

# Arts Leverage Fund

## Matched Funding Program

### Frequently Asked Questions

Please read this document in conjunction with the Arts Leverage Fund (ALF) Guidelines and Arts Investment – Important Information for Applicants available on the Arts Queensland website.

#### **1. About the Arts Leverage Fund**

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##### **What is the Arts Leverage Fund?**

The Arts Leverage Fund (ALF) is a three-year rolling fund that incentivises the growth of private sector support. The fund doubles the impact of investment by matching eligible cash sponsorship and philanthropy dollar for dollar until a capped ceiling is reached.

The fund strengthens the viability of arts and cultural organisations by driving the development of new relationships with the private sector and builds awareness of the benefits of business and philanthropic communities investing in arts and culture.

##### **What is the amount of funding for the Arts Leverage Fund?**

Funding for the program is \$4.5 million over 3 calendar years 2015 to 2017. Funding will be spread across the three years. When available funds are fully committed no further applications will be processed that year.

##### **How does the Arts Leverage Fund work?**

The Arts Leverage Fund matches cash philanthropy and sponsorship dollar for dollar up to a set maximum amount after an arts organisation achieves a pre-approved “performance baseline” for fundraising.

##### **How is the performance baseline for fundraising calculated?**

Individual performance baselines and maximum amounts (ceilings) for matched funding for each arts organisation are determined in consultation with the applicant’s Arts Queensland (AQ) Client Manager as part of the pre-approval process.

The baseline is developed from an average of the previous 2 years’ fundraising performance (2012 and 2013) as per the arts organisation’s audited financial statements. The matched funds will be applied up to \$40,000 or a maximum 40% increase on the baseline fundraising performance, whichever is higher or advised by Arts Queensland. Revised targets will be set annually.

## **What is the maximum amount of funding I can apply for?**

In a given year, arts organisations have the choice of applying to receive up to \$40,000 in matched funds, or a 40% increase above their baseline fundraising performance, whichever is the higher amount or advised by Arts Queensland.

## **2. Eligibility for the Arts Leverage Fund**

### **Who can apply?**

The Fund is open to arts organisations that have received AQ Funding from 1 July 2013 through the Projects and Programs Fund, the Organisations Fund or are recognised as Major Performing Arts Organisations by the State and Federal Governments. All applicants must also be Queensland-based legally constituted not-for-profit arts and cultural organisations with at least two years of audited financial statements.

Please refer to the ALF guidelines for further details on eligible applicants.

### **How will I know if I'm eligible?**

Once you have initiated the pre-approval process with your AQ Client Manager, you will be notified in writing of your eligibility to the program. Your pre-approval letter will also include confirmation of your performance baseline fundraising amount and the maximum amount (ceiling) for matched funding.

## **3. Applying to the Arts Leverage Fund**

### **When does the program open to applications?**

Applicants need pre-approval for eligibility to access the Arts Leverage Fund before applying.

### **What are the closing dates?**

ALF is a rolling fund; there are no closing dates for applications. You can apply for funding at any time as long as you have received confirmation in writing of your pre-approval and there are sufficient funds available.

### **What is the application process?**

Applicants must seek pre-approval via their AQ Client Manager. Pre-approved applicants must complete an ALF application form. Please refer to the timeframes in the ALF guidelines for further details.

### **How do I apply for pre-approval?**

Applicants should contact their AQ Client Manager who will facilitate an estimate of the baseline and ceiling fundraising amounts.

Download the following documents from Arts Queensland's website to assist in your application for pre-approval:

- Arts Leverage Fund Guidelines
- Arts Leverage Fund Application Form
- FAQs (this document)

**When will I find out if my pre-approval application has been successful and how much my baseline and maximum funding raising amounts are?**

Following your discussions with your AQ Client Manager, you will receive a pre-approval letter within 4 weeks of your initiation of pre-approval. This letter will contain your performance baseline and the maximum (ceiling) fundraising amounts.

**How do I apply for ALF matched funding?**

When your pre-approval has been confirmed in writing and you have completed your fundraising and received your private sector funds, complete and lodge the ALF application form as per instructions.

**What documentation is required to show proof of funds?**

Arts Queensland requires applicants to verify project funds raised via confirmed signed pledges for approved projects from donors or written and signed sponsorship agreements as well as bank statements confirming deposit of funds to your organisation's account.

**Can I apply online?**

Once Pre-Approved, you may apply online by first contacting Arts Queensland.

You can also download the application form from the Arts Queensland website, complete and email back.

**How do I know if Arts Queensland has received my Arts Leverage Fund application?**

Arts Queensland will send you an acknowledgement letter confirming receipt of your application within 10 days of submitting your application.

**When will I find out if my Arts Leverage Fund application has been successful?**

You will be notified of the outcome by email within 8 weeks of receipt of your matched funding application.

**If I am successful, is there a contract to be signed?**

Yes, all applicants successful in securing matched funding through the Arts Leverage Fund will be required to complete and sign a formal Certificate for Matching Subsidy with Arts Queensland.

**If I am successful, when will I receive the funds?**

Funds will be released within 6-8 weeks from the return of the signed Certificate with all required documentation including Tax Invoice and Electronic Funds Transfer (EFT) form.

**How long do we have to expend the matched funds from Arts Queensland?**

Funds can be expended at the discretion of the recipient.

**How many times can I apply to the Arts Leverage Fund?**

Applicants may apply a maximum of two times (in two consecutive years) over the three calendar years of the fund, ie 2014 and 2015, or 2015 and 2016.

### **Who can I contact to assist me with my application?**

Applicants should contact their AQ client manager in the first instance. For applicants without a client manager and for general enquiries, please contact AQ to speak to an Arts Development Officer. Contact details are at the end of this document.

### **Who can assist with sponsorship and philanthropy advice?**

For general information about philanthropy and business partnerships, please visit [www.creativepartnershipsaustralia.org.au](http://www.creativepartnershipsaustralia.org.au) for the Queensland Creative Partnerships Australia office contact details.

## **4. Fundraising**

### **Who can support my organisation or project?**

The Arts Leverage Fund requires applicants to obtain new funding as cash partnerships and donations.

Funds can come from:

- business sponsorships or partnerships with incorporated for-profit businesses, not-for-profit organisations, and universities.
- private giving
- fundraising events and campaigns
- trusts and foundations

This program excludes in-kind or contra partnerships or donations, bequests and loans, and any form of local, state or federal government grants or funding.

### **Can my Board or employees of my organisation donate to our giving campaign?**

Yes anyone from the private sector can fund your project.

### **What if my donors/partners want to know more about the program?**

If potential donors or partners wish to know more about the ALF, they can contact Arts Queensland on the contact details provided at the end of this document.

### **Can the private sector contribution include existing or past funds?**

Donations and funds for the approved project must be received after 1 January 2014. For more information about approved funds, please contact your AQ Client Manager.

### **What about long term partnerships – can they receive matched funds?**

Long term partnerships are often sponsorships that have developed over time to a mutually beneficial relationship between the two organisations. While pre-existing partnerships with sponsors (prior to 1 January 2014) are eligible, the matched funds can only be applied to the portion of the funding that represents new growth that builds on the partnership (from 1 January 2014).

**Can we start raising funds before confirmation of our pre-approval?**

You can begin fundraising anytime however, if pre-approval is not supported by AQ, the project will not be eligible for matched funding.

**What if part of my sponsorship or donation is cash and part is in-kind?**

Partnerships or donations which are solely in-kind or contra arrangements are not eligible. The Arts Leverage Fund will only match the cash contribution from a business partner or donor.

**Why do I need detailed audited statements?**

Audited financial statements for the previous two years are compulsory support material to your application. The audited financial statements provide evidence of your past fundraising performance, and must clearly breakdown cash and in-kind contributions. If sponsorship and fundraising is audited as a total figure that includes in-kind, it will be up to you to seek a letter from your auditor specifically breaking down these figures.

**What can the matched funding received be used for?**

There is no stipulation as to how the matched funding be applied to your organisation's operations. The ALF application form asks you to explain what priority areas that the funds will be applied to – Quality, Reach, Impact and Viability. For example, the matched funds could be applied directly towards a new project, strengthening organisational governance, development of a new work, organisational financial sustainability or developing new audiences and new markets.

**Can Arts Queensland help me find potential sponsors and donors?**

AQ can advise on strategies to identify potential sponsors and donors but cannot “find” these partners for you as we do not broker individual arts-business relationships. Creative Partnerships Australia can provide advice on securing business partnerships and philanthropy.

**Where can I go to find out more about business partnerships and philanthropy?**

The following organisations can also provide useful information and resources:

- Creative Partnerships Australia – [www.creativepartnershipsaustralia.org.au](http://www.creativepartnershipsaustralia.org.au)
- Australian Sponsorship News – [www.sponsorshipnews.com.au](http://www.sponsorshipnews.com.au)
- Philanthropy Australia – [www.philanthropy.org.au](http://www.philanthropy.org.au)
- Fundraising Institute of Australia – [www.fia.org.au](http://www.fia.org.au)

## **5. Definitions**

Definitions of key terms are below. For more information, please refer to the Arts Queenslander.

**What do we mean by arts?**

For the purposes of the matched funding program, the arts are defined as the creative disciplines of visual art, craft, writing, design, theatre, dance, music, and the organisations which develop, distribute, support, promote and conserve them, including production companies, festivals, museums, galleries and theatres as listed in the AFAQ glossary ([www.arts.qld.gov.au/blog/index.php/about/glossary](http://www.arts.qld.gov.au/blog/index.php/about/glossary)).

## **Sponsorship**

A sponsorship is defined as the payment to an arts or cultural organisation by a business in exchange for agreed benefits such as promotion of the business' name, its products or services. Sponsorship is typically part of a business' general marketing expenditure. It can include a sense of corporate social responsibility (CSR) or staff development. Sponsorship implies a two way relationship – tangible benefits are exchanged for mutual advantage. Partnerships often begin as a sponsorship arrangement but then deepen over time. The strongest partnerships are characterised by a sense of “shared value” and a long-term commitment.

## **Philanthropy**

Philanthropy or donations are gifts made with no expectation of a tangible benefit or return for the donor. Donations may come from individuals, families, and companies or as grants from trusts and foundations. A gift is defined as arising from ‘benefaction’ so a donor cannot receive any tangible benefit in return for their gift other than to claim or receive a tax deduction. Acknowledgement on your website, newsletter or a donors’ board is not regarded by the Australian Tax Office as a tangible or material benefit and is acceptable.

### **What do you mean by costs of servicing the sponsorship?**

Sponsorship servicing is the activities undertaken by the arts organisation to ensure their sponsor achieves their objectives. Some sponsorship arrangements require servicing that incurs expenses such as hospitality, catering and entertainment. These expenses will not usually form part of the value of the sponsorship for matched funding purposes. It is recommended that you discuss your proposal with your AQ client manager.

## **6. Contact Details**

### **AQ contact details:**

- Website: [www.arts.qld.gov.au](http://www.arts.qld.gov.au)
- Telephone (07) 3034 4016
- Toll Free (outside Brisbane) 1800 175 531
- Email: [investment@arts.qld.gov.au](mailto:investment@arts.qld.gov.au)

### **Other useful contacts:**

- Creative Partnerships Australia – [www.creativepartnershipsaustralia.org.au](http://www.creativepartnershipsaustralia.org.au)
- Australian Sponsorship News – [www.sponsorshipnews.com.au](http://www.sponsorshipnews.com.au)
- Philanthropy Australia – [www.philanthropy.org.au](http://www.philanthropy.org.au)
- Fundraising Institute of Australia – [www.fia.org.au](http://www.fia.org.au)