will encourage and develop management practices that support the goal of sustainability of the artistic mission.
- The program believes and will encourage the view that planning will increase the probability of an organization sustaining its mission.

- The program believes that economic balance is essential to allowing arts organizations to advance and sustain their missions.
- The program encourages each organization to take responsibility for finding its own, most effective, working balance between artistic mission and economic means.
- The program will allow organizations to make and test their own decisions.
- The program will stress the creation of art as a measure of success.
- The program will require sustained initiatives, and will seek the development of long-term organizational growth and development.

Supporting Objectives

- To support and enhance the knowledge, skills and abilities of the human resources of mid-size performing arts companies
- To recognize and sustain the leadership in these organizations
- To help arts organizations flourish as dynamic and financially healthy artistic entities, and thereby increase their probability of survival
- To build an environment that can sustain a healthy, dynamic and diverse arts sector
- To assist in creating a “culture of shared resources”
- To foster discussion, debate and action for the long-term sustainability of the arts in Toronto
- To communicate clearly who the mid-size performing arts companies are, what they do, and why they are important to our communities and society

Critical Factors for Success

Creative Trust believes that the following key characteristics, internal operating capacities and behaviours, taken together, provide the best framework for success and are essential for maintaining and sustaining a healthy, balanced and productive arts organization over time:

- Leadership
- Vision/Values/Mission
- Working Processes
- Relationships
- The Organizational Equation
- Resource Development
- Infrastructure
- Planning and Learning

Creative Trust's process of working will be tailored to the individual participating organizations and will assess and address each of the above elements. As part of the working process, all participants will be asked to describe how they address these elements and what areas need attention or further development.

Invitation to Information Session

March 18, 2003

Subject: Meeting March 18th

We are pleased to invite you to attend an introductory information session on **Creative Trust's** new arts sustainability program, **Working Capital for the Arts** on

Tuesday 18th March 2003
3:00 – 5:00 pm
at Theatre Passe Muraille's Backspace
16 Ryerson Avenue

General managers, artistic directors, and board members are all welcome.

Working Capital for the Arts is a new, six-year program, inspired by arts stabilization initiatives across Canada and the United States, to support and strengthen Toronto's mid-size creative performing arts companies. It is geared to **professional producing music, theatre and dance companies in Toronto with annual budgets between \$400,000 and \$4 million**. Combining an intensive working process – in which each participating company is helped to strengthen and develop its strategic planning, management and financial capabilities – with matching deficit elimination, and working capital reserve grants, the program's goal is to build a healthy, artistically vital and sustainable performing arts community.

The twenty-five companies selected to participate in Working Capital for the Arts will work with leading consultants Nello McDaniel and George Thorn (ARTS Action Research), whose extensive experience with companies, large and small, in Canada and the U.S. has allowed them to identify the key characteristics, internal operating capacities and behaviors that provide the healthiest and most balanced working framework for an arts organization.

The federal government has made a major commitment to Working Capital for the Arts, through the Department of Canadian Heritage's Sustainability Program, as has the George Cedric Metcalf Charitable Foundation; we are now engaged in a fundraising campaign to meet the program's overall goals. With a budget of approximately \$6.1 million, we expect Creative Trust: Working Capital for the Arts to have a profound positive impact on the future of Toronto's creative community.

This first information session will allow us to update you on these and other aspects of Creative Trust: Working Capital for the Arts' development, and to describe the program and eligibility and selection criteria. We look forward to seeing you on the 18th. Please RSVP to Jini Stolk at 416 506-9047, or email at admin@creativetrust.ca.

Jini Stolk

Cover Letter to Prospective Applicants

September 10, 2003

Dear _____

We are delighted to announce that Creative Trust is now accepting applications to *Working Capital for the Arts*, the new sustainability program to help Toronto's mid-size music, theatre and dance companies build more artistically vital, financially balanced organizations.

This is the first of two anticipated rounds of admission to Working Capital for the Arts. While the final scope of this ambitious and far-reaching program is dependent on meeting our full fundraising goals, we are ready to begin The Working Process, or technical assistance component of the program, with 10 – 12 companies over the coming year.

If your organization wishes to apply for admission to the program in this first round, we strongly encourage you to contact me or Cortney Vint, Program and Fundraising Assistant, at 416-506-9047 or by email at info@creativetrust.ca, after reading the enclosed program description and before submitting your application form.

Application forms are also available at www.creativetrust.ca, and must be forwarded to Creative Trust **no later than Monday, October 6th, 2003.**

Working Capital for the Arts is designed to serve a sector of the community that is of fundamental importance to Toronto's cultural infrastructure, and at the heart of artistic creation in Canada. We look forward to working together to build a healthy and sustainable environment in which Toronto's mid-size performing arts companies can create, produce and present their work.

Yours truly,

Jini Stolk
Executive Director

Program Description, Background and Frequently Asked Questions

November 17, 2002

Prepared in late 2002, as an information document for prospective participants.

ACKNOWLEDGEMENTS

Program funders:

Department of Canadian Heritage
George Cedric Metcalf Charitable Foundation
Samuel and Saidye Bronfman Family Foundation

Board of Directors:

Patricia Baldwin
Joan Bosworth
Mallory Gilbert
Claire Hopkinson
Sandy Houston
Ralph McLeod
Margaret Mitchell
Sandra Pitblado
Frances Price

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Introduction

Creative Trust: Working Capital for the Arts is a program to provide financial and technical assistance to mid-sized performing arts organizations in Toronto. It is supported by a partnership of public and private sector funders.

The program's primary purpose is to help arts leaders build artistically vital, financially healthy, sustainable organizations – and help their organizations build working capital reserves. Its ultimate goal is a stronger, more vibrant performing arts community whose most creative music, dance and theatre companies create, produce and present their work in a healthy and sustainable environment.

What You Need to Know About the Program

All you need to know about Creative Trust: Working Capital for the Arts is contained in two information documents: it's important that you read both. The one you are now reading provides background information and answers the questions most frequently asked about the program. A second, companion document, [Guidelines for Applicants](#), provides details on the program's objectives, structure, financial awards, admission criteria, and application and selection process.

There will be two opportunities for admission to the program. The First Round Deadline is January 30, 2003; the deadline for the Second Round is July 31, 2004. A small number of companies admitted in the First Round will be invited to participate in a Pilot Round beginning April 2003. The remaining companies admitted in the First Round will begin the program in October 2003.

The procedure for submission of applications is the same for both deadlines, and is outlined in the [Guidelines for Applicants](#). It also contains an application form to be completed by mid-sized Toronto performing arts organizations that meet the eligibility criteria and are interested in participating.

The [Guidelines for Applicants](#), Application form, and [Program Description, Background and Frequently Asked Questions](#) are available through the Creative Trust web site in PDF format. You can download and print these documents if you have Adobe Acrobat Reader. You can also obtain copies by contacting Creative Trust.

Background

The idea for Creative Trust: Working Capital for the Arts grew out of Toronto's performing arts community. Managers of mid-sized theatre, music and dance organizations, which produce the majority of new creative work in the city, found that the volatility of the environment for the arts meant that they were dealing with a range of increasingly pressing challenges. But their ability to deal with these challenges effectively was hampered by financial vulnerability and an almost total lack of working capital. This basic financial weakness was stifling them, weakening their ability to respond to changes, and endangering their futures and artistic success.

With the support of the federal Department of Canadian Heritage, the Ontario Ministry of Citizenship, Culture and Recreation, the Toronto Community Foundation, and the Samuel and Saidye Bronfman Family Foundation, a study was made of the feasibility of creating a program modelled on several successful community-based arts stabilization programs in the United States and Canada. The study's purpose was to test support for such a program within the performing arts community and the public and private sectors, and begin to develop a program model suited to the specific situation and needs of Toronto's performing arts companies.

During the course of the study, its steering committee adopted a number of core principles, among them that:

- the program would be developed by arts professionals whose shared experience, vision and values ensure that participating organizations' real needs are met;
- the program's structure and criteria would be based on the understanding that the artistic vision is at the heart of each organization; and
- the program's goals would ultimately be to facilitate this vision.

The results of the study were overwhelmingly supportive of the development of a Toronto-based Working Capital for the Arts program.

Members of the feasibility study Steering Committee: Patricia Baldwin, Joan Bosworth, Mallory Gilbert, Claire Hopkinson

Development of the Program

Over the following year, a board of directors was formed made up of representatives of the arts community, and individuals from the private sector with a record of voluntary work in the arts and a keen understanding of the difficulties faced by mid-size, creation-based companies. Creative Trust for Arts & Culture was incorporated and granted charitable status, lead financial support was sought, and a strategy for raising the remainder of the funds required to put the program in place was devised. In January 2003, Creative Trust: Working Capital for the Arts was ready to be launched.

Its objective is to have a long term positive impact on the arts in Toronto by supporting and enhancing the knowledge, skills and abilities of administrative and artistic staff, and board members of mid-size performing arts organizations, and helping them flourish as dynamic (and financially healthy) artistic entities.

It is hoped that Creative Trust: Working Capital for the Arts, will play a role in building an environment that can sustain a healthy, dynamic and diverse arts sector and foster discussion, debate and action - by audiences, volunteers and supporters - for the long-term sustainability of the arts in Toronto.

Why Working Capital for the Arts is Important for Our Community

A range of diverse, dynamic arts organizations, with close ties to their neighbourhoods, is vital to a community's cultural richness; maintenance of this diversity is essential for the long-term sustainability of the arts in Toronto. Communities grow in self-confidence, creativity, and self-determination when they develop an increased sense of ownership and pride in their artistic and cultural activity. Creative Trust: Working Capital for the Arts will reflect the specific needs of our community, and will encourage and assist participating companies to forge deeper connections with the community

Brief sentence or two on why it is important now...In today's climate, it is necessary that a program like Creative Trust acknowledge these realities by seeking to address the following supporting objectives

- To support and enhance the knowledge, skills and abilities of the human resources of the mid-size performing arts organizations
- To recognize and sustain the leadership in these organizations
- To help arts organizations flourish as dynamic (and financially healthy) artistic entities, and thereby increase their probability of survival
- To build an environment that can sustain a healthy, dynamic and diverse arts sector in times of restraints and cutbacks in public sector funding
- To assist in creating a "culture of shared resources"
- To foster discussion, debate and action for the long-term sustainability of the arts in Toronto

- To communicate clearly who we are, what we do, and why we are important to our communities and society

A New Model

Creative Trust: Working Capital for the Arts is one of a growing number of arts stabilization initiatives that have had considerable success in the United States, England and Canada. It is part of a larger movement to help arts organizations help themselves by fostering the capacity to understand and cope with problems and challenges, now and in the future.

This program has been specifically tailored to meet the needs of Toronto's mid-size performing arts companies. But because a program like this has never been tried before in Toronto, potential participating companies will undoubtedly have a number of questions and concerns about getting involved. The following list of Frequently Asked Questions attempts to answer those that are most common. If you have further questions, you may contact Creative Trust directly.

Frequently Asked Questions

- 1. Who will select the companies to be admitted to the program? How will they make their decisions?**

The board of directors of Creative Trust: Working Capital for the Arts is responsible for making the final decisions about who will be admitted to the program. Lead Consultants George Thorn and Nello McDaniel of ARTS Action Research, who have achieved international recognition for their work on change management in the arts, will make recommendations to the board on these decisions.

2. What criteria will be used to assess my company’s state of “organizational health and balance”?

In assessing organizations for Creative Trust Working Capital for the Arts, ARTS Action Research will focus on a number of key characteristics, internal operating capacities and behaviors that, taken together, provide the healthiest and most balanced working framework for an arts organization. We believe that these characteristics, capacities and behaviors are essential for maintaining and sustaining a healthy, balanced and productive arts organization over time. Organizations will be considered “ready” for working capital awards based upon how well each has addressed these elements, among which are:

- **Leadership.** Is professional leadership in place, leading and directing the organization? Is that leadership acknowledged and supported by staff and board? Is appropriate board leadership in place, leading and directing the board in appropriate ways?
- **Vision/Values/Mission.** Is there a clear articulation of vision, values and mission of the work and the organization? Is this information clearly communicated internally and externally?
- **Working Processes.** Are there clearly described, defined and understood processes for collaborating, analyzing needs and problems, strategizing, solving problems, making decisions and taking action? Is this process informed by and consistent with the professional leadership’s artistic and programming processes?
- **Relationships.** Is there a commitment to developing and maintaining quality relationships, both internally among the organization’s professional staff and board and externally with community partners and audiences? Has the board been well cast and functioning in appropriate and effective ways? Is there a commitment to developing and maintaining quality relationships with other arts organizations and key partner organizations in the community?
- **The Organizational Equation.** Is there a clear understanding of the critical balance between programs and activities and available human, financial, time, material and technical resources? Is there a clear and coherent understanding of the condition of the equation at any given time?

- **Resource Development.** Are there clear and coherent concepts, plans and approaches for generating and growing earned and contributed income that are appropriate to the work, community environment, organizational values and internal capacities?
- **Infrastructure.** Are there organizational structures and systems appropriate and adequate to the work? Are there appropriate management and information systems in place? Are there appropriate and adequate strategic support systems for earned and contributed income programs in place? Are there appropriate human resources with necessary skill sets involved to maintain a healthy organizational operation and balance?
- **Planning and Learning.** Is there a planning process in place that addresses short, medium and long term planning concerns and issues? Is this process an effective learning tool that helps the organization adapt to or effect change within its working conditions or environment?

AAR's process of working will be tailored to the individual participating organizations and in appropriate ways will assess and address each of the above elements. As a part of the working process, all participants will be asked to describe how they address these elements and what areas need attention or further development.

3. Running my company requires nearly all my time and energy. How much additional time and effort will this program require?

You should be prepared to put significant time and effort into participating in this program once you are admitted. Strategic plan, etc. Studies have found (in the UK) that stabilization programs must be driven by the organization itself.

4. Who needs to be involved in this work?

Your organization's key administrative, artistic and board leaders will... One of the major challenges of the program is to break even each year of participation – this will undoubtedly involve all staff and board. But remember that the program will provide you with the technical assistance that you need to succeed...

5. What do you mean by technical assistance?

(No, we're not talking about stage crews or lighting designers.) Technical assistance is a term used to describe all the ways in which companies can be helped to identify and solve organizational problems, develop new skills, and develop new, more effective ways of working. It can mean the provision of expertise, experience or learning opportunities – usually by paid consultants or volunteers with special skills. It can also mean the provision of equipment or other resources necessary for a company to develop or grow stronger.

6. Who will provide these services? Can we select our own consultants?

Some will be provided by Lead Consultants George Thorn and Nello McDaniel, and by Creative Trust's Technical Assistance Director. Creative Trust: Working Capital for the Arts has also developed a list of Resource Consultants with specific expertise and skills such as fundraising and marketing who are available to work with participating organizations between Thorn and McDaniel's scheduled visits to Toronto. Participating companies will also be able to ask to work with other consultants whose expertise meets their needs.

7. What is working capital? Why is it so important?

Working capital is defined as the difference between current assets and current liabilities. Adequate working capital is an indicator of financial health. Its lack indicates an inability to meet current financial obligations as they arise, and is always accompanied by persistent cash flow and other financial difficulties. Recent studies

confirm what has been obvious to arts managers for some time: a shortage of working capital is a chronic problem for arts organizations in Canada.

8. My company has a very clear idea of where we want to go and how we want to develop. Will we be expected to forfeit our administrative autonomy or adopt an approved management structure?

Our intention is not to create an administrative model, but to assist each company in becoming healthier in its own way. You will be assisted in developing a work plan that will help you to meet your goals – but you will also be expected to put in the work necessary to achieve those goals. Throughout this process, you may find that you develop changes in perception and habits that have blocked your company from finding your own best solutions.

9. With so much emphasis on the bottom line, will this program force us to fundamentally compromise our artistic vision?

One of the major objectives of this program is to help companies fulfill their artistic visions, free of the financial constraints that stifle choice and creativity. Fears that stabilization would force organizations to put business considerations before artistic ones have been unfounded, in studies of stabilization programs in the U.K.

10. Will all companies in Toronto be able to benefit from this program?

No. This is a program for mid-sized creation-based performing arts companies, with annual budgets in the range of \$400,000 to \$4 million, with established but flexible organizational structures. Admission is a competitive process; companies who are deemed most able to benefit from the technical assistance provided by the program, and most likely to be made more stable by an infusion of working capital, will be chosen. It is

anticipated that only around twenty-five organizations will be admitted to the program, subject to the availability of sufficient financial resources.

11. How and when do I get my Working Capital financial award?

Each participating organization, once it has eliminated any outstanding financial deficit, will be eligible to receive up to four equal annual working capital reserve grants, to a maximum total of 25% of its base year revenues.

To qualify, it must achieve at least a break-even on its operations for the year (break-even is defined as a surplus on operations, or a deficit that is less than 2% of the organization's base year revenues.) Working capital grants will not be given in any year in which the participating organization generates an operating deficit of more than 2% of base year revenues; grants will resume when the deficit situation is corrected. (In this situation, due to the time-limited nature of the Program, the total of working capital reserve grants received may not reach the maximum of 25% of base revenues.)

12. Why is the granting process drawn out over four years? If my company is admitted and we meet the criteria, couldn't we get our money in one lump sum?

Creative Trust: Working Capital for the Arts is not primarily a granting program. It is a program that emphasizes the learning of new skills and the development of new ways of working and thinking. Participating organizations will find that they are engaged in a process of change that will become more rewarding over time. Our Program is structured to allow and assist that process to evolve.

- 13. The program requires participating companies to break even each year they're in the program. But the performing arts are notoriously unpredictable. What if we run a deficit in the midst of the program?**

The program acknowledges that some companies may face financial set backs during the course of the program, but provides continuous support to help them get back on track.

- 14. How can we use our Working Capital reserve fund?**

These reserves provide a permanent buffer against cash flow fluctuations and unanticipated shortfalls; they also provide the freedom to respond to exciting new opportunities. They can be used within any fiscal year for these purposes, as long as they are replenished and appear on the balance sheet of your year-end financial statements.

- 15. What happens after the four years are up?**

As the program is meant to create a permanent reserve fund for participating companies, each company will be required by way of a signed Agreement to maintain a fund sufficient for ongoing financial stability and investment in strategic initiatives.

- 16. Will fundraising for the program interfere with my own fundraising efforts?**

Working Capital for the Arts will seek out and secure new money. Every effort will be made to ensure that the program does not divert funds from existing arts programs

- 17. How can I apply?**

There will be two opportunities for admission to the program. The deadline for the First Round is January 30, 2003. A small number of companies admitted in the First Round will be invited to participate in a Pilot Round, in which they will begin the program in April 2003. The remaining companies admitted in the First Round will begin the program in October 2003.

The deadline for the Second Round is July 31, 2004. Companies that are otherwise eligible, but do not meet the financial eligibility criteria (i.e. have a deficit in excess of 20% of their most recent annual operating revenues, or have not broken even in the year prior to entry into the Program), thus have an additional 16-months to qualify.

The procedure for submission of applications is the same for both deadlines, and is outlined in the [Guidelines for Applicants](#), which also contains an application form.

18. If I don't get accepted in the first round, is there another chance to apply?

Organizations that meet the eligibility requirements but were not successful in the first round of applications in January 2003 are eligible to reapply in January 2004.

Guidelines for Applicants

November 2002

ACKNOWLEDGEMENTS

Program funders:

Department of Canadian Heritage
George Cedric Metcalf Charitable Foundation
Samuel and Saidye Bronfman Family Foundation

Board of Directors:

Patricia Baldwin
Joan Bosworth
Mallory Gilbert
Claire Hopkinson
Sandy Houston
Ralph McLeod
Margaret Mitchell
Sandra Pitblado
Frances Price

Our Mission

To advance and sustain the health and balance of cultural organizations in Toronto and its environs.

Our Vision

A stronger, more vibrant performing arts community whose most creative music, dance and theatre companies create, produce and present their work in a healthy and sustainable environment.

Our Program

Creative Trust: Working Capital for the Arts is a program to help Toronto's mid-size performing arts companies build artistically vital, financially healthy, sustainable organizations, by strengthening their planning and financial skills, *achieving organizational and financial health and balance*, and acquiring and maintaining a fund of working capital.

Core Principles

- The program's content, criteria and goals will reflect the understanding that the artistic vision is at the heart of each organization. The program will be developed within this context of shared vision and values.
- The program will encourage and develop *management* practices that support the goal of sustainability of the artistic mission.
- The program believes and will encourage the view that a formal and ongoing planning process will increase the probability of an organization sustaining its mission.
- The program believes that a dynamic and healthy balance between the artistic programs and the human and financial resources to carry them out is essential to allowing arts organizations to advance and sustain

their missions. Each participating organization will be encouraged to take responsibility for finding its own, most effective, working balance between artistic mission and economic means.

- The program will require sustained initiatives, and will seek the development of long-term organizational growth and development.

Introduction

Creative Trust: Working Capital for the Arts is a short-term program, supported by a partnership of public and private sector funders, to provide financial and technical assistance to Toronto's mid-size performing arts organizations, and assist them to build and maintain working capital reserves.

It is anticipated that up to 25 performing arts organizations based in Toronto will participate in the Program subject to available funds.

Participants will take part in a rigorous process of organizational assessment. Companies admitted to the program will need to make an organization-wide commitment to a planning process and be willing to undertake a program of change, if that is required to achieve long-term organizational health and sustainability.

Program Objectives and Outcomes

The Principal Objectives of the Program are:

- To help build artistically vital, financially healthy, sustainable organizations
- To help eligible arts organizations build working capital reserves to ensure regular cash flow for the organization's activities
- To foster more engaged and committed participation by audiences, volunteers and supporters of the arts

The Anticipated Outcomes for Participants are:

- To acquire new or improved *board governance and business management* principles, practices and skills that will enable them to achieve and sustain their artistic missions on a more solid financial footing
- To eliminate any accumulated operating deficit
- To accumulate a working capital reserve fund

Eligibility Criteria

The program is open to mid-size professional performing arts organizations in Toronto, that:

- Are incorporated as not-for-profit, charitable corporations
- Have a mandate based on the professional creation, production and presentation of arts programs
- Have been in continuous operation for a minimum of four years prior to admission to the Program
- Have a history of regularly scheduled programming and of community outreach programming
- Have full-time administrative staff and an active board of directors who will be engaged in the Program and will enter into a formal agreement with the Program
- Have current revenues which are no less than \$400,000 and do not exceed \$4,000,000 per year
- Have a history of private sector (individual and corporate) financial support
- Do not carry a deficit in excess of 20% of their most recent annual operating revenues
- Have broken even in the year prior to entry into the Program (break-even is defined as a surplus on operations or a financial shortfall that is less than 2% of operating revenues)

Admission Criteria

The following Admission Criteria will be used to rank eligible applications and select a supportable number of organizations for admission to the Program.

- Evidence of a history of public benefit through the quality of artistic work created, produced or presented
- A history of significant community impact and audience support
- The ability to benefit from the program as indicated by professional management, fundraising capacity and an active board
- Indication of long-term financial commitment to the organization by its major funders
- The potential for sustainability in the current and future environment
- Evidence that there are no significant artistic, financial or operating problems that will prevent the organization from fully participating in the process

Program Structure

Organizations admitted to Creative Trust: Working Capital for the Arts will engage in a process of planning and development of individual strategies for long-term sustainability, facilitated by Lead Consultants George Thorn and Nello McDaniel of ARTS Action Research.

Step 1 Organizational Assessment

Participating organizations will begin the process by engaging in a thorough assessment of their current reality as well as their strengths and weaknesses. This organizational assessment will focus on key areas and their role in supporting the mission and mandate of the organization:

Step 2 Balancing the Operations

Creative Trust Working Capital for the Arts' focus on balancing the operations within each organization will include:

- Planning, organizational structures, ways of working, and operating systems
- Connecting the work with audiences through community engagement and appropriate marketing techniques
- Identifying appropriate contributed income opportunities and developing effective approaches to generating contributed income for operating support as well as special capital needs
- Infrastructure support and development, with particular focus on human resource development in the areas of staff, board and volunteers, and related facility, systems, and equipment needs

Step 3 Development of Individual Work Plans

Following admission to the program, *Creative Trust's* lead consultants will meet with each participant to begin development of an individual Work Plan. This meeting will delve more deeply into each organization's situation, needs and challenges and will result in a Work Plan containing process, timeline, and expectations that will form the basis on a formal agreement with the Program.

Step 4 Implementation of Individual Work Plans

During their participation in the Program, organizations will implement their Work Plans. In order to be eligible for on-going technical assistance and financial awards, organizations must meet the following requirements:

- **For organizations with an accumulated deficit:**
 - 50% reduction of any accumulated operating deficit within 24 months of the approval of their Work Plan
 - upon elimination of accumulated deficit, attainment of a break-even position during each remaining year of the Program
 - fulfillment of, or proceeding well, towards the goals set out in the approved Work Plan
- **For organizations without accumulated deficit:**
 - attainment of a break-even position during each year of the Program
 - fulfillment of, or proceeding well, towards the goals set out in the approved Work Plan

Step 5 Annual Review

An annual review and assessment will be conducted of each participant's progress and future planning needs. This annual review will allow an opportunity to make adjustments and appropriate alterations to the work plan and determine appropriate next steps for each participant

Step 6 Working Capital Awards

Each participating organization, as long as it has attained a break-even position during the previous year and has had a successful Annual Review, will receive four annual contributions of working capital reserves assistance, equal to a maximum total of 25% of its base year revenues.

Step 7 Exit Plan and Self-Assessment

Prior to the completion of its fourth year in the Program, each organization will be asked to submit a three-year Strategic Plan to *Creative Trust: Working Capital for the Arts* and to complete a self-assessment summarizing the outcomes achieved as a result of their participation in the Program. Upon approval of the Plan, and receipt of the Self-Assessment, organizations will receive the final instalment of their Working Capital Award.

Special Assistance (if required)

Throughout the *Creative Trust Working Capital Program* process described above, individual organizations may have a special need for help. This may be related to a financial or operating crisis, some type of unforeseen leadership transition or perhaps the need to act immediately on an important issue or opportunity.

Financial Awards

Participating companies will be eligible to receive one or both types of financial awards provided by the Program.

Deficit elimination grants

If a participating organization has an outstanding financial deficit, it will be required to reduce it by half within 24 months of being admitted to the program. Once it succeeds in doing so, it will receive a deficit elimination grant equal to the deficit retired. This will allow each participating organization to continue the Program deficit-free and in financial balance.

Working capital reserve grants

Each participating organization, once it has eliminated any outstanding financial deficit, will be eligible to receive up to four equal annual contributions of working capital reserve grants, to a maximum total of 25% of its base year revenues.

To qualify, it must achieve at least a break-even on its operations for the year (break-even is defined as a surplus on operations, or a deficit that is less than 2% of the organization's base year revenues.) Working capital reserve grants will not be made in any year in which the participating organization generates an operating deficit of more than 2% of base year revenues; grants will resume when the deficit situation is corrected (but, due to the time-limited nature of the Program, may not reach the maximum total of 25% of base revenues.)

Submission of Applications

There will be two opportunities for admission to the program. A small number of companies admitted in the First Round will be invited to participate in a Pilot Round beginning April 2003. The remaining companies admitted in the First Round will begin the program in October 2003.

- First Round Deadline: January 30, 2003 – for Pilot Round and First Round participants
- Second Round Deadline: July 31, 2004 – for Second Round participants

The procedure for submission of applications is the same for both deadlines.

1. Attend a pre-application orientation session

Organizations wishing to make an application to the program must be represented at a pre-application orientation session by a Board member, either the Chair or Vice-Chair, as well as the senior staff member.

2. Complete the attached application form

Before you fill out the Application Form, please read these Guidelines thoroughly along with their companion document, *Program Description, Background and Frequently Asked Questions*.

Organizations meeting the Program's Eligibility Criteria are encouraged to apply.

The Application Form, *Guidelines for Applicants* and *Program Description, Background and Frequently Asked Questions* are available through the Creative Trust web site in PDF format. You can download and print these documents if you have Adobe Acrobat Reader. You can also obtain copies by contacting Creative Trust.

3. Mail or deliver to Creative Trust. We regret that incomplete applications, applications sent after the closing date and applications sent by fax or e-mail cannot be accepted.

4. Selection

It is anticipated that ten to fifteen organizations, including Pilot Round participants, will be admitted in 2003, subject to the availability of sufficient financial resources. Organizations that meet the eligibility criteria but were not successful in the First Round of applications may reapply in July 2004. Successful organizations for the First Round will be notified in April 2003; a small number of those successful applicants will be invited at that time to participate in the Pilot Round. Creative Trust thanks all applicants for their interest.

Application Package

CREATIVE TRUST *Working Capital for the Arts* *Program Description & Application Form*

CREATIVE TRUST GRATEFULLY ACKNOWLEDGES THE SUPPORT IT HAS RECEIVED FROM THE FOLLOWING:

George Cedric Metcalf Charitable Foundation, Department of Canadian Heritage, □ The Samuel and Saidye Bronfman Family Foundation, □ The John McKellar Charitable Foundation, □ Ontario Ministry of Culture, □ The McLean Foundation □ Fidelity Foundation, □ City of Toronto Economic Development Sector Initiatives Program, Brimstone Holdings, □ Toronto Community Foundation, □ and members of the Board of Directors and Advisory Council

Honorary Patron

Hon. Henry N.R. Jackman O.C., O.Ont., C.D., LL. D,

Board of Directors

Claire Hopkinson, President □ J. Alexander Houston, Vice-President Mallory Gilbert, Treasurer Tricia Baldwin, Secretary Cathy Bolan, □ Joan Bosworth, □ Margaret L. Marshall, □ Sandra Pitblado, □ Frances Price

Advisory Council

Yvonne Chiu, Robert Farquharson, Judy Matthews, John McKellar, Nan Shuttleworth, David Silcox, Nalini Stewart, Harriet Bunting Weld, Joyce Zemans

Creative Trust Working Capital for the Arts Program Description

Creative Trust: Working Capital for the Arts is a program to support and strengthen Toronto's mid-size creation-based performing arts companies by assisting them in developing their planning and financial skills, achieving organizational and financial balance, and acquiring and maintaining a fund of working capital.

It combines an intensive working process, in which participating companies obtain technical assistance for strategic planning, financial management, fundraising or any other area of need, with matching deficit elimination grants and working capital awards.

By helping participating companies build artistically vital, financially balanced organizations, Creative Trust's ultimate objective is a stronger, more vibrant performing arts community whose most innovative music, dance and theatre companies create, produce and present their work in a healthy and sustainable environment.

The program has four major components – *selection; the working process; funding; and monitoring and evaluation.*

I Selection

1. Eligibility

Companies applying to the program will be screened using the information contained in their application form to determine if they meet the following eligibility criteria:

- Are an incorporated not-for-profit, charitable performing arts organization located in Toronto
- Have a mandate based on the professional creation, production and presentation of arts programs
- Have been in continuous operation for a minimum of four years prior to admission to the program
- Have a history of regularly scheduled programming and of community outreach activities
- Have full-time administrative staff and an active board of directors who will all be engaged in the program
- Have current revenues which are no less than \$400,000 and do not exceed \$4,000,000 per year
- Have a history of private sector (individual and corporate) financial support
- Do not carry an accumulated deficit in excess of 20% of average annual operating revenues over their most recent three-year period; and
- Have broken even¹ in the year prior to entry into the program (the base year).

2. Selection and admission

Applicants who meet the eligibility criteria will be further assessed for admission to the program based on the following admission criteria. Information contained in the application form, as well as information gained through an initial interview with Creative Trust's consultants, will be used to rank eligible applicants and select a supportable number of organizations for admission to the program.

¹ Break-even results are defined as any annual operating surplus, or a deficit which is not more than one percent of base year revenues

Admission criteria will include:

- Evidence of a history of public benefit through the quality of artistic work created, produced and presented
- A history of significant community impact and audience support
- The ability to benefit from the program as indicated by professional management, fundraising capacity and an active board
- Evidence of long-term financial commitment to the organization by its major funders
- Demonstrable potential for sustainability in the current and future environment
- Evidence that there are no significant artistic, financial or operating problems that will prevent the organization □ from fully participating in the process; and
- Willingness of the management, artistic director and board to enter into a program that requires sustained work □ and which may lead to fundamental organizational change.

II The Working Process

3. Organizational assessment and development of individual work plans

Creative Trust’s consultants will meet with the leadership of each participating company following its admission to the program, using an *Organizational Assessment Template* as a tool for discussion and analysis. The template details the key characteristics, internal operating capacities and behaviours which, taken together, provide the healthiest and most balanced framework for an arts organization over time.

Creative Trust’s process of working will be tailored to the individual participating organizations and in appropriate ways will assess and address each of the above elements of the template. As part of the

working process, all participants will be asked to describe how they address these elements and what areas need attention or further development.

- Leadership
- Vision/Values/Mission
- Working Processes
- Relationships
- Organization Balance
- Resource Development
- Infrastructure
- Planning and Learning

The consultants will work with each company to develop an individually tailored Work Plan, addressing areas that need attention and improvement.

The Work Plan will outline process, timeline, and specific expectations, and will include achievement of financial balance and creation of a strategic plan. These will form the basis of a formal written contract between the company and Creative Trust.

4. Work plan implementation

Each participating company will proceed to implement its Work Plan with the occasional assistance and support of Creative Trust's consultants. Some participating companies may require expert assistance to meet the goals of a particular element of their Work Plan. The program will provide appropriate resource consultants during the working process as required.

III Funding

5. Deficit Elimination

If a participating company has an accumulated deficit when admitted to the program, it must eliminate that deficit within 24 months of admission. Its Work Plan will include strategies to achieve this end, and Creative Trust will contribute up to fifty percent of the deficit in two installments at each of two year-ends. Deficit elimination grants will be conditional upon the satisfactory achievement of the Work Plan objectives.

For example:

Base year total revenues	\$500,000
Base year-end accumulated deficit (8% of revenues)	(\$40,000)
First year surplus	\$12,000
Deficit elimination grant from Creative Trust	\$12,000
Deficit reduction year one	(\$24,000)
Second year surplus	\$10,000
Deficit elimination grant from Creative Trust	\$6,000
Final deficit reduction	(\$16,000)

Result: The accumulated deficit is eliminated at the end of year two.

6. Working Capital Awards

Each participating company will be eligible to receive up to four equal annual Working Capital Awards, to a maximum total of 25% of its base year revenues. *(This amount may be subject to reduction depending upon the program's ultimate financing.)*

A company will be recommended for Working Capital Awards and will receive annual installments when it has:

- Eliminated any accumulated deficit
- Achieved break-even results² in its most recent fiscal year
- Fulfilled or is making substantial progress in meeting the goals of its Work Plan; and
- Created a realistic and achievable strategic plan supported by its management, board and artistic direction. □

It is a critical condition of such awards that the company does not generate a deficit in any year of the program. In any year when a deficit occurs, the installment will not be made. Awards may resume in the ensuing year when any accumulated deficit is eliminated and the other conditions are met, but a company which misses more than a year of awards installments will not reach its total award, as there is a five-year time limit on the Awards program. □

Working Capital Awards installments must be set aside in a designated *working capital reserve account* on the company's balance sheet which must, at the end of each year of the program, be at least equal to the cumulative amount awarded. (This condition allows for periodic use of the funds during each year for short-term purposes only, as funds must be restored to the reserve by year-end).

For example:

(For a company which enters the program with no accumulated deficit)	
Base year total revenues	\$500,000
Maximum Working Capital Award (25%)	\$125,000
Available annual installments (4)	\$ 31,250

² Break-even results are defined as any annual operating surplus, or a deficit which is not more than one percent of base year revenues

Working Capital Reserve at end of year one	□ \$ 31,250
Required minimum Working Capital Reserve at end of year two	\$ 62,500
Required minimum Working Capital Reserve at end of year three	\$ 93,750
Required minimum Working Capital Reserve at end of the program	\$125,000

IV Monitoring and Evaluation

7. Annual monitoring

An annual review will be conducted of each participant’s progress; the review will include a self-assessment report. This review will ensure that the company has remained in financial balance, and will allow an opportunity to make any required adjustments to its Work Plan. It will also ensure that any financial or operating crisis, unforeseen leadership transition or need to act immediately on an important issue or opportunity is identified and addressed, and that special help is provided.

8. Completion and evaluation

Prior to the final installment of Working Capital Awards, each company will be asked to complete a self-assessment summarizing the outcomes achieved as a result of its participation in the program, and to submit a three-year Strategic Plan. The self-assessments will become part of an overall, ongoing evaluation of the program’s success in meeting its goals. Companies will receive the final installment of their Working Capital Awards upon approval of their strategic plan, which must include a commitment to maintain Working Capital Awards received through the program in a restricted reserve fund.

Creative Trust: Working Capital for the Arts Application Process

Before completing the **Application Form**, please review the *Creative Trust: Working Capital for the Arts Program Description*, which outlines the program and its eligibility criteria. In brief, your organization will be considered for eligibility if it:

- Is incorporated as a not-for-profit, charitable performing arts organization located in Toronto
- Has a mandate based on the professional creation, production and presentation of arts programs
- Has been in continuous operation for a minimum of four years prior to admission to the program
- Has a history of regularly scheduled programming and of community outreach activities
- Has full-time administrative staff and an active board of directors who will all be engaged in the program
- Has current revenues which are no less than \$400,000 and do not exceed \$4,000,000 per year
- Has a history of private sector (individual and corporate) financial support
- Does not carry an accumulated deficit in excess of 20% of average annual operating revenues over the most recent three-year period; and
- Has broken even in the year prior to entry into the program.

The Working Capital for the Arts Application and Program Description are also available online at www.creativetrust.ca □ If you have any questions, you may contact Creative Trust at 416-xxx-xxxx or by email at jini.stolk@creativetrust.ca

Submission of Application and Selection

Creative Trust will be accepting applications for two rounds of the Working Capital for the Arts Program – the first in the fall of 2003 and the second approximately one year later.

Completed applications for round one, with attachments, must be received by mail no later than Monday, October 6th, 2003

The Creative Trust Admission Committee will consider all applications and make recommendations to the Board of Directors as to which applicant organizations will be admitted. The Board of Directors' decisions will be final.

For administrative reasons, successful applicants in round one will be invited to join the program in one of two phases, the second phase following the first by about six months.

Eligible organizations which are not successful in the first round may re-apply in the second round.

Application Form

A. Program Eligibility Information

1. CONTACT INFORMATION

Name of organization:

Name and title of main contact:

Address:

Telephone: _____ Fax: _____ Email: _____ Website: _____

Organization principals: Year of Appointment

Artistic Director: _____

General Manager: _____

Board President: _____

2. ORGANIZATIONAL INFORMATION

Date of incorporation: _____ Registered non-profit?: _____

How long has your organization been in operation? _____

Registered Charity Business Number: _____

i) Please briefly describe your principal activities:

ii) What is your organization's mandate?

B. Program Admission Information

3. HUMAN RESOURCES

Please provide numbers of full-time equivalent paid staff resources.

2002 _____ 2001 _____ 2000 _____

Title

Full-time year-round

Part-time year-round

Full-time seasonal

Part-time seasonal

Contract (non-performing artists)

How many volunteers (Excluding Board Members) were engaged in your organization in the last 12 months?: _____

How many volunteer hours were provided?: _____

What activities did your volunteers undertake?:

4. MISSION

If your organization has a formal Mission Statement, please provide it here.

5. BOARD OF DIRECTORS

According to your by-laws, what is the authorized size of your Board? _____

How many Board positions are presently filled? _____

How many Board meetings were held in the last 12 months? _____

At how many of those meetings was a quorum present? _____

What board committees have met during the past year?

Please **attach** a list of your Board members and officers.

Please **attach** a copy of any formal, written Board policies in place in your organization.

6. FINANCIAL INFORMATION

Please **attach** a copy of your latest audited financial statements.

Please **attach** a copy of your most recent application to the Ontario Arts Council.

Please **attach** a copy of the most recent financial report submitted to your Board.

Please **attach** a copy of your current year's budget, as approved by your Board.

If your organization is carrying an accumulated deficit, please describe or **attach** your deficit retirement plan.

How would you describe your present financial situation?

7. PERFORMANCE ACTIVITY

Please **attach** a summary of your current year's program(s).

What was your total paid attendance in recent years?

<u>Number</u>	<u>As % of capacity</u>
2000 _____	_____
2001 _____	_____
2002 _____	_____
2003 (anticipated) _____	_____

8. SITUATION STATEMENT

Please **attach** a brief statement of your organization's strengths and successes, as well as major current challenges from board, artistic, management, systems, financial, audience development, income development and planning perspectives and describe what your organization is doing to address these. (no more than 3 pages)

What type of change is most likely to make your organization more stable or sustainable?

9. TECHNICAL ASSISTANCE

Please briefly describe any external technical assistance which your organization has received in the past three years, the type of assistance, who provided it and what the outcomes were.

In what areas is your organization most likely to benefit from technical assistance in order to achieve organizational stabilization / sustainability?

10. STRATEGIC PLANNING

Describe your organization's relationships with its key external stakeholders.

Describe the role of leadership in your organization.

Describe the external environment within which your organization is working.

Please **attach** a copy of any long-term strategic plans in place in your organization.

C. Application

11. BOARD RESOLUTION

Please attach a copy of a board resolution supporting this application and committing to fulfill the requirements of the Creative Trust: Working Capital for the Arts program, as described in the **Program Description** document.

12. AUTHORIZATION

We confirm that the information contained in and attached to this application is accurate to the best of our knowledge. If our organization is admitted to the Working Capital for the Arts program, we agree to be engaged in its required processes.

_____	_____	_____
Chair/President	Artistic Director	General Manager
Date:	Date:	Date:

Appendices

The following information documents are attached to and form a part of this application:

- a. List of Board members and officers
- b. Board policies

- c. Latest audited financial statements
- d. Latest application to OAC
- e. Latest financial report to the Board
- f. Current year's budget, as approved by the Board
- g. Deficit retirement plan (if any)
- h. Summary of current year's program(s)
- i. Situation Statement
- j. Strategic plans
- k. Board Resolution

Letter to Members of the Admission Committee

November 18, 2003

Memorandum

To: Members of the Creative Trust Admission Committee

cc: Jane Marsland, Peter Brown

From: Jini Stolk, Executive Director

Re. Admission Committee Process and Role

On behalf of the board of Creative Trust, I wish to thank you all most sincerely for agreeing to serve as a member of our program Admission Committee at this most important juncture in the development of Creative Trust. As you will see in the documents provided to you, we are pleased to have had a total of sixteen applications in response to our recent announcement of the first round of the *Working Capital for the Arts* program.

The purpose of your committee is to review the important elements of each applicant's submission; to review and consider the applicant assessments undertaken by Creative Trust program consultants; and to recommend to the Board of Creative Trust a list of eligible applicant organizations deemed capable of benefiting from the program's sustainability objectives, and succeeding in completing their individual programs of work. You are also asked finally to rank these organizations as best you can, in order to help the Board in its budgetary and operational timing decisions.

We envisage that there will be a second and final round of applications in about a year, and we hope that you might be willing again to assist us in that selection process.

Joan Bosworth has agreed to chair your committee and I will be arranging a conference call on her behalf soon, once you have had an opportunity to look at the enclosed materials, to address any questions you may have.

We look forward to seeing you at: the office of The George Cedric Metcalf Foundation, 174 Avenue Road, Toronto (west side, just north of Davenport) on Thursday, December 4, at 10:00 a.m.

Enclosures: Sample Program Description and Application Form

Working Capital for the Arts Program Policies and Principles

Program Admission Policy and Procedures

Comparative financial summary of all applicant companies

Program Admission Policy and Procedures

Revised May 12, 2003

Admission Process

Applications to the Creative Trust: Working Capital for the Arts program will be vetted first for eligibility by Creative Trust staff, who will identify eligible applicants and prepare a report on applicants deemed ineligible.

Eligible applicants will receive an assessment visit by Creative Trust's Lead Consultants and Technical Assistance Director, who will gather at this time further information necessary for completion of the assessment template.

Following the assessment visit, an assessment template will be completed for each applicant and a score assigned. Creative Trust staff will prepare a report summarizing the findings of the assessment process.

Application forms and support materials, the staff report on applicants deemed ineligible, assessment templates, and staff assessment reports will comprise the materials presented to the Admission Committee members for their consideration.

The Admission Committee's recommendations regarding admission to the Creative Trust: Working Capital for the Arts program, ranked in order of priority, as well as the staff report on applicants deemed ineligible, assessment templates and staff assessment reports, will be presented to the

Creative Trust board of directors. The board of directors will make the final decision on which applicants are admitted to the program.

Mandate and Composition of Admission Committee

The Admission Committee is mandated to consider applications, support materials, assessment templates (without scores), and staff reports, including a staff report on applications deemed ineligible. Once it has completed and scored its own assessment templates, it will compare them with the scored staff assessment templates and prepare its final recommendations. These recommendations regarding admission to the program, ranked in order of priority, will be brought to the Creative Trust board of directors at its next meeting following the meetings of the Admission Committee for final decision.

The Admission Committee will consist of 5 members including a voting chair, chosen by virtue of their experience and expertise in arts management, or their commitment to the arts and their analytical abilities. Ideally, Admission Committee members will consider applications to all program rounds. A recording secretary, and staff involved in reviewing and preparing applicant assessment reports, will be present at meetings of the committee.

The committee will be made up of arts professionals and community representatives not eligible for funding under the program.

Committee members will be paid a \$250 honorarium for their reading and meeting participation for each round of applications considered.

Committee make-up:

Chair: Joan Bosworth

Members: Jerry Doiron, Margaret Marshall, Robert Sirman, Cathy Smalley

Characteristics of an Ideal Admission Committee Member

An ideal committee member's background should demonstrate a commitment to the arts and to the development of opportunity for artists.

She or he aspires to an enriched future for artists and artistic organizations and brings to the deliberations the qualities of a generous spirit, articulateness, exceptional listening skills, and a willingness to embrace complexity through hearing and working with different points of view.

An ideal assessor has extensive knowledge of the various arts organizations in Toronto, and is well respected in the community. He or she has an understanding of the diversity of cultural practices in the arts community.

The ideal committee member is respectful of the process, is open to input from fellow committee members and analyses in a considered manner all guidelines, program criteria and materials received prior to the meeting, declares any conflicts of interest (perceived or otherwise) and maintains confidentiality at all times.

The ideal assessor understands how to apply program criteria within the process and will express openly any concerns about the integrity of the proceedings.

The ideal committee member is genuinely supportive of all artists, arts professionals and arts organizations, whatever their level of experience. He or she has the ability to understand and appreciate the contexts in which the applicants work and produce art, and the role arts organizations and arts professionals play in the development and dissemination of that art.

Preparation for Committee Meetings

Staff will provide committee members with information about Creative Trust, its principles and operations, its policies and other issues relevant to the process. They will also provide them with program information, application guidelines (which include the program assessment criteria) and any other relevant material. These should be reviewed prior to the admission committee meeting.

When an application is received at Creative Trust, relevant staff members review it for completeness and eligibility. Following the assessment visit and completion of the assessment template and staff reports, all application materials, assessment templates and reports are then photocopied and sent to the members of the admission committee, for review in advance of the meeting.

Participating in Committee Meetings

When the committee convenes to discuss the relative merits of the applications, their discussions are chaired by the Committee chair and recorded by the recording secretary.

Committee members evaluate each application against the published program objectives and assessment criteria, and any relevant Creative Trust principles and policies. Committee members consider the templates and reports prepared by Creative Trust staff, and also read the support material supplied by applicants.

Committee members discuss each application, and rank the applications in priority order for admission. The chair of the committee ensures clarity in all decisions and recommendations, which are recorded by the recording secretary.

Committee members are then asked to sign a document confirming that the records accurately reflect their decisions. These documents are official records that attest to the legitimacy of the committee process.

Confidentiality of Information

Admission committee members are required to keep both the contents of applications that they review and the deliberations of the committee confidential.

Staff members are required to keep their written assessments and reports confidential.

The names of the committee members who assess applications for admission are available to candidates, on written request, once the results have been released.

If the committee asks to have comments about a specific application conveyed to an applicant, they are included in the notification letter. In keeping with the confidentiality of information policy, the comments are not attributed to individual committee members.

The admission committee books (the photocopies of the applications that are sent to committee members before the meeting) are the property of Creative Trust and committee members cannot

take the applications away after the committee meeting. These books are shredded immediately after the meeting.

Conflict of Interest

To preserve confidence in the integrity and impartiality of the process, committee members must avoid any actual or perceived conflict of interest.

Creative Trust admission committees will include working arts professionals. They may, therefore, have some connection with an applicant whose submission they have been asked to consider. An admission committee member would, however, be in a conflict of interest situation if assessing an application from a full-time employer, a client or an organization of which he or she is a board member.

Similarly, the committee member has a conflict of interest if assessing an application where:

- He or she has a direct financial interest in the success or failure of an application
- The applicant is a spouse/partner or immediate family member of the committee member
- A spouse/partner or immediate family member is a senior staff member, contractor or board member of the applicant organization, or for whom they serve as a consultant in strategic or financial planning
- A committee member judges he or she is unable, for any other reason, to assess the application objectively

Committee members who have, or feel they could have, a conflict of interest must declare that conflict before receiving application review materials; members with a declared conflict will not receive application review materials for applicants with which they have a conflict. Conflict of interest disclosures should be made in writing, using a standard form. These disclosures are kept on file and maintained as an official record of Creative Trust.

Committee members who have a conflict of interest must remove themselves from the room before the application in question is discussed, as well as when final evaluation and ranking takes place. Note that other committee members must not discuss this application at any time with the committee member who has the conflict of interest.

All committee members must complete the disclosure form, even if they have nothing to disclose, to indicate that they have considered the situation. These documents are official records that attest to the legitimacy of the committee process.

Clarifying Roles and Responsibilities

Admission Committee Members

Information included in applicants' files is confidential, and admission committee members must not divulge or discuss such information outside the committee meeting. Further, they may not divulge any information about individual applications, admission recommendations, comments made by other committee members or whether an organization has applied for a grant. Committee members are permitted to discuss only the mechanics of the process outside the meeting.

Committee members are expected to make every possible effort to maintain the integrity of the process, which includes:

- Reviewing all applications and accompanying material sent to them prior to the meeting
- Working together with other committee members to assess applications in a spirit of collaboration, which includes permitting all members to express their views
- Declaring any conflict of interest and following Creative Trust’s conflict of interest procedures
- Making decisions on each eligible application submitted to the competition and signing the required documents to confirm the committee’s recommendations
- Respecting the confidential nature of their work

Staff

Staff do not have a vote at Admission Committee meetings, but are key to organizing admission committee evaluations. Their responsibilities include:

- Briefing committee members on their responsibilities, Creative Trust’s principles and policies, program objectives and application guidelines (the guidelines include the assessment criteria)
- Providing any fact-based contextual or background information they might have concerning applicants or applications
- Recording the committee’s decisions and recommendations
- Communicating the results to all applicants

Chair

The chair is essential to the function of the Admission Committee evaluations; the chair's responsibilities include:

- Chairing the committee meetings, which includes ensuring that each member has the opportunity to express his or her opinions, keeping communication flowing openly, ensuring that all applications are treated equitably, and moving the committee members through the various phases of the assessment process
- Ensuring that the conflict of interest guidelines are followed

Participant Company Recommendation for Agreement

Recommendation to the Creative Trust Board on behalf of the Admission Committee following review of applications.

Company: _____ (“the Company”)

1. Application

Creative Trust has reviewed the Company’s application and determined that the Company is eligible and the Creative Trust Admission Committee has reviewed and recommended the Company for admission to the *Working Capital for the Arts Program*.

Date: _____

Board has selected the Company for admission to the Program. Date: _____

2. Financial Status at Admission

Base year financial review conducted – Audited Statements dated:

- Total Revenues \$
- Accumulated Deficit \$ as percent revenues %
- Accumulated Surplus \$
- Working Capital Position \$
- Private Sector Funding \$ as percent revenues %

3. Work Plan

Work Plan agreed with Company ___yes___

Principal elements of Work Plan:

Deficit Elimination:

Operational Processes:

Artistic Centre:

Professional Leadership:

Board Development:

Fundraising:

Facilities:

Audience Development:

4. General Comments:

5. Recommendation

It is recommended that the Company be admitted to the Program and that an agreement in evidence of this admission be executed with Creative Trust and the Company.

Executive Director: _____

Date: _____

Jini Stolk

Creative Trust Board Approval Date: _____

Admission Letter

December 16, 2003

To successful applicants to the Working Capital for the Arts Program.

On behalf of the Board of Directors of Creative Trust, I am delighted to say that (company's name) has been approved for admission to the Working Capital for the Arts program, conditional on our receiving final 2003 audited statements that show no material change from the year-end financial (drafts) provided with your application. We also require a signed copy of your board's resolution supporting the application and committing to fulfill the requirements of the program as described in the Working Capital for the Arts Program Description.

In deciding which companies would be admitted to the program in Round 1, the board of Creative Trust considered the recommendations of the Admission Committee, which met separately to review each applicant's submission in detail. The committee's mandate was to determine those organizations that fully met the eligibility criteria and were most capable of benefiting from the program's sustainability content and successfully completing their individual work plans.

The board, in considering the committee's recommendations, also took into account Creative Trust's current fundraising achievements and financial position, as well as our intention to admit additional companies to the program in Round 2. We are pleased to say that more than 50% of Creative Trust's overall six-year funding target has been secured. On this basis we will be able to provide the technical assistance and deficit reduction components of our program, as well as Working Capital Awards totaling 15% of base (2003) revenues – these Awards will be made in four equal annual instalments

to those companies that succeed in meeting the requirements of their agreed-upon work plans. The Awards percentage may be increased if our fundraising campaign proceeds successfully.

Confirmation of your entry into the program will follow review of the required financial and board materials above, and upon our reaching mutual agreement as to your individual work plan requirements. This work plan, once it is completed and agreed to, will be the basis of a contract between you and Creative Trust that will detail both parties' obligations and expectations under the Working Capital for the Arts program.

We will be in touch very shortly to set a time to begin developing your work plan. We very much look forward to working with you, and wish you and everyone at the company a very happy holiday season.

Yours truly,

Jini Stolk

Executive Director

Participant Agreement Form

Approved April 13, 2004

The Agreement Form was a legally binding document, which detailed Creative Trust's financial obligations including the exact grant and award amounts each company would be eligible to receive; and the company's obligations to Creative Trust under the terms of the Working Capital for the Arts program.

AGREEMENT

Entered into this day of , 2004

BETWEEN

("the Company")

AND

Creative Trust for Arts & Culture
("Creative Trust")

WHEREAS

- A. Creative Trust has developed a program, Working Capital for the Arts, ("the Program"), designed to assist certain performing arts companies in Toronto to achieve long-term sustainability
- B. The Company has applied to join the Program, and has expressed a willingness to participate fully in the Program; and

- C. The Company and Creative Trust have agreed to describe the terms and conditions which apply to the participation of the Company in the Program.

THEREFORE, in consideration of the mutual provisions contained in this Agreement, the parties agree as follows:

1. Company Must Be and Remain Eligible

The Company acknowledges and agrees that it must at all times remain eligible to be a participant in the Program. Such eligibility includes the requirements of the Minister of Canadian Heritage as follows:

- Is incorporated as a not-for-profit, charitable corporation
- Has a mandate based on the professional creation, production and presentation of arts programs
- Has been in continuous operation for a minimum of four years prior to admission to the Program
- Regularly schedules programming and has community outreach programming
- Has a full-time administrative staff and an active board of directors who will be engaged in the Program
- Has revenues in the year of admission of no less than \$400,000 and which do not exceed \$4,000,000 per year
- Has private sector (individual and corporate) financial support

- Did not carry a deficit in excess of 20% of its most recent annual operating revenues in the year of admission; and
- Has “broken even” in the year of admission prior to entry into the Program (“break even” is defined as a surplus on operations or a financial shortfall that is less than 1% of the operating revenues)
- Is not insolvent and has not made any compromise of claims by creditors.

If the Company is no longer eligible, at the option of Creative Trust, this Agreement may be terminated immediately by Creative Trust, or payment of money or provision of services by Creative Trust delayed or suspended or cancelled, until the Company becomes eligible.

2. Term of the Agreement

This agreement will come into force upon the execution by the duly authorized representatives of the Company and of Creative Trust. The obligations of Creative Trust will terminate upon the earliest of:

- i) The receipt by the company of its final installment of any working capital award; of
- ii) In the event of a failure of the Company to meet the terms and conditions of this Agreement or the requirements of the Program, at any earlier date, as Creative Trust shall in its absolute discretion determine and communicate by notice in writing to the Company.

All obligations of the Company shall survive the termination of this Agreement.

3. Work Plan

The Company has developed and shall operate in accordance with the Work Plan which is appended to and forms a part of this Agreement. The Company agrees that the objectives of the Work Plan will be met within the times agreed therein, and that any amendment to the Work Plan shall require the prior approval of Creative Trust in writing and shall be deemed to amend this Agreement accordingly.

Creative Trust will provide such technical assistance and recommendations as Creative Trust deems may be helpful in achieving the objectives of the Work Plan at no cost to the Company, and the Company shall in good faith consider such recommendations.

It is understood and agreed that failure by the Company to meet the Work Plan objectives or to make sufficient progress on the Work Plan, as Creative Trust may in its sole discretion determine, may delay or cancel the Company's eligibility to receive Working Capital Awards, or result in the termination of this Agreement.

4. Base Year, Revenues and Accumulated Deficit

Attached hereto is a copy of the audited financial statements of the Company for year ending (insert date here). The Company shall immediately bring to the attention of Creative Trust any material changes to the financial matters contained in the financial statements. The company shall provide additional financial statements as described in paragraph 7.

Based on such financial statements, the parties agree that for the purposes of the Program, the Company's base year-end is (insert date here). It is agreed the Company's base revenues (the "Base

Revenues”) for purposes of calculating Working Capital Awards is (insert number here) and that the Company’s base year working capital is (insert number here).

It is further agreed that the Company’s accumulated surplus is (insert number here).

Any change to the Company’s financial year-end during the term of this Agreement will require the prior written approval of Creative Trust. Any material change to the financial statements of the Company may result in delay or cancellation of eligibility to receive a capital award or termination of this Agreement.

5. Elimination of Accumulated Deficit

In the event there is a Deficit as stipulated in paragraph 4, it is a condition of eligibility for the Working Capital Awards phase of the Program and the Company agrees that the Deficit must be eliminated before the Company is eligible for Working Capital Awards, and that the Deficit must be eliminated within two years.

The Company will eliminate one-half of the Company’s Deficit by (insert date here). Creative Trust agrees to assist the Company in eliminating all of its Deficit by matching the amount by which the Deficit is reduced by the Company. Creative Trust’s contribution to the Deficit elimination shall be limited to the lesser of one-half of the Company’s Deficit or the amount required to eliminate the Deficit after the Company has made its contribution.

The first contribution by Creative Trust shall be made when a portion of the Deficit has been eliminated as evidenced by the Company's approved audited financial statements and the Company is otherwise in compliance with this Agreement.

6. Annual Reviews

Within one hundred calendar days of each year-end during the term of this Agreement, or such longer period as Creative Trust may agree, the Company shall submit to Creative Trust its approved audited financial statements at and to that year-end, together with a written progress report in form and content as Creative Trust may require. Thereafter, Creative Trust shall conduct with the Company an Annual Review, the results of which shall determine the conditions for the Company's receipt of future Working Capital Awards. Successful results shall include the requirement that the Company has broken even and shows no accumulated deficit.

7. Working Capital Awards

Subject to the determination by Creative Trust that:

- Progress on the Company's Work Plan is proceeding as described in paragraph 3
- The requirements for first Annual Review, as described in paragraph 6 have been met
- The approved audited financial statements are unqualified and demonstrate that a break-even on current operations has been achieved
- The Company has no Deficit; and
- The Company is in compliance with this Agreement

The Company will be eligible to enter the Working Capital Awards phase of the Program.

Subject to the conditions of this Agreement, the Company will be eligible to receive total Working Capital Awards of (\$....).

Provided that Creative Trust is satisfied with compliance at each Annual Review, a Working Capital Award installment of (insert number here), being one-quarter of the total Working Capital Awards for which the Company is eligible, will be paid to the Company. Approval for payment by Creative Trust for a portion of the Working Capital Award shall be no guarantee that the balance of the maximum amount shall be paid.

Should the Company not achieve a break-even in a year in the Program and provided the balance of the Agreement is complied with, a year's grace will be allowed wherein the Company must eliminate the annual loss, in order to receive the subsequent installment. Only one such grace period will be permitted.

8. Retention of Working Capital Awards

For the purposes of the Program, "working capital" is defined as the difference between current assets and current liabilities, as they are reported on the balance sheet of the Company's approved audited financial statements.

While it is permitted that Working Capital Awards may be used for short-term requirements, It is a condition of the payment of any Working Capital Award installments that all prior installments from Creative Trust shall be in the working capital of the Company at each year-end and that this shall be

evidenced by the change in annual working capital from base year working capital, (adjusted to account for any Creative Trust deficit elimination contribution). The financial statements must reflect this as a reserve on the balance sheet of the Company.

Prior to completion of the Program or earlier termination of this Agreement, the Company shall propose an application of the working capital generated by its participation in the Program for approval by Creative Trust. Creative Trust's approval of this plan and an undertaking from the Company to comply with such plan shall be a pre-condition to its payment of the final installment under the Working Capital Awards program.

9. Donor Recognition

For the duration of this Agreement, the Company will recognize its participation in the Working Capital for the Arts Program of Creative Trust and the contributions of Creative Trust and its donors in its printed and electronic materials in accordance with the form that is attached to and is a part of this Agreement.

All forms of recognition shall be submitted to Creative Trust and shall be subject to the prior approval of Creative Trust.

10. Overriding Condition of Payment

Payment of any money to the Company by Creative Trust pursuant to this Agreement is conditional on Creative Trust being in receipt of sufficient funds from its own donors. The Company acknowledges and agrees that Creative Trust's liability under this Agreement is limited to the amount

Creative Trust actually receives for purposes of the Program and further that in the event Creative Trust has insufficient funds, Creative Trust may reduce or eliminate any or all payments to the Company. For greater certainty, the Company acknowledges that it is one of several organizations with which Creative Trust may enter agreements similar to this Agreement and in the event of insufficient funds, Creative Trust shall be entitled to determine in its sole discretion which of such organizations, if any, shall receive funding.

11. Notices

Notices required under this agreement shall be given in writing or by electronic mail to the following addresses:

The Company:

Creative Trust for Arts & Culture

12. Termination of Agreement

This Agreement may, at the option of Creative Trust, be terminated and Creative Trust shall be relieved of all obligations hereunder in the event that the Company ceases to be eligible to participate as described in paragraph 1, or otherwise is in breach of this Agreement.

13. Amendments

Amendments to this Agreement shall be in writing and executed by both parties.

14. Attachments Form Part of Agreement

The following attachments form part of this agreement:

- Approved audited financial statements for the base year, dated *(Date)*
- The Work Plan, dated *(Date)*
- Company Board Resolution, dated *(Date)*
- Donor Recognition requirements

Breach of the requirements imposed on the Company by any of the attachments shall be considered a breach of this Agreement.

15. No Partnership

This Agreement does not create a partnership or joint venture between the Company and Creative Trust.

16. Agreement Supersedes Prior Negotiations

This Agreement constitutes the entire Agreement between the Company and Creative Trust and supersedes all previous negotiations, communications and other agreements, except to the extent they are incorporated by reference into this Agreement.

In evidence of the agreement reached, the duly authorized representatives of the parties have executed this agreement on the dates indicated.

for The Company:

_____	_____	_____
General Manager	Artistic Director	Board Chair
Date:	Date:	Date:

(We/I have authority to bind the Company)

for Creative Trust:

_____	_____
Jini Stolk, Executive Director	Mallory Gilbert, Treasurer
Date:	Date:

(We/I have authority to bind Creative Trust)

Company Board Resolution

Whereas (COMPANY) has applied to and been accepted for admission to the Creative Trust program “Working Capital for the Arts” and the Company wishes to participate in the program under the terms and conditions of the Agreement to be entered into with Creative Trust for Arts & Culture, as circulated to the meeting, it is resolved that:

1. The Board Chair, the General Manager and the Artistic Director are authorized to execute the Agreement and to agree the Work Plan, and

2. The board and professional staff are committed to the carrying out of the agreed upon Work Plan and the terms and conditions of the Agreement.

Certified to be a true copy of a Board resolution of (COMPANY) passed at a duly constituted board meeting on (*Date*).

Secretary of (Name)

Date:

Donor Recognition and Benefits Requirements

Recognition

Companies participating in the Creative Trust: *Working Capital for the Arts* Program (“the Program”) agree to recognize and acknowledge Creative Trust, and the financial support provided to the Program by major government, foundation, corporate and individual donors, according to the following guidelines:

- Public notices and press releases related to participation in the Program, or to the receipt of financial grants and/or awards, must be coordinated with Creative Trust. The participating company will notify Creative Trust in advance of such public notices and press releases.
- A mutually acceptable space must be provided in the participating company’s theatre programs, annual reports, newsletters and other appropriate publications, as agreed to in advance of publication.
- If the participating company has a website, it must include acknowledgement of Creative Trust and, wherever possible, acknowledgement of Creative Trust’s major donors, in a format to be agreed to in advance of posting.
- Where appropriate, signage will be placed in the participating company’s theatre lobby, as agreed to in advance and supplied by Creative Trust.

The above recognition and acknowledgements will be as provided and regularly updated by Creative Trust in the form of templates, which will be made available in a variety of sizes and formats.

Provision of Benefits

Annual Event

Creative Trust intends to hold an annual event to give recognition to Creative Trust's major donors and provide an opportunity for their representatives to meet with Creative Trust participating companies, and witness the scope and creativity of the mid-size music, dance and theatre sectors. Companies participating in the Program may be invited to host such an event, which will usually include a performance, or workshop, and reception. All arrangements, and the mutual responsibilities of Creative Trust and the participating company for planning, preparation, programming and cost coverage, will be mutually agreed to in advance.

Educational Outreach

Companies participating in the Creative Trust: Working Capital for the Arts program will be invited, where appropriate and as mutually agreed to in advance, to provide a limited number of complimentary tickets to performances, workshops and/or dress rehearsals. These will be made available to students of music, dance and theatre at selected performing arts schools and colleges as part of Creative Trust's Education Outreach Program.

Donor Employee Participation

A limited number of Creative Trust’s major corporate donors may wish to provide their Toronto employees with the opportunity to receive advance notice of performances by the Program’s participating companies, and the exclusive opportunity to purchase a limited number of half-price tickets to these events, as mutually agreed to in advance. Access to such tickets would be made exclusively through donor corporations’ employee websites and/or newsletters; would be on a “first come first served” basis; would be limited as to total number of tickets available from any one Creative Trust participating company; and would pertain to productions and/or performances by Creative Trust participating companies as mutually agreed to in advance.

Work Plan Review, Annual Review Meetings, Grant and Award Approval and Payment Process Policy

Approved by the Board of Directors of Creative Trust – September 14, 2004

Revised by the Board of Directors of Creative Trust – February 21, 2006

This process document “will cover Work Plan reviews, Annual Review Meetings, approval for deficit elimination grants and working capital awards payments, and the monitoring of operating and financial conditions for awards and evaluation”. *(extract from “The Agreement Process” of May, 2004)*

Work Plan Reviews

- Each company that has executed an Agreement with Creative Trust, will be monitored by Creative Trust consultants on a regular basis (as frequently as its conditions warrant) as to progress made on its Work Plan.
- Reports on the Work Plan progress of each company will be made to Creative Trust by the consultants on a regular basis.

Annual Review Meetings

- At the end of each company’s fiscal year audited financial statements will be prepared by the company’s auditors and approved by its board.
- Within 100 days of each company’s year-end an approved audited statement will be filed with Creative Trust, together with a completed annual report form, detailing Work Plan

progress. This report to be signed by the board president, the artistic director and the general manager.

- Creative Trust’s Executive Director and consultants will review the statements and report, and meet with the board president or his/her representative, the artistic director and the general manager of each company to discuss the annual report and financial statements, and agree to amendments to the Work Plan. The agenda of these meetings will be as follows:
 - Creative Trust representatives will make brief observations on the company’s annual report, financial statement and work plan progress, asking for clarification where needed and dealing with anything requiring comment or discussion.
 - The board, artistic and management representatives will be asked to summarize, from their particular perspectives, the company’s major successes of the year in regards to its movement towards being a healthier organization.
 - The board, artistic and management representatives will be asked to identify the major challenges facing the company in the coming year, and how they are planning to meet them.
 - The board, artistic and management representatives will be asked to identify the body of work they anticipate undertaking, with the help of Creative Trust, in the coming year.
 - Changes or additions to the company’s Work Plan, arising from the above discussion, will be identified and agreed to.

- A recommendation for a deficit reduction/elimination grant or Working Capital award payment, under the terms and conditions in the company’s Agreement with Creative Trust,

along with a summary evaluation of the company's situation and progress within the Creative Trust program, will be presented by the Executive Director to the Creative Trust Board.

- If a grant or award payment is not being recommended, a summary evaluation of the company's situation, and the reasons why payment is not being recommended, will be presented by the Executive Director to the Creative Trust Board.

Grant and Award Approvals and Payment

- The Board of Creative Trust will consider and approve grant and award payments to companies.
- Approved grant or award payments will be processed and forwarded to the companies, along with a letter communicating the decision of the Board.
- At least annually, the Board of Creative Trust will review the progress of fundraising and prospective expenditures to consider increasing the level of Working Capital Awards, and will advise participants if such increases are made.

Monitoring Conditions for Awards

- For each successive year in the Creative Trust Program, Work Plan progress will be monitored and annual reviews conducted as per the agenda above, prior to recommending grant or award payments to the Board of Creative Trust.

The Annual Review: Report and Meeting Policy

October 6, 2004

An annual review will be conducted of each participant's progress; the review will include a self-assessment report. This review will ensure that the company has remained in financial balance, and will allow an opportunity to make any required adjustments to its Work Plan. It will also ensure that any financial or operating crisis, unforeseen leadership transition or need to act immediately on an important issue or opportunity is identified and addressed, and that special help is provided.

The annual report will be submitted with your audited financial statements, which are due, according to the terms of your Agreement with Creative Trust, within 100 days of the fiscal year end of each year of participation in the program.

You will receive an Annual Report Form, which will direct you to submit a Report of no more than three pages in length (excluding attachments.) Its purpose is to allow you to summarize your work under the *Working Capital for the Arts* program during the previous year, and to detail your progress in fulfilling the elements of your Work Plan, which is integral to your Agreement with Creative Trust.

You will be asked to briefly detail both the process you have undertaken, as well as any results achieved on each element in your Work Plan. You will also be asked to attach documentation of your process and/or final results for each element.

If there are elements of your Work Plan which you have not yet begun to address, please indicate in your Annual Report your plans and anticipated timing for beginning work in this area.

After reviewing the above, we will meet with you in an Annual Review Meeting to discuss your report and our own evaluation of your progress under the program; we will also at that time discuss and agree to next stages of the Work Plan.

Work Plan and Targets

Organization: _____ Fiscal Year-end: _____ Plan Agreed: _____ Date: _____

Work Process	Responsibility	Immediate Target (End of Fiscal Year)	Intermediate	Long Term

Deficit Retirement Process	Responsibility	End of Fiscal Year Target	Year 1 Target	Year 2 Target

Working Capital Process	Responsibility	End of Fiscal Year Target	Year 1	Year 2	Year 3	Year 4

Sample Work Plan for Companies with Deficits

Organization:

Plan Agreed By:

Date:

Work Process	Responsible	03-04	04-05	05-06			
<p>Artistic Centre Revisit and reaffirm the artistic leadership's vision-complete Vision Statement</p>	<p>individuals' names (or board/staff)</p>	→					
<p>Working format and infrastructure: Clarify and document how production format works Develop plan to address human resource deficit</p>			→				
<p>Organizational Equation Balance scope of artistic programming with available financial, human, technical, time & facility resources Ensure effective financial systems are in place to be able to know condition of equation at all times</p>		→	→				
		→	→				
<p>Board Development Define Board role and function in next evolution Begin casting to build effective Board</p>		→	→				
		→	→				
<p>Centres of Activity Determine Centres of Activity to set objectives and build strategies and plans to fill any gaps</p>			→	→			
<p>Audience Development and Relationships Develop plan to nurture relationships with theatres that make sense to be at</p>			→	→			
<p>Facility Develop plan for on-going building maintenance, relationship with City</p>				→	→		

Organization:

Plan Agreed By:

Date:

Deficit Retirement Process	Responsible	End of Fiscal Year Target	Year 1 Target	Year 2 Target
Develop strategy to eliminate accumulated deficit		\$15,000 retired	\$25,000 retired	\$25,000 retired

Working Capital Process	Responsible	End of Fiscal Year	Year 1	Year 2	Year 3	Year 4
Begin to develop plan for use of Working Capital Awards		—————→				

Work Plan Review and Updating Process	Responsible	End of Fiscal Year	Year 1	Year 2	Year 3	Year 4
Review Work Plan progress; revise and update for next fixcal year	CT and GM, AD, and Bd President	At each Annual Review				

Process and Timing for Release of Deficit Retirement Funds or First Working Capital Award Installments

October 6, 2004

The following summarizes the process and timing of Creative Trust's release of deficit retirement funds or first working capital award installments. Full details are contained in the signed Agreement, which includes all relevant caveats and conditions.

Participating Creative Trust companies will be eligible to receive **deficit retirement funds** following their 2004 fiscal year-end if the following are satisfactorily completed:

1. We receive audited financial statements approved by your board, due within 100 days after your year-end, showing a reduction in your accumulated deficit, along with an annual report detailing your Work Plan progress to date.
2. After reviewing the above, we will meet with you to discuss your report and our own evaluation of your progress under the program; we will also discuss and agree to next stages of the Work Plan.
3. Providing that we deem that your company is making satisfactory progress on meeting its Work Plan requirements, and that we mutually agree on next stages, we will bring a recommendation to the next meeting of the Creative Trust Board to approve a deficit retirement grant (equal to the amount by which your deficit has been reduced by year-end 2004, as evidenced in your financial statements, up to a maximum of the eligible amount in your Agreement).

4. At its discretion, the Creative Trust Board will approve and authorize a deficit retirement grant to be paid.

Participating Creative Trust companies who entered the program without an accumulated deficit to retire will be eligible to receive their first **Working Capital Award installment** following their 2004 fiscal year-end if the following are satisfactorily completed.

1. We receive audited financial statements approved by your board, due within 100 days after your year-end, showing a break even or better for the year, along with an annual report detailing your Work Plan progress to date.
2. After reviewing the above, we will meet with you to discuss your report and our own evaluation of your progress under the program; we will also discuss and agree to next stages of the Work Plan.
3. Providing that we deem that your company is making satisfactory progress on meeting its Work Plan requirements, and that we mutually agree on next stages, we will bring a recommendation to the next meeting of the Creative Trust Board to approve a first Working Capital Award (equal to the eligible annual award installment in your Agreement).
4. At its discretion, the Creative Trust Board will approve and authorize a Working Capital Award installment to be paid.

Outreach Program Funding Proposal

In 2004, Creative Trust decided to expand its capacity building work to include small and diverse organizations and to include these groups in its workshops and other learning programs. This application for funds was approved and the program was announced in early 2005.

Reaching Small and Diverse Organizations: Project Proposal

Specific Objectives

- Provide organizations assistance in articulating and making effective use of artistic missions
- Provide organizations with management, financial, governance and planning skills
- Build the capacity of organizations to develop, improve and expand programming and other community services
- Encourage positive and supportive relationships between artistic impulse and fiscal bottom line
- Assist organizations to develop new revenue streams
- Assist volunteer board members to make meaningful and satisfying contributions to organizations
- Encourage new volunteers
- Facilitate the sharing of skills and resources, encourage partnerships and mentoring, and provide a model for continuing co-operation

Outreach Seminars/Workshops

Current Dates: June – finance session
 October – board governance session

Prospective Outreach Seminars/Workshops

- Management for the Arts – new administrators
- Marketing for the Arts – how to reach your audience
- Finance Session (other options) – deficit reduction, budgeting, cashflow crises, “Why a break-even is not enough”
- Community Programming – how to expand and reach further
- Board Members – for current and prospective board volunteers, how to be a positive and effective board member
- Communication – how to tell stakeholders what they should know in good time

Roundtables

Current Dates: May – participating organizations
 September – participating organizations

Prospective Outreach Roundtables

- Board – how to use them effectively
- Collaboration – co-sponsors, events, producers
- Communication – donors, funders, audience

Publications

- Industry Newsletter – specific communication to outreach participants
- E-news – specific communication to outreach participants
- Protected website section – post info, chats, tips, upcoming info etc.

- Notes from seminars – create outcome materials for other organizations

Prospective Outreach Programs

Creative Trust Arts Group

- Group of professionals attend productions
- Provide industry feedback
- Write content for our communications
- Roundtable discussion with staff
- Get broader sense of cultural activities in Toronto

Proposed Selection Process - Outreach Program Participants

For consideration by the Creative Trust Board; approved January 18, 2005.

Background

Funding for the Outreach Program has been provided by the Ministry of Culture, the Harbinger Foundation, and the Laidlaw Foundation. A request is under consideration by DCH. The full scope of the program will be dependent upon the amount of DCH funding received. In the meantime, preparations are being made for launching the program as soon as DCH funding is confirmed.

1. Key funders working with small and diverse organizations have been asked, via email and a follow-up phone interview, for their input and comments on the list of prospective participants contained in the grant applications prepared for Outreach program funders. This list includes: the Toronto Arts Council (music, theatre, dance officers), the Ontario Arts Council (music, theatre, dance officers), the Trillium Foundation, the Laidlaw Foundation, the George Cedric Metcalf Charitable Foundation, and the Canada Council Equity Office.
2. Organizations on the revised list will be informed of the program and asked for an indication of interest in participating. Financial statements and a brief analysis of their organizational situation will be submitted with the expression of interest.
3. An ad hoc selection committee (proposed membership: Jini Stolk, Jane Marsland, Rose Jacobson, Quammie Williams, Soraya Peerbaye) will review the list and prepare a recommended list of participants to the board. TARGET DATE: February 4, 2005

4. The Board will consider the recommendations of the committee and make final decisions. TARGET DATE: February 22, 2005

5. Selected companies will receive an information package on the program and an invitation to participate. TARGET DATE: February 28, 2005

6. A separate process for any capacity building funding available through the process will be developed and brought to the board for consideration.

‘Reaching Small and Diverse Organizations’

February 4, 2005

First Advisory Committee meeting agenda and notes.

Participants:

Soraya Peerbaye, Quammie Williams, Jane Marsland, Jini Stolk, Rose Jacobson

1. Review of core principles for participation in CT Program and modification to suit Outreach

Initiative goals where required re:

- Eligibility assessments
 - Budget size
 - Number of companies
 - Representational mix: genres, disciplines, regions, size, etc.
2. Review of groups on Creative Trust start-up list
 3. Assessment of newly recommended groups
 4. Final selection; waiting list
 5. Review of comments and topics suggested by consultants polled
 6. Next steps: Critical Path

Comments and Questions from Consultants

1. Are groups being measured for the program by their current capacity or potential capacity?
2. Does the program exist to help manage growth?
3. Is there room for a number of individual artists who do project-based work? (e.g. Alejandro Ronceiras)

4. How do we propose formalizing shared resources between companies?
5. What are the regional boundaries for program participation?
6. Do all companies need to have operating status? Where do ensembles fit? What is the budget cut off point?
7. Kudos on the combination of group and one-on-one programming
8. Essential that this not be another “love em and leave em” initiative where expertise comes in, prescribes and leaves! Companies need and deserve “coaching” and cheer-leading” over a protracted period of time.
9. Scale the program topics, speakers, etc. to suit participating companies’ needs and don’t use models which are too big or irrelevant; program through inductive thinking.

Suggested Program Topics by Consultants

1. CO-OPS AS A MODEL for resource sharing by small and diverse companies. Eligibility criteria for funding co-ops in addition to funding individual member companies within a co-op. (* link with an ASO that represents Co-ops, OAC contact).
2. AUDITING PRACTICES FOR SMALL COMPANIES: auditing tools, how to assess and hire an auditor, how to assess an audited statement; best practices.
3. HR NEEDS of small and diverse companies: No company is ever too small to ignore personnel issues - professional, practical and ethical. Learning how to maintain a healthy workplace.
4. FINANCIAL FORECASTING: De-mystifying Projections and Actuals
5. SHARING CAPACITY BUILDING MODELS WITH THE UNITED WAY/MAYTREE and TRILLIUM FDNS.

Outreach Program Invitation to Participate

April 4, 2005

Dear _____,

We are very pleased to invite your company into Creative Trust's new Outreach Initiative; a program designed to help diverse, small and indie companies build strong and stable support systems.

Your company has been selected for its artistic vitality, its vision and your efforts to develop and stimulate a diverse, engaged audience. We respect and appreciate the autonomy of your creative processes and view our contribution as part of an effort to strengthen the performing arts community as a whole.

Between May 2005 and May 2006, Creative Trust hopes to offer financial, management and audience development expertise enabling you to better sustain, nurture and grow your programming and personnel. We plan to do this through learning, sharing and exchange – a dynamic process that builds relationships and recognizes diverse cultural perspectives, methods, successes and challenges at every step of the way. The program is being offered free of charge.

Creative Trust's original program - Working Capital for the Arts - was launched in 2003 to support and strengthen Toronto's mid-size creation-based companies by assisting them in their planning and financial skills, achieving organizational and financial balance and acquiring and maintaining a fund of working capital. It combines an intensive working process in which participating companies obtain technical assistance for strategic planning, financial management, fundraising and any other area of need, with matching deficit elimination grants and working capital awards. Eleven companies took part in Round One. In March 2005 four new companies were invited in as full participants of Round Two along with seven other companies who

will receive technical assistance only. Full details of the program can be found on the website: www.creativetrust.ca.

The Outreach Initiative will accept applications and offer modest grants towards the conclusion of the cycle to those companies with identified capacity building needs. Since the Outreach Initiative is significantly funded by the Department of Canadian Heritage, only companies which are not being funded by DCH's Capacity Building Program in that fiscal year will be eligible for the grants. Whether or not you qualify for a grant at that time you are still eligible to participate in the program.

We hope that you will read the enclosed Program Overview and Highlights carefully and share them with your key colleagues as soon as possible. While the turn around time is short we are eager for your response, as the inaugural Roundtable takes place on May 9th. In order to confirm your participation we will need to receive your expression of interest and response sheet back by April 18th signed by you. We also need your most recent audited financial statement or the most recent financial statement you submitted to funders.

We are excited by the prospects of forming a group of twenty to thirty companies for the Outreach Initiative. This group will interface with members and activities of the Working Capital Program enabling creative, active relationships to form. We urge you to consider the Initiative with all possible interest and look forward to your response as soon as possible.

Sincerely,

Rose Jacobson, Project Manager

Jini Stolk, Executive Director

Outreach Program Update

May 28, 2005

Following the Financial Seminars on May 16-17, I reviewed all the response sheets from Outreach participants to date and compiled an excel worksheet with thumbnail profiles on each company for planning and programming use. It includes Notes on Company Strengths and Needs/Challenges as articulated by the groups themselves. There are 27 confirmed groups in total: 19 companies attended the inaugural Concepts Roundtable and 8 companies were not available or had not yet been invited into the program at that time.

Upcoming Programming (see Critical Path):

1. Catch-up session with Nello and George for the 8 companies who missed the Concepts Roundtable
JUNE 22
2. Mission Statement Breakouts with Jane, Nello and George x 19 companies JUNE 22
3. Scheduling Cluster sessions x 6 cluster groups with local resource teams JULY – SEPT.
4. Forward planning re Green Room/Sessions: ‘Multi-Use Spaces’ and ‘Split Focus Audiences’

Company Profiles: Based on the profiles, participation in the program to date, prior knowledge of artistic and administrative leaders/staff, their programs and histories I drew up the following:

1. a list of issues of a non-generic nature that were mentioned repeatedly in the response sheets
2. a list of basic issues of concern to all companies
3. clusters of 4-5 companies which will benefit most from doing sessions together. I recommend that small group clusters replace one-on-ones with the specialists during the summer months and perhaps beyond, in sessions guided by tag-teams of 2 specialists each.

Cluster Groups: Jini, Shana and I agree that clusters are a great way to maximize learning, build local expertise, encourage inter-company relationships and working collaborations. We, as local resource people will tag-team rather than going it solo. Two personalities and sets of expertise are a wonderful way to engage and share expertise. George and Nello are a fabulous case in point!

Outreach Initiative Needs-Specific Topics (5 groups have not yet been included in this survey):

Multi-use Space is a hot topic for many of the companies. 6 companies have thriving studio/storage/rehearsal/office spaces they need help and support in sustaining, programming and managing. 6 other companies are actively pursuing or seeking similar spaces for themselves. The space issue for small, indie and diverse groups is distinct from that of mid-size and large companies and will be a dynamic area of exchange and a portal into other areas. Our buzzwords are “Home” and “Co-location.”

Transitions in Size and Funding are of active concern to 4-5 companies who are trying to move from project-based to core funding or ‘transitioning’ from small to mid-size in operations and programming. 5 other companies already have annual or multi year funding and accompanying issues. Everyone in the program is on the look-out for this.

Audience Retention and Split-Focus Audiences are two major specific issues within the small and diverse companies whose public identities are often split between their cultural/roots communities and the mainstream theatre, dance or music communities. Audiences come on a per show basis and do not repeat. There are distinct marketing, PR, community relations and other issues for the Outreach participants that deserve special attention and perhaps a special session. 9 companies made specific mention of the issues.

Managing Growth is of major concern to 8 groups and overlaps directly with transitioning in terms of resources and personnel.

Management Systems that work for small, indie and diverse companies are of major concern to 14 groups who feel they cannot ‘wait’ to acquire on-the-job experience but seek tools and examples immediately which they can customized to suit their individual company needs.

Succession/Transition in Artistic Leadership: 8 companies have express concerns around one or the other. 4 companies are thinking “succession” for the artistic leader while 3 others are experiencing/or attempting significant transitions in programming and scope of activity. They all claim to be at a loss as to how to do it right.

Touring like the space issue is distinct for the Outreach Companies and in many ways more active and promising than with the mid-size and large companies. The more portable nature of these groups and their cultural and artistic reach extends many of them beyond local audiences where they must establish and retain touring presenters and audiences along with co-producing and bringing international artists into their programs. 14 groups actively grapple with touring-related issues.

Staff Salaries Versus Artist Fees: 12 companies specifically grapple with underpaid core staff (admin and artistic) who tend to ‘subsidize’ the company’s programming with their unpaid/underpaid labour and enables the company to pay its artists equitable fees. This issue is separate from general infrastructure issues for the Outreach groups.

Needs Specific Topics

Multi-use Space

Transitions in Size and Funding

Foundation Topics for All

Audience Development

Financial Management

Audience Retention and Split Focus

Governance

Managing Growth

Fundraising; diversifying revenues

Management Systems

Strategic Planning

Succession/Transition in Artistic Leadership

Touring

Staff Salaries Versus Artist Fees

Recommended Clusters: based loosely on stated issues, organizational trajectories and structures, size, leadership, community roles/standing, artistic sensibilities and my intuition! Most groups are mixed disciplines except where the combination of individual companies was more important.

Community Hubs

1. Ballet Creole
2. Menaka Thakkar
3. Cahoots Theatre Projects
4. Sampradaya Dance Academy
5. Centre for Indigenous Theatre

Signature Style

1. InDance
2. Princess Productions
3. Fujiwara Dance Innovations
4. Little Pear
5. Theatre Asylum

Innovation/Fusion

1. COBA
2. Red Sky
3. b current
4. Esmeralda Enrique
5. Tribal Crackling Wind

Festival/Presenter (3 want space; TC has)

1. Muhtadhi International Drum Festival
2. CanAsian Dance Festival
3. Dance Immersions
4. Theatre Centre

Meteoric Rise

1. Obsidian
2. Native Earth
3. Crow's
4. Modern Times

Round Pegs in Square Holes

1. Clay & Puppet
2. Ensemble Noir
3. Hannaford Street Silver Band
4. Carlos Bulosan

CRITICAL PATH: June 2005

1. Approval of upcoming programming by team
2. E-mail notice out to 19 companies re: Breakouts, Tuesday, June 1st
3. Individual phone calls to 8 companies re: attendance at Concepts Session
4. June 22nd, 2:30 – 5:30 p.m. Breakouts
5. June 22nd, 6:00 – 8:00 pm. Concepts “Catch-up session”

Suggested BREAKOUT GROUPS: Mission Review

Jane	George	Nello
1. Little Pear	Menaka Thakkar	In Dance
2. Carlos Bulosan	Crow's Theatre	Ballet Creole
3. Dance Immersions	Cahoots Theatre Projects	Native Earth
4. Princess Productions	Obsidian Theatre	Esmeralda Enrique
5. Hannaford S. S. Band	CanAsian Festival	Muhtadhi Int'l Drumming
6. Clay & Paper	Fujiwara	Theatre Centre
7.		COBA

Concept Session with George and Nello

1. Sampradaya Dance Academy
2. Red Sky
3. b current
4. Modern Times
5. Ensemble Noir
6. Tribal Crackling Wind
7. Centre for Indigenous Theatre
8. Theatre Asylum

Outreach Initiative: Phase One Program Overview

Each company will participate in roundtables, seminars, learning circles and one-on-one sessions with Creative Trust's roster of specialists and facilitators. Lead Technical Assistance Directors George Thorn and Nello McDaniel of Arts Action Research (AAR) will establish the basic terms of reference and philosophical intent and will lead several key sessions.

A team of specialists to include Jane Marsland, Heather Young, Peter Brown, Rose Jacobson, Jini Stolk, Shadi Mogadime, Shana Hillman and others will conduct sessions and individual company consultations during the 12-month period. A diverse line-up of visionary and savvy thinkers and 'do'ers' will be presented through The Green Room Series during the second half of the Program.

Participants will be assigned some basic, essential "tasks" and will have time to try out and evaluate ideas and tools from the sessions. Individual consultations will focus on each company's particular needs. Mentorships and partnerships may be set-up between participants and experienced staff from larger organizations in the

Working Capital Program when specific challenges or opportunities require support and advice from a senior member of the field.

PROGRAM HIGHLIGHTS, May 2005 – January 2006:

Key Components to Organizational Health: Inaugural Roundtable

May 11th, 2005, with George Thorn and Nello McDaniel

9:30 sign-in; Session: 10:00 a.m.– 1:00 p.m., Creative Trust meeting rooms, 215 Spadina Ave., Suite 129

(Outreach Initiative Participants Only)

Financial Seminar: “Financial Management Tools and the Planning Cycle”

May 16-17, 2005 with Heather Young and Peter Brown and special guests

9:30 sign-in; Sessions: 10:00 a.m. – 4:00 p.m., Creative Trust meeting rooms, 215 Spadina Ave., Suite 129

Finance for the Arts in Canada by Heather C. Young; Cost: \$20.00, (regular value \$45.00)

(Outreach Initiative and Working Capital Participants, Round 1 and 11)

Board Development and Governance

June 21st, 2005 with George Thorn and Nello McDaniel

9:30 sign-in; Session: 10:00 a.m. – 4:00 p.m., Creative Trust meeting rooms, 215 Spadina Ave., Suite 129

(Outreach Initiative and Working Capital Round Two Participants)

Scheduling of Individual Consultations based on self-identified organizational need

(July - November slots 2005)

Clinic with George and Nello (half-hour individual consultations by appointment)

September 27th, 2005, 10:00 a.m. – 1:00 p.m. Creative Trust meeting rooms, 215 Spadina Ave., Suite 129

(Outreach Participants only)

Audience Development in Practice

September 29, 2005 with George Thorn, Nello McDaniel and others

9:30 sign-in; Session: 10:00 a.m. – 4:00 p.m., location TBA

(Outreach Participants and Working Capital Round One and Two Participants)

Financial Seminar 2: “STRATEGIC FINANCE: Risk Analysis, Asset Management, Board Relations and More!”

November 3rd - 4th, 2005 with Heather Young, Peter Brown and special guests

9: 30 sign-in; Sessions: 10:00 a.m. – 4:00 p.m., Creative Trust meeting rooms, 215 Spadina Ave., Suite 129

(Outreach Initiative and Working Capital Round One and Two Participants)

The Green Room Series Launch

December 2005, details TBA

Funding for Creative Trust’s Outreach Initiative is generously provided by the Department of Canadian Heritage, Harbinger Foundation, Ontario Arts Council, TD Financial Group, the Government of Ontario through the Ministry of Culture and Laidlaw Foundation.

Memo to Creative Trust Outreach Participants

Summer 2005

Dates to book in your calendars:

- **Mission Statement homework 1st or 2nd drafts due FRIDAY SEPTEMBER 9TH**
- **SMALL GROUP SESSIONS: JANE, NELLO & GEORGE: Sept. 27, 1:00 to 3:30 p.m.**
- **GROWING AUDIENCES: PREPARATORY Q & A Sept. 27, 4:00 – 6:00 p.m.**
- **October 17, 2005, 5:30 – 7:00 p.m.: Inaugural Green Room event, “The Ask” with Jacline Nyman and Donna Goodhand**
- **November 3 - 4, 2005: Financial Management Seminars, Round 2**
- **December 5, 2005: Green Room Holiday celebration (time TBA)**
- **January 9 to 12, 2006 Next AAR visit (details TBA)**

Greetings all!

We hope you are having a wonderful summer and managing to stay cool. It’s already August so I’d like to recap our most recent activities and remind you of upcoming dates and events.

1. Mission Statements:

On June 22nd Jane Marsland and Nello McDaniel led parallel Breakout sessions where Outreach participants who had completed their homework shared and discussed their freshly minted Mission Statements. The sessions were inspirational.

Each company was then asked to go away and write a second draft, folding in ideas and insights from the session. You were encouraged to tackle the second draft as soon as possible while ideas were fresh and forward them to Nello, Jane, myself, Jini or Shana via e-mail for feedback, thanks to those who've already sent them in.

That same evening Artistic Directors who had been unable to attend Creative Trust's inaugural Concepts Roundtable with George and Nello in May, attended a "catch-up" session led by George Thorn. At its conclusion, they were assigned the same Mission exercise to complete in first draft by September.

DEADLINE: Since many people are still working on their first or second drafts we are proposing a firm deadline for both to arrive by e-mail, fax or hard copy no later than **FRIDAY SEPTEMBER 9TH**. All e-mailed versions should be sent to admin@creativetrust.com.

2. Small Group Sessions: Jane, Nello & George: Sept. 27th 1:00 – 3:30 p.m

All Outreach participants will attend one of three parallel Breakouts with either Jane, George or Nello the afternoon of Tuesday, September 27th 1:00 – 3:30 p.m.

Those of you who received your Mission Statement assignments at the "catch-up" Concepts Session on June 22 will meet with George Thorn. Those bringing second drafts or who attended the first Concepts and Context Roundtable in May, will meet with Nello or Jane.

3. Growing Audiences: Preparatory Q & A Sept. 27th 4:00 – 6:00 p.m.

Following the Breakouts we will reconvene in one group for an interactive session with members and guests of the Creative Trust home team, 4:00 – 6:00 p.m. It will focus on your audience development needs as

creators/producers of small, diverse and indie companies and set the stage for an advanced Growing Audiences session with George and Nello in January 2006. Our frank Q& A will guarantee that your most pressing audience-related issues are addressed at the winter session.

BREAKOUT GROUPS, September 27th:

Jane Marsland:

Little Pear Garden Collective

Carlos Bulosan

Dance Immersion

Obsidian Theatre Co.

Clay & Paper

Ballet Creole

Menaka Thakkar Dance Company

Hannaford Silver String Band

Esmeralda Enrique Dance Co.

Nello McDaniel:

inDance

CanAsian Dance Festival

Fujiwara Dance Inventions

COBA

Crow's Theatre

Cahoots Theatre Project

Native Earth Performing Arts

Theatre Centre

Muhtadhi International Drumming

George Thorn:

Centre for Indigenous Theatre

Tribal Crackling Wind

Princess Productions

Modern Times Stage Company

Theatre Asylum

b current

HOLD THE DATE: Please mark off 1:00 to 6:00 p.m. September 27th for this work. You may decide how many company members will attend. We welcome more than one person per company or you may choose to time-share as you see fit. The sessions will take place at Creative Trust's Meeting Centre at 215 Spadina.

4. Upcoming Events:

October 17, 2005, 5:30 – 7:00 p.m.: Inaugural Green Room event

“The Ask” with Jacline Nyman and Donna Goodhand

Fundraising efforts often fail because of fear of “The Ask”. Get detailed advice and tips on how to present your project in the most positive and persuasive way, from session leaders major gift fundraiser Jacline Nyman and communications expert Donna Goodhand. Learn how to turn that that all-important first meeting into the beginning of an ongoing funding partnership.

November 3 - 4, 2005: Financial Management Seminars, Round 2 (times TBA)

Heather Young, Peter Brown and guest specialists

December 5, 2005: Green Room Holiday celebration (time TBA)

Keynote speaker to be announced

January 9 to 12, 2006 Next AAR visit (details TBA):

Individual meetings with AAR dates TBA

Growing Audiences Session date TBC

Please call or write Shana at the CT Offices or myself if you have any questions.

All the best,

Rose Jacobson, Project Manager

Report on Outreach Achievements

January 4, 2006

Program Review 2005

- | | |
|---|-----------|
| 1. Advisory and Participant Selection | Feb |
| 2. Report on Process to Creative Trust Board | Feb |
| 3. Invitation to/responses from Selected Companies | Feb – Apr |
| 4. Introductory Concepts Roundtable, AAR | May 11 |
| 5. Financial Management Seminar, H. Young | May 16-17 |
| 6. Catch-up Concepts Session for Artistic Directors | June 21 |
| 7. Planning Profile Breakouts, AAR | June 22 |
| 8. Planning Profile Breakouts, AAR | Sept 27 |
| 9. Growing Audiences Sounding with CT home team | Sept 27 |
| 10. Inaugural Green Room, “The Ask” | Oct 17 |
| 11. Financial Management Seminar, H. Young/Brown | Nov 3-4 |
| 12. Holiday Green Room, “Cultural Plurality, C. Smith | Dec 12 |

Upcoming Program 2006

- | | |
|---|--------------------|
| 1. Growing Audiences Plenary, AAR | Jan 10 |
| 2. Green Room, “Risk Management”, Ron Dembo | Feb 7 |
| 3. Mentorships/one-on-one counseling | Feb – Apr |
| 4. Workshop, “Exploring New Technologies”, K. Kimsa | Mar |
| 5. Green Room “The Ask for Board Members” | Apr |
| 5. Proposals/Selection for Re-grant Recipients | May – June (tent.) |

Core Outreach Companies

b current
Ballet Creole
Cahoots
CanAsian Dance Festival
Carlos Buluson
Centre for Indigenous Theatre
COBA
Crow's Theatre
Dance Immersion
Esmeralda Enrique Spanish Dance Co.
Fujiwara Dance Inventions
Hannaford Street Silver Band
inDANCE
Little Pear Garden Collective
Menaka Thakkar Dance Company
Modern Timers Stage Company
Muhtadi international Drumming Festival
Native Earth
Obsidian Theatre Company
Princess Productions
Theatre Asylum
Theatre Centre
Tribal Crackling Wind

Auditing Companies

Arraymusic
Dance Umbrella of Ontario
Mendelssohn Choir
TAPA
Toronto Asian Reel International Film Festival
Toronto Downtown Jazz Society

Synopsis

In February 2005, after a process of research and community consultation and with the approval of the Creative Trust Board, 30 arts companies were invited to join the Outreach Initiative. The companies were required to submit response sheets which, in turn, provided a valuable overview of the day-to-day operations of small, diverse and indie arts organizations in Toronto. With this input, we fine-tuned and activated our first round of programming.

Of the 30 music, dance, theatre and festival groups, 24 were able to commit to the full Outreach Initiative program. Six groups needed to withdraw due to out-of-town touring schedules, production dates or human resource limitations. These were Andrea Nann, Ensemble Noir, Music Africa, Sampradaya, Red Sky and Dub Poets Collective. In their place we invited the above Auditing Companies to join the process and we continue to welcome part-time and ad hoc participation by newcomers and any group we feel can benefit from the programming.

Achievements

Program Format: Outreach participants enjoy a mixed program with sessions specific to them as well as plenaries with Rounds One and Two companies. This provides an opportunity for Outreach companies to address their specific needs and learn from the broader community. Written feedback, taken from each session, is treated with respect and used to inform, adjust and enhance subsequent programming.

Participant Responsiveness: The attendance rate among participating companies has been very good with seasonal pressures and production deadlines accounting for occasional breaks. Most companies have ensured that a range of staff and board members participated or time-shared the sessions and have committed to home assignments with imagination and care. Participants continue to communicate well with Creative Trust staff, both formally and informally, and promote their upcoming productions and events consistently through our central e-mail system and website.

Lateral Exchange: Mixed sessions engender lateral communications among individual managers, artistic directors, board members and staff from companies in both the Outreach and Working Capital programs, encouraging creative and non-competitive exchange. This is especially important in an arts community where professionals within a general pool frequently ‘migrate’ from company to company as full-time, part-time or contracted staff. The same professionals also find themselves working within both small and mid-size companies and with budgets of varying sizes.

Tools and Skills Development: Creative Trust has clearly delineated its role in providing planning, management and financial support to the Outreach companies while respecting the autonomy of each company's artistic programming and cultural particularities. The AAR Concepts and Planning Profile assignments were inspirational in freeing language and thought, while the Financial sessions and Green Room presentations provided direct access to working knowledge by exceptional specialists and practitioners.

Continuity: The two-year program fills a gap often left by spot consultations or mentorships that do not track change or provide ongoing advice and support. The Outreach Initiative is helping to develop relationships among the participants and with the Creative Trust staff; participants are encouraged to call staff for help on an ad hoc as well as formal basis.

Challenges and Incentives: The upcoming grant allocations to a number of participants will further support the serious efforts of companies seeking sustainability and aspiring to growth.

Internal Evaluation

In the process of reviewing the program I noted certain patterns and identified those companies most active and those showing a degree of attrition or fall-off. In general the participation rate is higher than it first appeared, with seasonal pressures, grant-writing deadlines, production runs, etc. accounting for intermittent absenteeism in most cases.

In a few cases there appears to be a disengagement which stems either from internal difficulties facing a company or lack of conviction about the immediate benefits of our program. [Please see the attached spreadsheet for exact tracking of company participation on an event by event basis.]

In general I have grouped the companies into three clusters based on:

1. Attendance
2. Number of staff/board participating in the sessions
3. Quality of and commitment to home assignments
4. Overall communications with Creative Trust staff

This will be instructive when evaluating companies for grant eligibility and to remedy working relationships where they have fallen-off.

Submitted by

Rose Jacobson,

Outreach Initiative Coordinator

January 4, 2006

Announcement of Outreach Awards Program

Creative Trust is pleased to announce a program of financial awards, made possible by funding from the Department of Canadian Heritage, for members of its Outreach Initiative.

The awards will support activities or investments that contribute towards a participating company's long-term organizational stability and sustainability, as identified through participation in Creative Trust's Outreach Initiative.

These one-time only Awards will be to a maximum of \$10,000 each.

Eligibility

These awards acknowledge success and progress within the Outreach Initiative, and support activities that will help companies continue building their sustainability.

Applicant companies must meet the following eligibility criteria:

1. Be a member of the Creative Trust Outreach Initiative
2. Have demonstrated active participation by one or more artistic/production/management/board members in the activities of Creative Trust's Outreach Initiative
3. Have an excellent track-record of attendance at seminars, learning events and roundtables offered through the Outreach Initiative
4. Have completed a well-developed Planning Profile as a result of active participation in Creative Trust's Concepts and Context session

PLEASE NOTE: Because Creative Trust's Outreach Initiative is significantly funded by the Department of Canadian Heritage, organizations receiving a Canadian Arts and Heritage Sustainability Program (CAHSP) grant within the year April 1, 2006 to March 31, 2007, will not be eligible to receive an Outreach Initiative Award.

Application and Selection Process

A Call for Proposals will be issued in October. Companies intending to submit a proposal must speak to Creative Trust staff in advance of making their submission. Proposals will be assessed and the selection process completed in order for Creative Trust to be able to announce results by mid-December.

Proposals will be evaluated on the basis of:

1. Evidence of the company's commitment to its own sustainability through concrete goals and ideas
2. Compatibility of the proposed activities with the company's vision and goals as outlined in the Planning Profile
3. Merits and feasibility of the work plan

A detailed Awards Program Description and Application Form will be available through the Creative Trust office as of October 2. It will also be available online at www.creativetrust.ca. The deadline for applications will be November 3.

Creative Trust Outreach Awards Program Description and Application Form

Application Deadline: November 3, 2006

Creative Trust's Outreach Initiative has received generous support from the following:

Outreach Initiative Supporters

Department of Canadian Heritage
Ontario Trillium Foundation
Ontario Arts Council
TD Financial Group
The Harbinger Foundation
The Government of Ontario, through the Ministry of Culture
Laidlaw Foundation

Creative Trust Staff

Jini Stolk, Executive Director
Peter D.R. Brown, Program Development & Evaluation Director
Nello McDaniel and George Thorn, (Arts Action Research), Lead Technical Associates
Jane Marsland, Technical Assistance Director
Rose Jacobson, Outreach Coordinator
Shana Hillman, Administration & Program Coordinator

Board of Directors

Sandra Pitblado, *President*
Mallory Gilbert, *Treasurer*
Joan Bosworth
Derek Hayes
J. Brett Ledger
Frances Price
Suzanne Weiss

Advisory Council

Yvonne Chiu, C.M.
Robert Farquharson
Lynda Friendly
Claire Hopkinson
Peter Jeffery
Judy Matthews
John McKellar, C.M.
David Mirvish, C.M., O. Ont.
Nan Shuttleworth
David Silcox
Nalini Stewart, O. Ont.
Constance Wansbrough
Harriet Bunting Weld
Joyce Zemans, C.M.

THE OUTREACH INITIATIVE AWARDS PROGRAM DESCRIPTION AND APPLICATION FORM

IS ALSO AVAILABLE ONLINE AT WWW.CREATIVETRUST.CA

Creative Trust Outreach Initiative Awards Program Description

Creative Trust Outreach Initiative

Creative Trust's Working Capital for the Arts program was launched in 2003 to support and strengthen Toronto's mid-sized creation-based performing arts companies, by helping them strengthen their management skills, achieve financial balance, and acquire and maintain a fund of working capital. It combines an intensive working process in which 22 participating companies obtain technical assistance for strategic planning, financial management, fundraising and any other area of need, with matching deficit elimination grants and working capital awards.

The Outreach Initiative, launched in April 2005, expands the reach of Creative Trust's activities to include 30 small, indie and culturally diverse organizations, providing them with access to the learning and collaborative opportunities at the heart of *Working Capital for the Arts*. Performing arts companies with annual budgets under \$400,000 were selected based on their artistic vitality, community impact, efforts to develop and stimulate a diverse, engaged audience, and capacity to build their organizational skills, strength and sustainability.

Our purpose is to help these companies build strong and stable support systems through learning, sharing and exchange – a dynamic process that builds relationships and recognizes diverse cultural perspectives, methods, successes and challenges at every step of the way.

The goals of the Outreach Initiative are to:

- Help participating companies build artistically vital, financially balanced organizations
- Share the best practices and models developed in the *Working Capital for the Arts program* with a broad sector of the community
- Identify and share the leading innovative practices and models developed by small, indie and culturally diverse companies with the whole community
- Build the long-term health and sustainability of a group of companies essential to Toronto's cultural well being, and to the long term development of the arts in Ontario
- Contribute to developing a stronger, more vibrant arts community whose creative music, dance and theatre companies have the capacity to create, produce and present their work in a healthy and sustainable way

Outreach Initiative Awards Program

Creative Trust is offering a program of financial awards to members of its Outreach Initiative.

The awards will support activities or investments that contribute towards a company's long-term organizational stability and sustainability, as identified through participation in Creative Trust's Outreach Initiative.

These one-time only Awards will acknowledge success and progress of recipients within the Outreach Initiative, and support activities that will help companies continue to build their sustainability. Awards made will be to a maximum of \$10,000 each.

Eligibility

Companies applying to the program must meet the following eligibility criteria:

1. Be a member of the Creative Trust Outreach Initiative, having received and accepted an invitation to participate.
2. Have demonstrated active participation by one or more company members (artistic, production, administrative, or board) in the activities of Creative Trust's Outreach Initiative.
3. Have an excellent track-record of attendance at seminars, learning events and roundtables offered through the Outreach Initiative.
4. Have completed a well-developed Planning Profile as a result of active participation in Creative Trust's Outreach Initiative *Mission and Mandate Roundtables*.

Because the Outreach Initiative is significantly funded by the Department of Canadian Heritage, companies that have received a Canadian Arts and Heritage Sustainability Program (CAHSP) grant for the year 2006/07 will not be eligible to receive a Creative Trust Outreach Initiative Award.

Application Process

Applicants who meet the eligibility criteria and intend to submit a proposal must speak to Creative Trust staff in advance of making their submission.

Completed applications must be postmarked no later than November 3, 2006

Examples of activities that support sustainability (proposals may include more than one)

- Purchase of software or equipment which create efficiencies, support human resources and professionalize systems, documents and record-keeping
- Creation of fund-raising resources e.g. a new sponsorship cultivation kit that can be modified and updated over time to be used in corporate and foundation fundraising and/or individual giving campaigns
- Acquisition of essential properties or tools used on an ongoing basis in production or for documentation of productions
- Acquisition of permanent training resources, tools and properties for ongoing use by companies with a training program
- A retreat for staff and board to problem-solve and contemporize strategic plans
- Creation of transition and succession tools
- Travel to bring in essential management expertise unavailable locally but essential to long-term viability of the company
- Travel by a company member to acquire essential management expertise outside Toronto/Ontario
- Creation of electronic, image and material archives of the company's work to help build new support and create a legacy
- Acquisition of in-house health or safety tools
- Other activities identified by the organization applying for funding

Examples of activities that are not eligible

- Staff or artist fees
- One-time campaigns or events
- Outstanding payments or debts

- Production or marketing costs

Selection Process

Applications will be assessed and reviewed by a selection committee made up of Creative Trust staff, board and one outside assessor.

Proposals will be evaluated on the basis of

1. Evidence of the company's commitment to its own sustainability through concrete goals and ideas
2. Compatibility of the proposed activities with the company's vision and goals as outlined in the Planning Profile
3. Merits and feasibility of the work plan

The committee will consider all applications, rank eligible applicants based on the criteria above, and make recommendations of Award recipients and amounts to Creative Trust's Board of Directors. The Board of Directors' decision will be final.

Feedback from the selection committee will be available to applicants following the announcement of Award recipients.

Announcement and Awards Payment

Proposals will be assessed and the selection process completed in order to be able to announce results by

mid-December.

Payment of 90% of approved Awards amounts will be made by year-end 2006 (December 31st, 2006).

Award recipients will be required to submit a Final Report, to include samples and/or evidence of the completion of the work for which the Award was received, and the results and benefits of the Award.

Payment of the final 10% of approved Awards will be contingent upon receipt of the Final Report (due within one year following grant receipt.)

**Creative Trust
Outreach Initiative Awards
APPLICATION FORM**

1. CONTACT INFORMATION

Name of organization: _____

Name and title of main contact: _____

Address: _____

Telephone: _____ Fax: _____ Email: _____ Website: _____

Complete, as applicable:

Artistic Director: _____

Manager/Administrator/Producer: _____

Board President: _____

2. ORGANIZATIONAL INFORMATION

Date of incorporation: _____ Registered non-profit?: _____ Collective?: _____

How long has your organization been in operation? _____

Registered Charity Business Number, if applicable: _____

Please provide numbers of paid staff.

Title (s)

Full-time year-round

Part-time year-round

Full-time seasonal

Part-time seasonal

Contract (non-performing artists)

How many volunteers (excluding Board members) were engaged in your organization in the last 12 months?

How many volunteer hours were provided? _____

What activities did your volunteers undertake? _____

3. BOARD OF DIRECTORS

According to your by-laws, what is the authorized size of your Board? _____

How many Board positions are presently filled? _____

Please attach a list of your Board members and officers

(If a Collective, please attach a list of Collective members.)

4. FINANCIAL INFORMATION

Please attach a copy of your latest (audited, if possible) year-end financial statements.

5. PROJECT DESCRIPTION AND BUDGET

Please attach a brief description (no more than 2 pages) of the project, activities, acquisitions, and/or combination you wish to undertake with the assistance of an Outreach Initiative Award, including answers to the following:

- What needs, as outlined in your company's Outreach Initiative Planning Profile, does this project address?
- In what way is this project likely to make your organization more stable or sustainable?

Attach a one-page budget showing expenses to be incurred in the above project. The Creative Trust Outreach Initiative Award may be used to cover up to 100% of project costs. Please indicate any additional sources of revenue (projected or actual) if you plan to supplement Creative Trust funds with other monies to cover some of the proposed costs.

Please attach a copy of your Planning Profile, as completed and revised for Creative Trust's *Mission and Mandate Roundtables*. (If you have continued to work on your Profile since then, please note that and enclose the most up-to-date version).

6. BOARD (COLLECTIVE) RESOLUTION

Please attach a copy of a board (or collective) resolution supporting this application and committing to fulfill the requirements of the Creative Trust Outreach Initiative Awards program, as described in the Program Description.

7. AUTHORIZATION

We confirm that the information contained in and attached to this application is accurate to the best of our knowledge. If our organization is awarded a Creative Trust Outreach Initiative Award, we agree to undertake and complete the project described in this application.

President (if applicable)

Artistic Director or Programming Head

General Manager/Administrator/Producer

Date:

Date:

Date

Application Checklist:

- A copy of this Application Form, signed
- A list of your Board members and officers (if a Collective, a list of Collective members)
- Most recent Annual Financial Statements (audited, if possible)
- A description (no more than 2 pages) of the project, activities, acquisitions, and/or combination you wish to undertake
- A one-page project budget
- A copy of your Planning Profile
- A copy of a Board (or Collective) resolution supporting this application

Outreach Awards Policy and Procedures

Revised November 21, 2006

Admission Process

Applications to the Creative Trust: Outreach Initiative Awards program will be vetted first for eligibility and completeness by Creative Trust staff.

Application forms and support materials will comprise the materials presented to the Admission Committee members for their consideration.

The Outreach Awards Committee's recommendations will be presented to the Creative Trust board of directors. The board of directors will make the final decision on the awards.

Mandate of Awards Committee

The Outreach Awards Committee is mandated to consider applications and support materials.

The Outreach Grant Committee will consist of 4 members including a voting chair, chosen by virtue of their experience and expertise. A recording secretary will be present at the meeting of the committee.

The committee will be made up of arts professionals and community representatives not eligible for funding under the program.

Committee members who are not paid staff or consultants to Creative Trust will be paid a \$250 honorarium for their reading and meeting participation for each round of applications considered.

Committee make-up:

Chair: Jini Stolk

Members: Mallory Gilbert, Rose Jacobson, Helen Yung

Preparation for Committee Meeting

Staff will provide committee members with program information, application guidelines (which include the program assessment criteria) and any other relevant material. These should be reviewed prior to the admission committee meeting.

When an application is received at Creative Trust, relevant staff members review it for completeness and eligibility. All application materials are then photocopied and sent to the members of the committee, for review in advance of the meeting.

Participating in Committee Meetings

When the committee convenes to discuss the relative merits of the applications, their discussions are chaired by the Committee chair and recorded by the recording secretary.

Committee members evaluate each application against the published program objectives and assessment criteria, and any relevant Creative Trust principles and policies.

Committee members discuss each application, and rank the applications in priority order. The chair of the committee ensures clarity in all decisions and recommendations, which are recorded by the recording secretary.

Committee members are then asked to sign a document confirming that the records accurately reflect their decisions. These documents are official records that attest to the legitimacy of the committee process.

Confidentiality of Information

Admission committee members are required to keep both the contents of applications that they review and the deliberations of the committee confidential.

Staff members are required to keep their written assessments and reports confidential.

The names of the committee members who assess applications for admission are available to candidates, on written request, once the results have been released.

If the committee asks to have comments about a specific application conveyed to an applicant, they are included in the notification letter. In keeping with the confidentiality of information policy, the comments are not attributed to individual committee members.

The admission committee books (the photocopies of the applications that are sent to committee members before the meeting) are the property of Creative Trust and committee members cannot take the applications away after the committee meeting. These books are shredded immediately after the meeting.

Conflict of Interest

To preserve confidence in the integrity and impartiality of the process, committee members must avoid any actual or perceived conflict of interest.

Creative Trust admission committees will include working arts professionals. They may, therefore, have some connection with an applicant whose submission they have been asked to consider. An admission committee member would, however, be in a conflict of interest situation if assessing an application from a full-time employer, a client or an organization of which he or she is a board member.

Similarly, the committee member has a conflict of interest if assessing an application where:

- He or she has a direct financial interest in the success or failure of an application
- The applicant is a spouse/partner or immediate family member of the committee member
- A spouse/partner or immediate family member is a senior staff member, contractor or board member of the applicant organization, or for whom they serve as a consultant in strategic or financial planning
- A committee member judges he or she is unable, for any other reason, to assess the application objectively

Conflict of interest disclosures will be made in writing, using a standard form. These disclosures are kept on file and maintained as an official record of Creative Trust.

Committee members who have a conflict of interest must remove themselves from the room before the application in question is discussed, as well as when final evaluation and ranking takes place.

All committee members must complete the disclosure form, even if they have nothing to disclose, to indicate that they have considered the situation. These documents are official records that attest to the legitimacy of the committee process.

Clarifying Roles and Responsibilities

Outreach Initiative Award Committee Members

Information included in applicants' files is confidential, and committee members must not divulge or discuss such information outside the committee meeting. Further, they may not divulge any information about individual applications, admission recommendations, comments made by other committee members or

whether an organization has applied for a grant. Committee members are permitted to discuss only the mechanics of the process outside the meeting.

Committee members are expected to make every possible effort to maintain the integrity of the process, which includes:

- Reviewing all applications and accompanying material sent to them prior to the meeting
- Working together with other committee members to assess applications in a spirit of collaboration, which includes permitting all members to express their views
- Declaring any conflict of interest and following Creative Trust's conflict of interest procedures
- Making decisions on each eligible application submitted to the competition and signing the required documents to confirm the committee's recommendations
- Respecting the confidential nature of their work

Chair

The chair is essential to the function of the Outreach Grant Committee evaluations; the chair's responsibilities include:

- Chairing the committee meetings, which includes ensuring that each member has the opportunity to express his or her opinions, keeping communication flowing openly, ensuring that all applications are treated equitably, and moving the committee members through the various phases of the assessment process
- Ensuring that the conflict of interest guidelines are followed
- Briefing committee members on their responsibilities, Creative Trust's principles and policies, program objectives and application guidelines (the guidelines include the assessment criteria)
- Recording the committee's decisions and recommendations
- Communicating the results to all applicants

Sample Letter: Approved Outreach Award

December 7, 2006

Dear _____,

On behalf of the Board of Directors of Creative Trust I am pleased to announce that (*Name of Organization*) has been recommended and approved for an Outreach Award in the amount of \$8,500.

The Selection Committee carefully reviewed each submission to determine those organizations which met the eligibility criteria and presented clear, feasible proposals, compatible with the company's vision, planning profile and self-identified needs.

Enclosed is a cheque representing 90% of your Award. The remaining 10% will be released upon receipt of a 2-page final report explaining how the money was spent and the results of the funded activities. While a project deadline was not set, we expect to receive your report no later than December 31st, 2007.

If you have any question please don't hesitate to call. We wish you the very best for a happy, creative holiday season.

Yours,

Jini Stolk

Executive Director

Awards Granted to Ten Member Companies in Creative Trust's Outreach Program

January 3, 2007

For immediate release

Creative Trust is delighted to announce that ten member companies within its Outreach Initiative will receive one-time financial awards to support activities and/or investments that contribute towards their long-term stability and sustainability. The recipients are: **Centre for Indigenous Theatre (C.I.T.); Clay & Paper Theatre; Esmeralda Enrique Spanish Dance; Fujiwara Dance; Ballet Creole; Little Pear Garden Collective; Native Earth Performing Arts (NEPA); Theatre Centre; Cahoots Theatre Projects and Carlos Bulosan Theatre.**

In addition to clear and feasible proposals, successful applicants demonstrated regular participation in the activities of the Outreach Initiative, excellent attendance at seminars, learning events and roundtables and well-developed Planning Profiles which grew out of participation in our *Missions and Mandate Roundtables*. Proposals were carefully evaluated and selected by a Committee comprised of Mallory Gilbert, Jini Stolk, Rose Jacobson and Helen Yung. All acquisitions and work plans are expected to conclude no later than December 31st, 2007.

The Awards, to a maximum of \$10,000 per company, acknowledge the success and progress of the recipients and will support such diverse activities as purchase of software or equipment that create efficiencies, support human resources and professionalize systems, or fund-raising, governance, management and archival tools and workplans that foster organizational continuity, expertise, safety and long-term viability. The Awards were made possible through the generous support of the Department of Canadian Heritage's Equity Program.

The Outreach Initiative, launched in April 2005, expanded the reach of Creative Trust’s activities to include 30 small, indie and culturally diverse organizations, providing them with access to the learning and collaborative opportunities at the heart of *Working Capital for the Arts*. Performing arts companies with annual budgets under \$400,000 were selected based on their artistic vitality, community impact, efforts to develop and stimulate a diverse, engaged audience, and capacity to build their organizational skills, strength and sustainability.

Our purpose is to help these companies build strong and stable support systems through learning, sharing and exchange – a dynamic process that builds relationships and recognizes diverse cultural perspectives, methods, successes and challenges at every step of the way.

-30-

Outreach Program Renewal Update

June 15th, 2007

Dear Colleagues and Friends,

In the spirit of spring and renewal, we're delighted to report that our Outreach Initiative was one of the projects chosen by the Toronto Community Foundation's Vital Ideas jury, enabling us to continue our program for another cycle.

This allows us to reconnect with you – both our active members and some who have been unable to participate fully for various reasons. We want to hear from all of you, to find out what you need most and to respond with training and networking opportunities that are relevant and valuable to you. We will also be inviting a number of up and coming new companies to join the program this year.

So, we need a confirmation of *your* commitment as well. This will tell us that you value the program and are ready to participate fully and with gusto. Each company's active engagement fuels the sessions and regular attendance enhances the group dynamic. We all know that shared experience most definitely elevates the learning process. If you are not able to make that commitment we need to know.

Nello McDaniels, our Lead Technical Associate, (Arts Action Research/AAR) will be in Toronto in October to lead a number of dynamic new sessions, as well as repeat some of our roundtables on Concepts, Planning and Growing Audiences. With your input he will be able to tailor his sessions to meet the needs of those companies already in-process and companies new to AAR's core values and tools.

I am always pleased to hear from you and available for conversation, information and exchange during business hours. As you know Administrator extraordinaire Shana Hillman and Executive Director Jini Stolk are equally accessible at the CT office for consultation, general information and access to other Outreach Initiative members.

Please take a few minute to read the brief questionnaire below and return it by June 30th. Wishing you a great spring and success in all your current artistic endeavors. On behalf of the team,

Yours,

Rose Jacobson

Outreach Coordinator

FORWARD PLANNING POLL:

Q: Is cultural diversity an interest and/or issue for your company? Are we giving it enough attention in our sessions?

Q: Are there management, financial or cultural issues you would like to see explored within that context? If yes, please explain briefly.

Q: Are there any guest speakers or topics at the top of your ‘Wish-List’?

Q: Would you like to host any of this year’s sessions at your venue or in a shared space with other Outreach Initiative Companies?

CONFIRMATION OF COMMITMENT:

Company Name: _____

would like to remain/ become an active member of Creative Trust’s Outreach Initiative and is committed to enabling the appropriate staff and/ or board representative (s) to attend and participate in the program’s sessions and activities.

signature

position/title

OR

WITHDRAWAL FROM OUTREACH INITIATIVE:

Company Name _____

is unable to continue in the Outreach Initiative Programme.

signature

position/title

REASONS: Please explain briefly your reasons for withdrawing from the program; i.e. due to the company's schedule or activities, such as touring, staffing, etc. or due to the Outreach Initiative's programming and/or requirements.

Your answers will be held in confidence and in no way jeopardize your relations with Creative Trust.

TENTATIVE SCHEDULE OF EVENTS 2007/2008

August /September	Web Usability One-on-One Clinics with Glenn Teneycke
August/September	<i>Tech Talk: Blogs</i>
September	Volunteer Legal Service Workshop on Employment Law and Board Liability
September	Green Room series <i>Greening the Theatre: From Venues to Activities</i> with guests from Green Enterprise Toronto and the Conservation Council of Ontario.
October	GST Work Group with Heather C. Young
October	<i>Tech Talk: Podcasts</i>
October	AAR visit Planning Roundtable for Outreach Companies <i>Leading Arts Boards</i> Roundtable for Outreach Companies
November	Green Room series <i>Understanding the Corporate Mindset</i> corporate stewardship session with Scott Mullen from TD Bank and others
November/December	Day-long Marketing Workshop

February 2008	AAR visit (tentative) Repeat key roundtables and learning sessions for 15 new companies as well as any companies that wish to repeat the sessions and refresh themselves or staff: Key Components for Organizational Health + Leading Arts Boards + Planning
March 2008	Repeat of key learning session <i>Growing Audiences</i>

Sessions to be confirmed:

- Financial Planning session: use of reserve funds with Peter Brown and Heather C. Young
- *Community Strategies for Growing Audiences* roundtable discussion

Outreach Initiative Participating Members

b current
 Ballet Creole
 Cahoots Bulosan Culture Workshop
 CanAsian Dance Festival
 The Centre for Indigenous Theatre
 Clay and Paper Theatre
 COBA Collective of Black Artists
 Crow's Theatre
 Dance Immersion
 Ensemble Noir
 Esmeralda Enrique Spanish Dance
 Fujiwara Dance Inventions
 Hannaford Street Silver Band
 inDANCE (Hari Krishnan)
 Little Pear Garden Collective
 Menaka Thakkar Dance Company
 Modern Times Stage Company
 Muhtadi International Drumming Festival
 Native Earth Performing Arts
 Obsidian Theatre Company
 Princess Productions (Yvonne Ng)
 The Theatre Centre
 Theatre Smith Gilmour