



## Arts Building Operating Program Frequently Asked Questions

### **Q) Why is Eligible Space defined in such detail?**

A) Eligible space is defined in detail to help applicants understand what parts of their facilities qualify for support. Facilities are extremely varied and some of them have multiple uses. This program only supports the space directly used for publicly accessible arts activity.

### **Q) Why are spaces like restaurants or studios not eligible space?**

A) If the facility rents out space to a restaurant, or anyone else, then that space is not integral to the public access or the arts programming of the applicant organization. This program will not support the organization's role as a landlord.

### **Q) Why is only the interest on the mortgage an eligible expense? Shouldn't it be the entire mortgage payment?**

A) This program will not support capital expenses, such as purchasing a building. Mortgage payments include both interest costs and principle re-payment. Since principle re-payment is a capital expense that goes directly to the organization's investment in the facility, it is not eligible.

### **Q) Why is there no financial form to fill in?**

A) Rather than providing a standard form that may not address every applicant's needs, we require applicants to provide facility information in their own annual financial statements.

### **Q) The guidelines require a detailed schedule of facility operating expenses. What does that mean?**

A) Non-profit societies must generate annual financial statements to provide to funders, registries and the membership. Those financial statements often include schedules of specific activity, in this case, about costs associated with a facility.

### **Q) Why do you need this schedule?**

A) We need this schedule to ensure that the financial data provided by the applicants is as accurate as possible. That data not only directly informs the grant calculations but also allows the EAC to gather statistics.

If your official annual financial statements do not include a schedule of facility operating expenses, you may have an external accountant provide an audited or reviewed supplementary schedule.

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**Q) What does a financial schedule look like? Do you provide a sample?**

A) Each applicant will have their own needs for financial schedules, and other funders may already have imposed a format. This question is best addressed in conjunction with your bookkeeper and accountant.

The following are suggested categories, but this is not a required, exclusive nor exhaustive list. These categories are not all eligible for this grant, but do provide an overall view of the costs associated with a facility. The schedule should not overlap costs directly associated with programming.

- Rent or lease/mortgage payments
- Insurance
- Utilities costs
  - o light and power
  - o interior heating
  - o other
- Regular cleaning
  - o janitorial service
  - o supplies
  - o snow removal
  - o other
- Other (irregular) cleaning
  - o carpets
  - o walls
  - o other
- Repairs and maintenance
  - o interior public space
  - o exterior
  - o other
- Building personnel salary
  - o management
  - o maintenance
- Security costs
  - o personnel
  - o alarm service (including telephone)

**Q) What if my financial schedule does not fully reflect the eligible expenses for this program?**

A) The application includes an opportunity to submit budget notes that explain any differences between your financial schedule and the eligible expenses for this program. Any reasonable explanation or adjustment will be considered in context.

**Q) Will this financial statement impact my other grant applications?**

A) Possibly. If an organization applies for support from more than one Edmonton Arts Council operating grant, expenses supported in one program should not be duplicated in another.